This document contains the consolidated text as it stands at the end of the XXXIInd round of negotiations (21 February - 2 March 2018) on Dialogues in the Trade Part of the EU-Mercosur Association Agreement. This is without prejudice to the final outcome of negotiations. Both sides reserve the right to make subsequent modifications to their proposals.

For the purposes of the negotiation of this chapter, the term "Parties" should be understood, on the side of Mercosur, as each of the individual Mercosur Signatory Member State and on the EU side, the Party should be understood as the EU. In case commitments are undertaken by Mercosur, Mercosur will be expressly mentioned. This is without prejudice to the horizontal discussion on the definition of the Parties. The text will be revised in light of the outcome of the discussion of the Institutional group.

Dialogues

[EU:

ARTICLE 1 OBJECTIVES

Building upon their well-established partnership and shared values, the Parties agree to establish dialogues with the objective to:

- 1. Strengthen the common understanding on animal welfare matters.
- 2. Cooperate on issues related to the application of agricultural biotechnology through the Dialogue on Biotech market access issues.
- 3. Cooperate in combating antimicrobial resistance (AMR).
- 4. Establish scientific cooperation/dialogue on food safety
- 5. Cooperate in any other matter that the subcommittee established in Article XX of the SPS Chapter (the SPS Sub-committee) may agree.

ARTICLE 2 PRINCIPLES

- 1. Unless otherwise provided in this Agreement, bilateral dialogues shall take place at the request of either Party or of the Subcommittee established in Article XX of the SPS Chapter (SPS Subcommittee).
- 2. The dialogues shall be conducted by working groups appointed by the SPS Subcommittee and co-chaired by a representative of the Parties.
- 3. The working groups will be composed of representatives of the Parties with technical expertise on the matters subjected to dialogue.
- 4. The meeting schedules and agendas shall be agreed by the Parties.

- 5. The co-chairs of a bilateral dialogue shall inform the SPS Subcommittee of the schedules and agendas of any bilateral dialogue sufficiently in advance of meetings.
- 6. The co-chairs of a bilateral dialogue shall report to the SPS Subcommittee on the results and conclusions of a dialogue as appropriate or on request of the SPS Subcommittee.
- 7. The SPS Subcommittee may decide to change or undertake the tasks assigned to a dialogue or terminate a dialogue.
- 8. The Parties may engage in bilateral dialogues in other areas under this Chapter on consent of the SPS Subcommittee.
- 9. Nothing in this Chapter shall affect the rights and obligations of each Party to protect confidential information, according to each Party's relevant legislation. Each Party shall ensure that procedures are in place to prevent the disclosure of confidential information that is acquired during the process established in this Chapter].

ARTICLE 3 DIALOGUE ON ANIMAL WELFARE

[EU:

- The Parties recognise that animals are sentient beings. They undertake to reach a common understanding between the Parties on animal welfare matters to the mutual benefits, [EU: and to respect trade conditions that aim to protect animal welfare.]
- 2. In order to reach a common understanding the Parties undertake to exchange information, expertise and experiences in the field of animal welfare to improve their respective approaches on regulatory standards related to breeding, holding, handling, transportation and slaughter of animals.
 - The Parties recognise that animals are sentient beings. They undertake to exchange information, expertise and experiences in the field of animal welfare to improve their approaches on regulatory standards related to breeding, holding, handling, transportation and slaughter of animals to their mutual benefits
- 3. The Parties will strengthen their research collaboration in the area of animal welfare to develop adequate and science-based animal welfare standards related to animal breeding and the treatment of animals on the farm, during transport and at slaughter.

4. In accordance with Article XX (Chapter SPS – Article on Cooperation in international fora) the Parties undertake to cooperate in international fora with the aim to promote the further development of good animal welfare practices and their implementation. (OIE/ see two last bullets of MCS proposal)]

[MCS:

- exchange technical and scientific information, expertise and experiences to deal with animal welfare issues, and standards related issues;
- discuss specific topics on animal welfare that could have impact on mutual trade;
- collaborate in international fora to promote the further development of good animal welfare practices and their implementation.]

ARTICLE 4 COOPERATION ON BIOTECHNOLOGY 1

[MCS: Parties agree to avoid undue delays in the authorisation of biotechnology products by respecting the timelines stipulated in their own legislation, transparently providing to the applicants a complete list of requested information necessary for the safety assessment of the products.]

[EU:

- 1. The Parties agree to establish a dialogue on issues related to the application of agricultural biotechnology. This dialogue will cover, inter alia, the exchange of information on the following:
 - a. legislation, guidelines, and good practices on genetically modified organisms (GMOs);
 - b. topics on biotechnology that may affect mutual trade; including cooperation on GMO testing.
 - c. topics related to asynchronous authorisations of genetically modified organisms;
 - d. the economic and commercial outlook of future authorisations of genetically modified products;
 - e. cases of low level presence of GMOs;
 - f. [MCS: new breeding techniques.]
- 2. To conduct this dialogue, the Parties agree to create a Technical Working Groupwith an agreed mandate and scope, consisting of expert level representatives,

¹ EU negotiator note - The EU-Argentina dialogue of the Mutually Agreed Solution of 15 July 2009 following the WTO dispute WT/DS293, will be hereinafter included in this dialogue EU-MCS and replace by it.

with a dedicated work plan under the Subcommittee established in Article 19 (SPS Subcommittee).]

[MCS:

- exchange information on policies, legislation, guidelines, good practices, and projects, of genetically modified organisms (GMOs) and new breeding techniques;
- discuss specific topics on biotechnology that could have impact on mutual trade;
- exchange information to avoid asynchronous authorisations of genetically modified products;
- evaluate the economic and trade outlook of authorisations of genetically modified products;
- exchange information to evaluate cases of low level presence of GMOs -in shipments- that are non-authorised in the importing Party but authorised in the exporting Party.]

ARTICLE 5 COOPERATION IN COMBATING ANTIMICROBIAL RESISTANCE

[EU:

1. The Parties recognise that antimicrobial resistance is a serious threat to human and animal health [MCS: and that there is a need to strengthen analysis and sharing of international scientific evidence on the development, transmission and control of antimicrobial resistance in food, agriculture and the environment.] [EU: Antibiotic use in animal production can contribute to antibiotic resistance that may represent a risk to humans, either through direct infection by resistant zoonotic bacteria or by the transfer of resistance determinants to other bacteria.] The Parties recognise that the nature of the threat is transnational.

The Parties agree to create a Technical Working Group with an agreed mandate and scope, consisting of expert level representatives, with a dedicated work plan under the Subcommittee established in Article 19.

- 2. Furthermore, the Parties shall:
 - a) Cooperate [EU: in and] [MCS: to] follow existing and future guidelines, standards, recommendations and actions developed in relevant international organisations, initiatives and national plans aiming to promote reduced use of antibiotics [MCS: in the absence of a risk analysis] and relating to animal production and veterinary practices.
 - b) Cooperate in promoting reduced use of antibiotics in animal production in third countries including the phasing out of the use of antibiotic as growth promoter [MCS: in the absence of a risk analysis] in animal production.

- [MCS: , in line with recommendations of OIE, WHO and CODEX (CAC-RCP61/2005.]
- c) Support the implementation of agreed international action plans on antimicrobial resistance.]

[MCS:

- exchange information in guidelines, standards, recommendations and actions developed in relevant international organizations, initiatives and national plans;
- exchange information regarding the implementation of agreed international action plans on anti-microbial resistance.]

ARTICLE 6

[EU: SCIENTIFIC] COOPERATION [MCS: FOOD SAFETY (Maximum Residue Limits for Agricultural Pesticides, Veterinary Medicinal Products and Additives for Food and Feed]

[EU:

- 1. The Parties should endeavour to facilitate the scientific cooperation between the European Food Safety Authority (EFSA) and the scientific bodies of Mercosur² responsible for the scientific evaluation in the food safety field.
- 2. The Parties agree to create a Technical Working Group on scientific cooperation in food safety consisting of expert level representatives of the scientific bodies appointed by each Party.
- 3. The SPS Sub-committee shall define the mandate of this working group with an agreed mandate and scope. The SPS Subcommittee shall also establish the rules on conflict of interest for the participants on these WG..
- 4. The SPS Subcommittee established under Chapter XXX shall define the work programme of this Technical Working Group.
- 5. The working group would exchange, inter alia, on:
 - a. Scientific and technical information on food and feed safety area,
 - b. Data collection
- 6. The Parties shall ensure that the work carried out by this technical working group will not endanger the independency of their respective national or regional agencies.
- 7. The Parties shall also ensure that the experts they have designated do not have conflict of interests under their domestic law and legislation.]

[MCS:

² EU negotiator note: Mercosur scientific bodies have to be identified.

- exchange information on policies, legislation, guidelines, good agricultural practices, and projects, notably those aimed at improving the process of authorisation and their uses and limits;
- exchange information in national positions in the framework of the Codex Alimentarius;
- facilitate scientific cooperation, dialogue and exchange of information in particular regarding risk assessment and processes for authorizing pesticides, veterinary medicinal products and additives, and for establishing their respective limits;
- exchange information regarding the process for the authorisation and renewal of pesticides, veterinary medicinal products and additives,
- exchange information on the regulatory agendas of the official bodies responsible for the risk assessments and reasoned opinions that will ground new regulations on limits and their revisions and renewals.
- to foster cooperation between the official bodies responsible for the risk assessments and reasoned opinions in order to avoid that lack of information lead to the adoption of measures more restrictive than necessary.]