



By: TA | AP Brief

Brazil's Lula hopes EU-Mercosur trade deal will be signed in January



Brazil's President Luiz Inácio Lula da Silva said he hopes the massive **free-trade deal** between South American bloc Mercosur and the European Union will be signed in January.

Protests on Friday by **European farmers** and opposition from France and Italy threatened to quash an agreement that has been under negotiation for more than 26 years.

Top EU officials had hoped to sign the **EU-Mercosur deal** in Brazil this weekend, but instead, European Commission President Ursula von der Leyen said Friday after a tense **EU summit** that the signature will be delayed "a few extra weeks to address some issues with member states."

Lula told other South American leaders attending a summit in the Brazilian city of Foz do Iguacu, on the three-way border with fellow Mercosur members Argentina and Paraguay, that the meeting was only taking place because European negotiators had earlier signaled they would eventually sign the deal, and that did not happen. He added the delay was due to Italian Premier Giorgia Meloni requesting more time.

Von der Leyen needs the backing of at least two-thirds of EU nations to secure the deal. Italy's opposition would give France enough votes to veto von der Leyen's signature.

"Without political will and courage from leaders, it won't be possible to finish a negotiation that has dragged for 26 years," Lula, who spoke to Meloni on the phone on Friday and received a letter from EU leadership aiming for a deal in January, told his peers. "Meanwhile, Mercosur will continue to work with other partners."

"The world is eager to make deals with Mercosur," the Brazilian president added. "Many countries want that. And we certainly we will be able to finish the deals that were not finished during my presidency (of the bloc, due in the end of December)."

If signed, the trade deal would cover a market of 780 million people and a quarter of the globe's gross domestic product, and progressively remove duties on almost all goods traded between the two blocs.

France has led opposition to the deal between the EU and the five active Mercosur countries – Brazil, Argentina, Uruguay, Paraguay and Bolivia.

Let's hope that things happen for the good of our Mercosur, multilateralism and the development of our countries - Luiz Inácio Lula da Silva

French President Emmanuel Macron said on Thursday at an EU summit he wouldn't commit to supporting the deal next month either.

Macron added he has been in discussions with Italian, Polish, Belgian, Austrian and Irish colleagues among others about delaying it to address farmers' concerns.

Lula argued Macron alone can't block an agreement.

"Let's hope that things happen for the good of our Mercosur, multilateralism and the development of our countries," the Brazilian president said.

A market of 780 million people