INTERNATIONAL TRADE / WTO

CLIENT ALERT

APRIL/2020

ARGENTINA WILL NO LONGER PARTICIPATE IN MERCOSUR TRADE NEGOTIATIONS

On April 24, 2020, Paraguay, in the exercise of the Mercosur's Pro Tempore Rotating Presidency, announced the Argentinean decision to no longer participate in ongoing and future trade negotiations under way and future negotiations of the bloc.

Argentina informed that the measure was adopted to prioritize its domestic economic needs and policy, made worse by the COVID-19 pandemic, and pointed out that this measure will not be an obstacle for the other State Members to go on with several negotiating processes.

According to the statement, the Argentinean decision does not apply to the negotiations already concluded with the European Union (EU) and the European Free Trade Association (EFTA).

Mercosur is currently negotiating with South Korea, Canada and Singapore, and wants to make progress with Japan and initiate negotiations with the United States (U.S.).

Since negotiated agreements are not valid without the signature of the four Members of the bloc, it is possible that the Argentinean decision will speed up pending questions, such as the relaxation of the rule which bans State Members to sign bilateral agreements without the approval of other Members.

Paraguay has informed that the most adequate legal, institutional and operational measure to deal with this situation will be evaluated in such a way as not to affect the construction of a Mercosur community and ongoing trade negotiations.

The official statement, published by Paraguay's Foreign Affairs Ministry, can be accessed by clicking here.

PRACTICE AREA
International Trade / WTO

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For further information, please send a message to **news@veirano.com.br**

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