

## **Mercosur-EU Trade Negotiators Meeting at Ministerial Level**

**Lisbon – 20 October 2004**

Ministers reiterated the priority they attach to the strategic relationship between MERCOSUR and the European Union, and, in this context, to the negotiation of an Inter-regional Association Agreement between them as an important element in strengthening the political, economic and trade ties between the Parties.

Since they met in Brussels a year ago, Ministers recognized that intensive work has led to significant progress towards the establishment of the Association Agreement, including a free trade area, between them. This work has covered both the preparation of market access offers and the negotiation of chapters pertaining to trade disciplines, as well as important clarification of concepts and parameters of the negotiations. A deeper reciprocal understanding of each others' positions and interests has also been achieved.

During the meeting in Lisbon, on October 20<sup>th</sup>, they held intensive exchange of views covering all aspects of the future free trade agreement. Both sides identified a number of issues on which they were prepared to show flexibility. While progress was made during this meeting, they also agreed that much more needed to be done to reach the level of ambition that reflects the strategic importance of this Agreement to EU and MERCOSUR.

To this end, Ministers were convinced of the need to pursue the negotiations, recognizing that the work already undertaken constitutes an important contribution in this respect. In this context, they called for a meeting at coordinators level, to be held before the end of the year, in order to prepare a Ministerial meeting in the first quarter of 2005.

They conveyed their sincere appreciation to the Government of Portugal for hosting this session of MERCOSUR-EU Trade Negotiators Meeting at the Ministerial Level.