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**“Trade and climate are on a collision course”**

***New EU-Mercosur trade deal will raise greenhouse gas emissions from trade in just eight farm products by one-third.***

As governments gather in Madrid to discuss their next steps in the urgent fight against the climate crisis, European and Latin American farmers' organisations and their allies denounce the same governments for pushing trade liberalisation agreements that ramp up global greenhouse gas emissions.

The EU-Mercosur free trade agreement, the latest example of this push, was concluded last June. It has been presented as a post-Paris agreement trade deal. In fact, the EU boasts that Bolsonaro reneged on his campaign promise to leave the climate accord in order to secure this trade deal. Yet its central premise is to increase trade in a host of climate-disrupting products like automobiles, industrial beef, ethanol and soybeans.

Research from GRAIN, released today, shows that the trade pact will boost climate emissions for eight farm products by 8.7 million tonnes per year, one-third more than will be produced this year. More than 80% of these emissions will come from one product: Mercosur beef. On Europe’s side, emissions from the export of dairy products will rise by 500%.

*"Trade and climate are on a collision course,"* says Claude Girod, of the Confédération Paysanne in France. *"The drastic reduction of greenhouse gas emissions requires a radical reorientation of the agri-food production system towards peasant agriculture and food sovereignty. Free trade agreements such as EU-Mercosur are transferring resources to multinationals and the agro-export sector. Here in Europe, they already benefit from 80% of the EU's agricultural funds! Meanwhile, by driving down farmgate prices, trade deals are wiping out small and medium-sized farmers, hence the same sustainable model that can mitigate climate change."*

Perla Alvarez Britez, representative of the Latin American Coordination of Peasant Organizations - La Vía Campesina, agrees. *“Free trade deals continue to impose a kind of agriculture that is driving indigenous people from their lands, sinking farmers into bankruptcy and debt, causing conflicts over water and destroying forests and biodiversity,”* she said from Paraguay.

For GRAIN, exposing the link between trade, industrial agriculture and climate change is crucial so we can shift systems. *“Through just a few agribusiness commodities, coming mostly from mega farms in the Cerrado region of Brazil, the Chaco region of Paraguay and Argentina, and the Argentinian Pampas, the EU-Mercosur deal will generate 9 million tonnes of additional climate emissions each year,”* said Larissa Packer of GRAIN in Brazil. *“Make no mistake. This is not about feeding people. It’s about expanding the market for agribusiness, which the International Panel on Climate Change says is responsible for up to 37% of global greenhouse gas emissions.”*

There is also a serious contradiction. While the EU’s increased ethanol and soy imports under the deal will likely be used to meet Europe’s “green” transport fuel targets, this may drive further deforestation and land grabbing in countries like Brazil. We could end up with EU governments causing more climate destruction in order to meet their own climate targets!

For peasant and social movements on both sides of the Atlantic, message is clear. If we are serious about pushing back climate change, we have to dismantle the industrial food system in favour of comprehensive support to small scale producers, regionally-based processors and local – not global – food markets.

**For further information, media may contact:**

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**GRAIN’s report, *“EU-Mercosur trade deal will intensify the climate crisis from agriculture”*, is available today in English, Spanish, French and Portuguese at** [**https://grain.org/e/6355**](https://grain.org/e/6355)**.**