



## **Report of the 37th round of negotiations of the Trade Part of the Association Agreement between the European Union and Mercosur**

Montevideo, 10 – 13 December 2018

The 37th negotiation round of the Trade Part of the EU-Mercosur Association Agreement took place from 10 to 13 December in Montevideo, Uruguay at experts and at chief negotiators level.

Negotiations covered the following areas: (1) Trade in Goods; (2) Wines and Spirits; (3) Rules of Origin; (4) Government Procurement; (5) Intellectual Property (including Geographical Indications), (6) State-owned enterprises and (7) Subsidies.

Below is a summary of the discussions.

### **1. Trade in Goods**

The Parties discussed open provisions of the text, in particular as regards export taxes and import and export monopolies.

### **2. Wines and spirits annex**

The Parties continued work on the draft text on wines and spirits with the aim of establishing a set of comprehensive rules to facilitate trade. Items addressed include provisions on winemaking practices and labelling issues, notably the use of EU traditional terms.

### **3. Rules of Origin**

On rules of origin, the discussions focused on the outstanding product specific rules for some sectors, including on the machinery sector and some agricultural products. Parties provided further technical explanations supporting their positions and explored options to bridge the differences.

### **4. Government Procurement**

The EU and Mercosur continued discussions and explored options on how to agree on the outstanding market access issues.

### **5. Intellectual Property (including GIs)**

The Parties revisited parts of the IPR chapter and discussed a number of outstanding issues particularly in the sections relating to General Provisions and Principles, Copyright and Civil Enforcement of Intellectual Property Rights (including border measures). The Parties discussed and explored possible

solutions in these sections. The Parties agreed to continue internal work and to revisit these issues in the next round. The Parties also discussed issues related to the protection of EU and Mercosur geographical indications. Work continued on textual provisions related to the protection of geographical indications and the Parties also proceeded to a further review of conflicts identified in the EU list of geographical indications.

#### **6. State-owned enterprises**

The Parties continued discussions regarding the chapter on State-owned enterprises on the basis of the latest joint text. Further work is required to clarify the remaining issues.

#### **7. Subsidies**

Exchanges on subsidies continued but given the gap as regards the scope of subsidies covered, the Parties agreed that work needs to continue.