

EU-Mercosur trade agreement Benefits for business from 1 May 2026

Q2 2026

DG Trade & Economic Security



Context and background

How we got here



Mercosur in numbers



Argentina, Brazil, Paraguay, Uruguay*

- Population of **270+ million**
- Annual GDP: **€2.9 tn** (5th biggest economy outside the EU).
- EU goods **exports: €53 bn**, imports: **€57 bn** (2024).
- EU services **exports: €28.5 bn**, imports: **€13.1 bn** (2023).
- The EU is Mercosur's 2nd biggest trading partner.
- Mercosur is the EU's 9th biggest trading partner
- **€385 bn** EU investment stocks in Mercosur (2023).

*Fifth MERCOSUR member Venezuela is not a signatory.

EU-Mercosur – timeline



Start of negotiations

1999

Political agreement

December 2024

Signature

January 2026

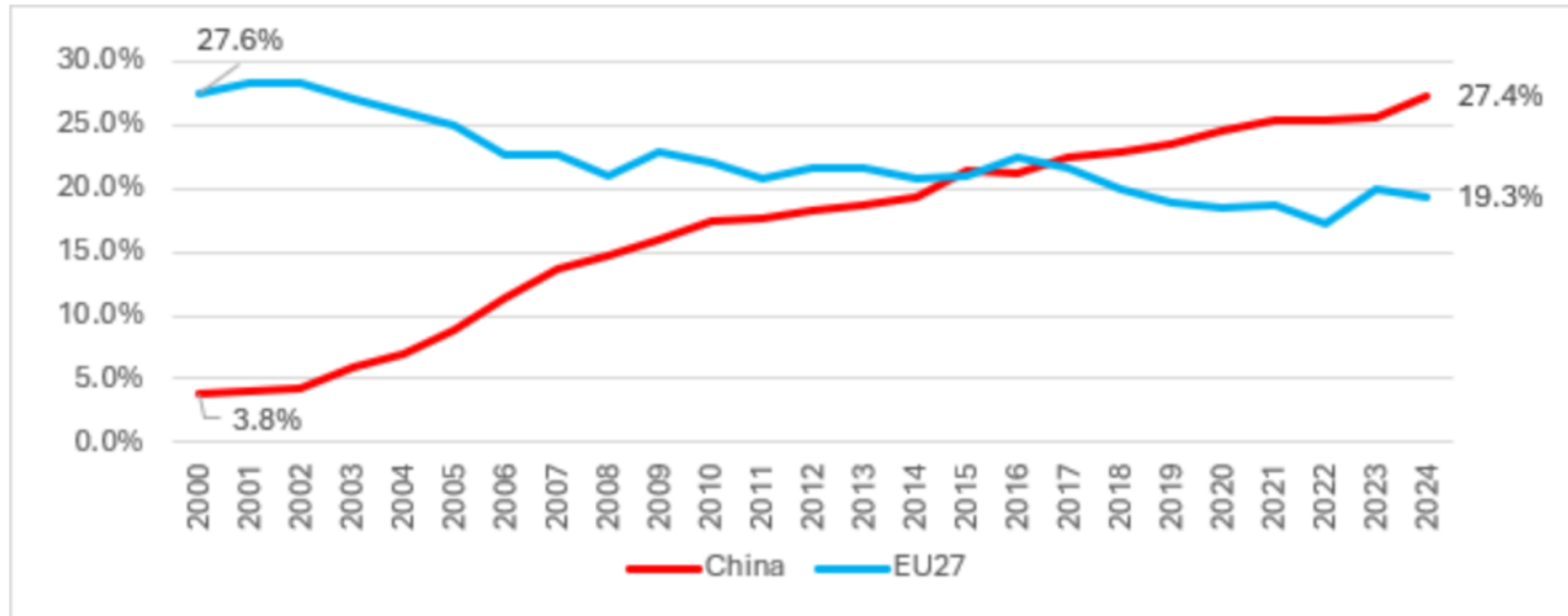
Provisional application

1 May 2026



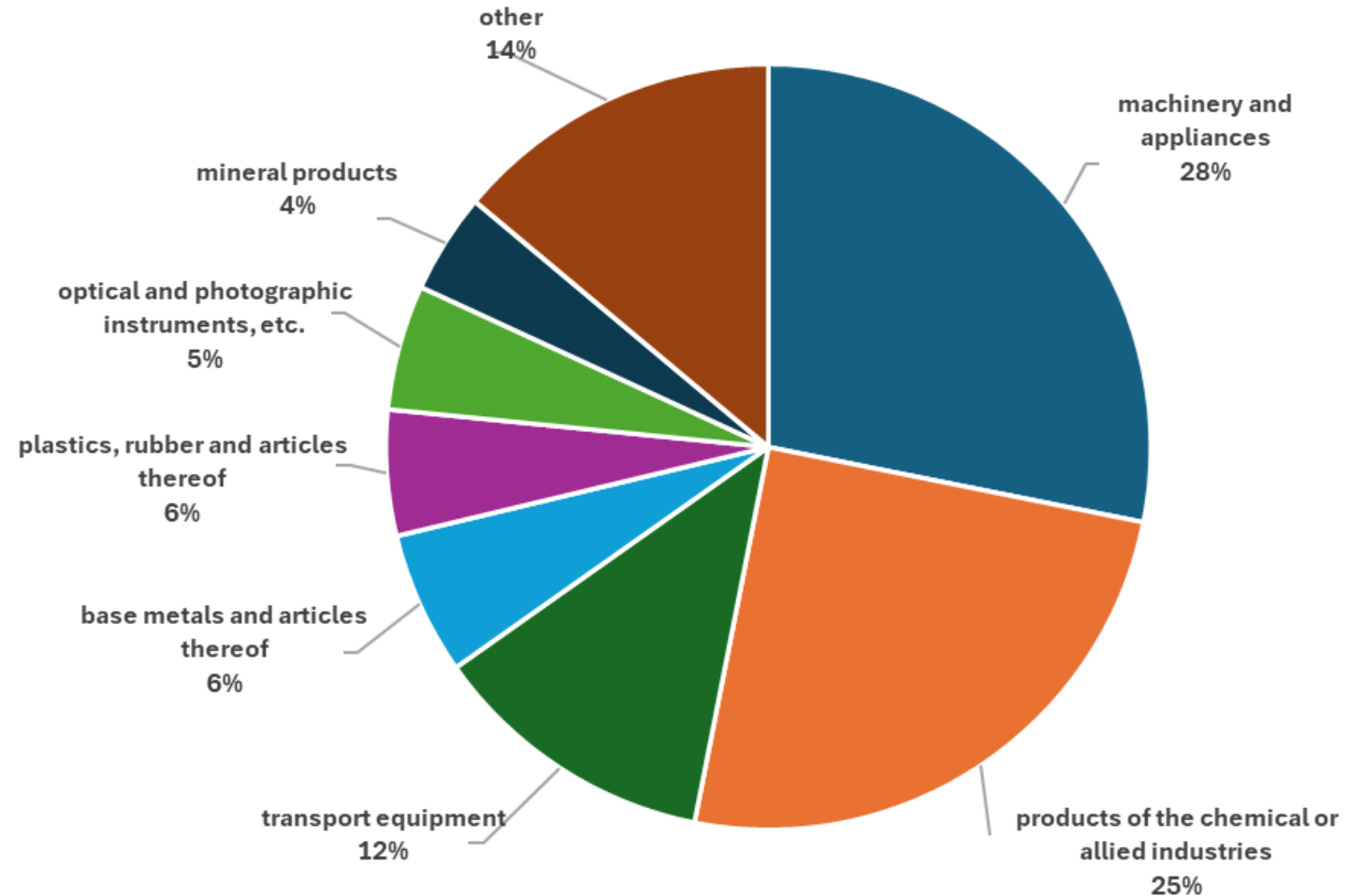
Can EU regain pole position?

Share of the EU and China in Mercosur's imports, 2000-2024 (%) [Source: IMF-DOTS]



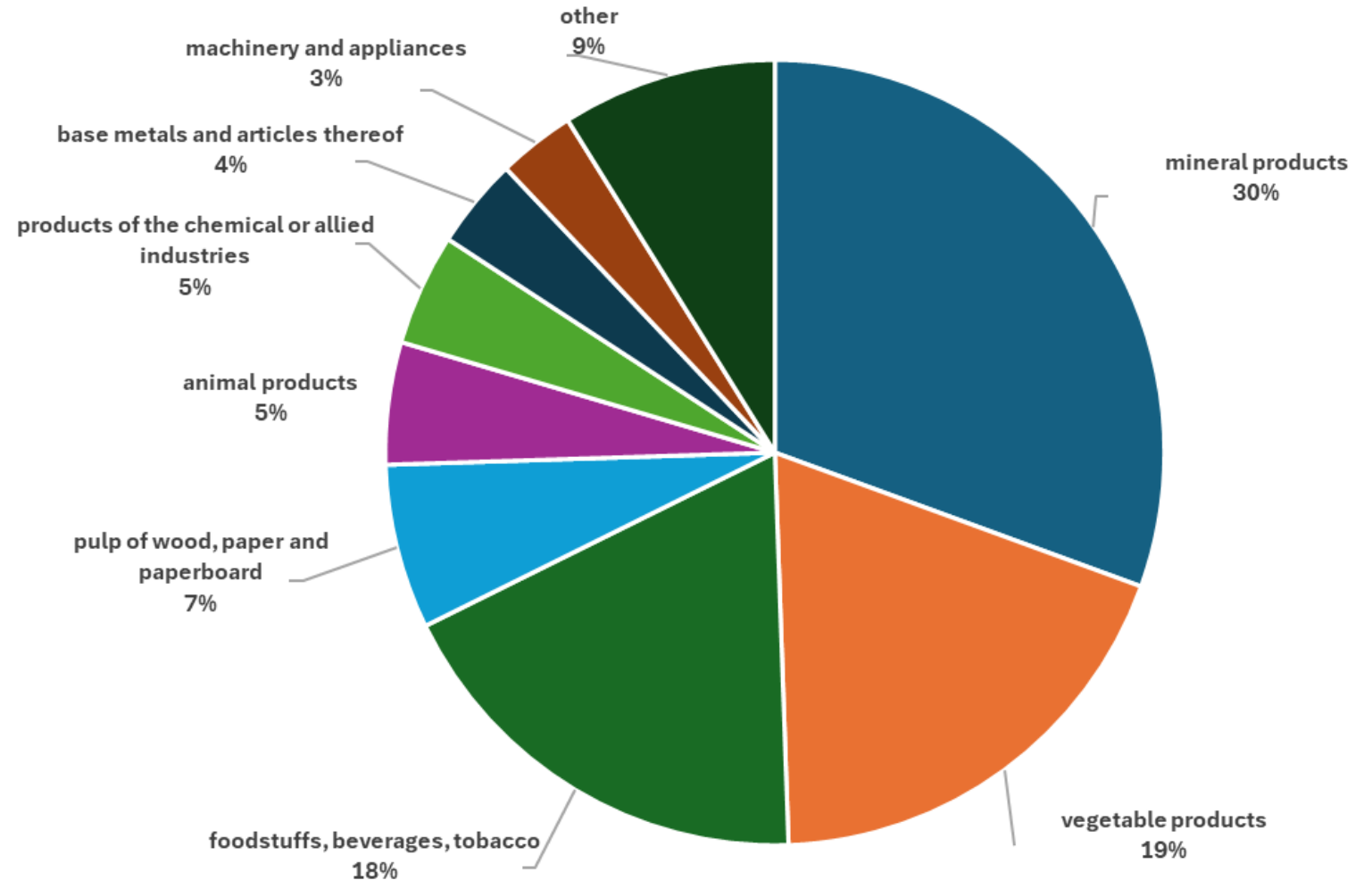
EU exports to Mercosur

- **EU exports are diversified and high value added products**
- **Key sectors** include machinery, pharmaceutical products, vehicles, and electrical machinery
- **Other relevant sectors** include optical instruments and chemicals



EU goods imports from Mercosur

- **EU imports are predominantly key inputs** for EU farmers and industries
- **Key sectors** include mineral fuels, mineral oils, coffee, tea, and ores





Benefits for companies from 1 May 2026

A summary of the new opportunities



Lowered tariffs on industrial goods

(some examples)

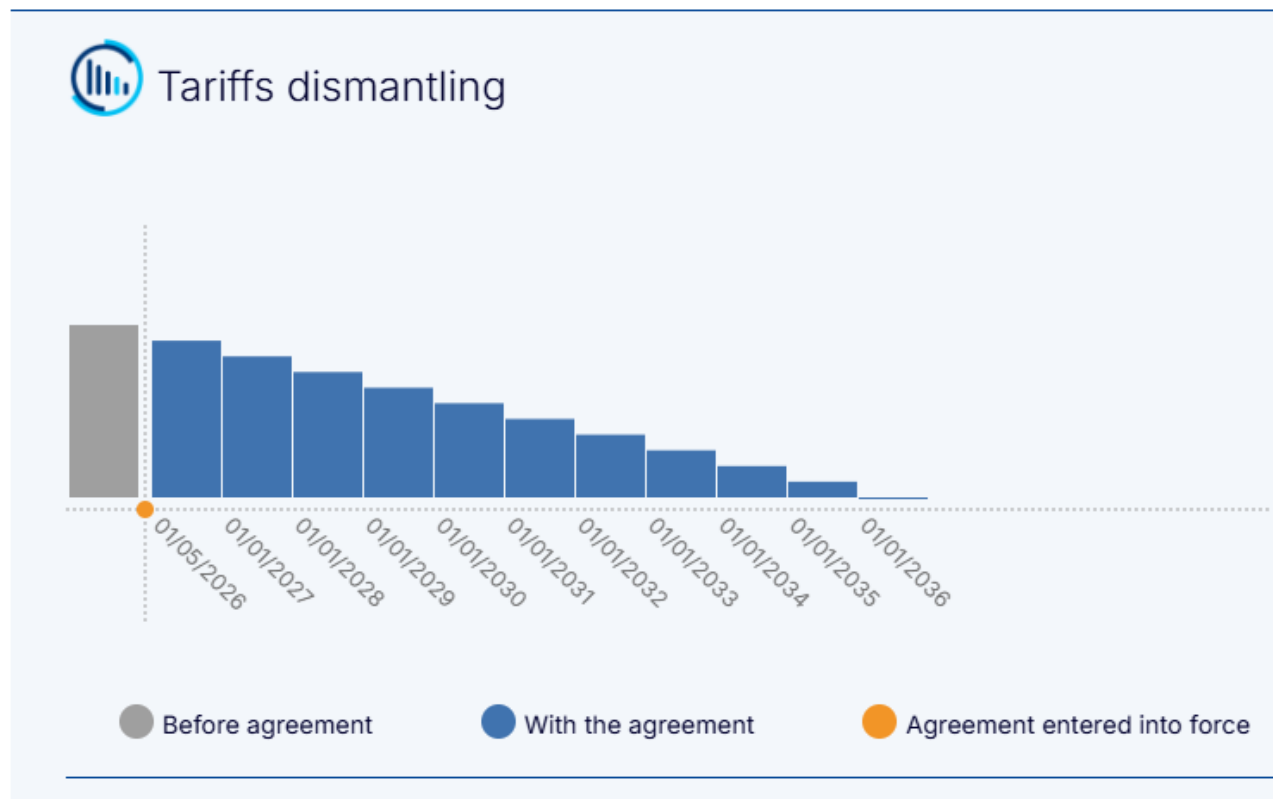
Product	Existing tariff	Tariff reduction from 1 May	To 0% progressively
EVs & hybrids	35%	-10 to 25%	
Petrol/diesel cars	35%	Halved to 17.5%	
Machinery and appliances	14-20%	-1.3-1.7	Over 10 years (for 93% of products)
Pharmaceuticals	Up to 14%	Up to -1.3	Over 10 years (for 90% of products)
Textiles	35%	-3.9	Over 8 years

To look for your specific product, check <https://trade.ec.europa.eu/access-to-markets>



Example of gradual tariff reduction

90011020 – Optical fibre bundles and cables – Base rate 14%



FROM	TO	EU PREFERENTIAL RATE
01/05/2026	31/12/2026	12.7%
01/01/2027	31/12/2027	11.4%
01/01/2028	31/12/2028	10.1%
01/01/2029	31/12/2029	8.9%
01/01/2030	31/12/2030	7.6%
01/01/2031	31/12/2031	6.3%
01/01/2032	31/12/2032	5.0%
01/01/2033	31/12/2033	3.8%
01/01/2034	31/12/2034	2.5%
01/01/2035	31/12/2035	1.2%
01/01/2036		0%

To look for your specific product, check <https://trade.ec.europa.eu/access-to-markets>



Lowering non-tariff barriers



- **Small & medium-sized enterprises:** Hands-on information of how to benefit from the deal, via Access2Markets
- **Access to government contracts** (with some exceptions):
 - **Argentina (federal level)**
 - **Brazil (federal and state level)**
 - **Uruguay (federal)**
 - (Paraguay within three years)
- **Technical Barriers to Trade:**
 - **Clear and flexible rules on labelling**
 - **Recognition of conformity assessment results** for certain product characteristics, such as safety aspects of electrical and electronic equipment
 - Commitment to **align with international standards**

For more details on procurement visit <https://trade.ec.europa.eu/access-to-markets>

Lowered tariffs on agricultural goods

Product	Existing tariff	Tariff from 1 May
Most high-value sparkling wines	20%	0%
Fruit and fruit preparations (e.g. apple, pears, grapes, melons, peaches, apricots, etc.)	14%	0%
Some vegetable oils	4-10%	0%
Some pet foods	14%	0%

Product	Existing tariff	Tariff reduction from 1 May	Future tariff reductions
Biscuits	18%	-1.7	To 0% progressively over 10 years
Beer	20%	-1.9	To 0% progressively over 10 years

And many more...

To look for your specific product, check <https://trade.ec.europa.eu/access-to-markets>





First access to food and drink quotas

- Cheese (3 000 t)
- Milk powders (1 000 t)
- Infant formula (500 t)
- Chocolates (over 10 000 t),
- Garlic (1 875 t)
- The full quota of prepared tomatoes (7 500 t)

Geographical indications (GIs)

- **344 EU food and drink products protected from imitation** in Mercosur countries
- GIs ensure **quality and authenticity** for consumers and **producers enjoy prices 2 to 3 times higher** than that of regular products
- Examples include: *Tiroler Speck* (Austria), *Beurre d'Ardennes* (Belgium), *Münchener Bier* (Germany), *Comté* (France), *Prosciutto di Parma* (Italy), *Polska Wódka* (Poland), *Queijo S. Jorge* (Portugal), *Tokaji* (Hungary), and *Jabugo* (Spain)

Beurre d'Ardennes



To see the protected names from your country see the [Member State factsheets](#)

Opportunities in services

- Stability and certainty
- European service suppliers can establish an enterprise and supply most services on an **equal footing** with domestic and foreign suppliers
- No local branch needed (for certain sectors)
- No restrictions on number of service suppliers or total value (for certain sectors)

Example sectors

- **Financial**
 - Opportunity to provide new services
- **Postal**
 - Clear licensing rules, independent regulation and prevention of anti-competitive practices
- **Telecoms**
 - Non-discriminatory procedures for the allocation of scarce resources such a 5G spectrum
- **Maritime transport***
 - Access to intra-Mercosur international maritime trade
 - *Transition period

To look for your specific sector, check <https://trade.ec.europa.eu/access-to-markets>



Services: movement of people

- Service suppliers in the following categories can temporarily enter the EU and Mercosur for business purposes:
 - Intra-corporate transferees
 - Graduate trainees
 - Business visitors
 - Business sellers
 - Contractual service suppliers
 - Independent professionals

To find out more, check <https://trade.ec.europa.eu/access-to-markets>



Access 2 Markets – your trade portal



- Step-by-step guide for SMEs
- See the tariffs and export/import rules
- Help with rules of origin
- Trade Assistant for Services and Investment
- Find out procurement rules
- Regular workshops



Market access issues?

- First point of contact for all EU stakeholders – **the Single Entry Point**
- Supported by a dedicated team in DG Trade & Economic Security

Contact: trade-single-entry-point@ec.europa.eu

New dispute settlement mechanism

- The agreement establishes a binding, dispute settlement mechanism with independent arbitration
- Faster and fairer resolutions resolving disagreements
- Specific procedures for sustainable development

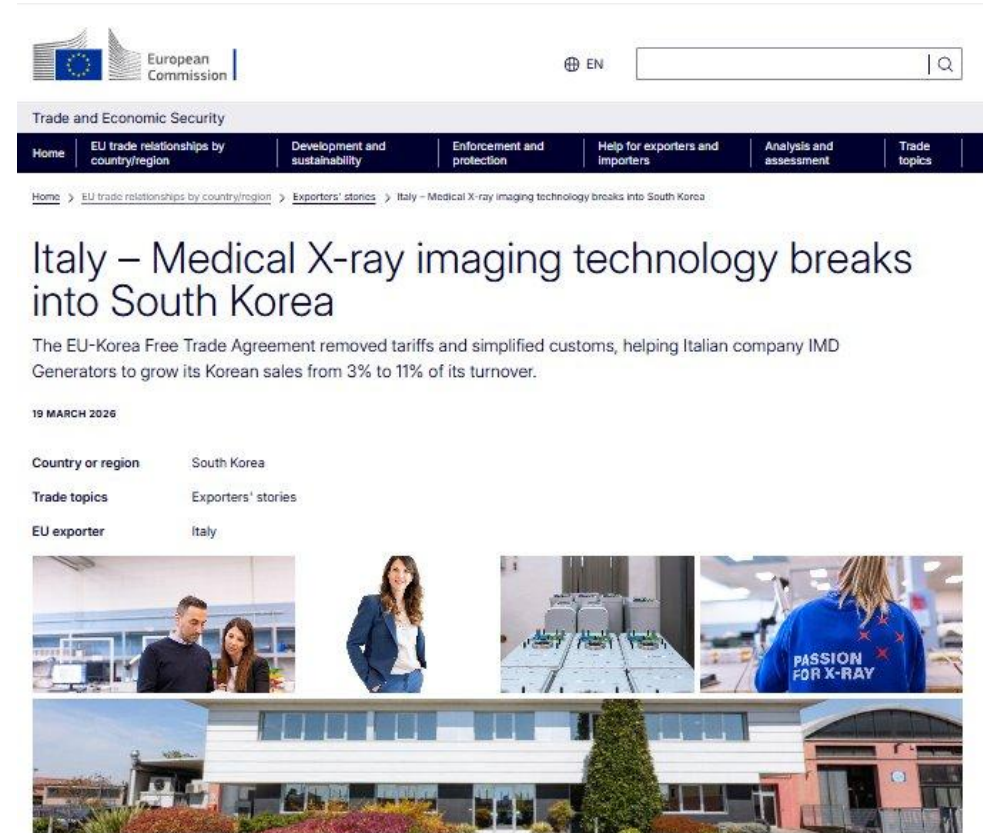


Become an exporter story!

Share how your company grows internationally with the support of EU trade agreements and inspire other businesses to do the same!

- **Gain visibility** – Be featured on an official European Commission platform, and join our database for potential future visibility opportunities
- **Showcase impact** – Highlight markets reached, growth achieved and concrete results
- **Build credibility** - Strengthen trust through a recognised institutional spotlight
- **Inspire others** – Help more European businesses see what is possible

Interested? Contact TRADE-EXPORTERS-STORIES@ec.europa.eu



The screenshot shows the European Commission website interface. At the top, there is the European Commission logo and a search bar. Below the logo, the text 'Trade and Economic Security' is visible. A navigation menu includes 'Home', 'EU trade relationships by country/region', 'Development and sustainability', 'Enforcement and protection', 'Help for exporters and importers', 'Analysis and assessment', and 'Trade topics'. The main content area features a breadcrumb trail: 'Home > EU trade relationships by country/region > Exporters' stories > Italy – Medical X-ray imaging technology breaks into South Korea'. The headline reads 'Italy – Medical X-ray imaging technology breaks into South Korea'. Below the headline, a sub-headline states: 'The EU-Korea Free Trade Agreement removed tariffs and simplified customs, helping Italian company IMD Generators to grow its Korean sales from 3% to 11% of its turnover.' The date '19 MARCH 2026' is displayed. Metadata includes 'Country or region: South Korea', 'Trade topics: Exporters' stories', and 'EU exporter: Italy'. The main image is a collage of four photos: two people in a meeting, a woman in a blue blazer, a close-up of X-ray equipment, and a person in a blue shirt with 'PASSION FOR X-RAY' written on the back. Below the collage is a wide photo of a modern building.



Thank you



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