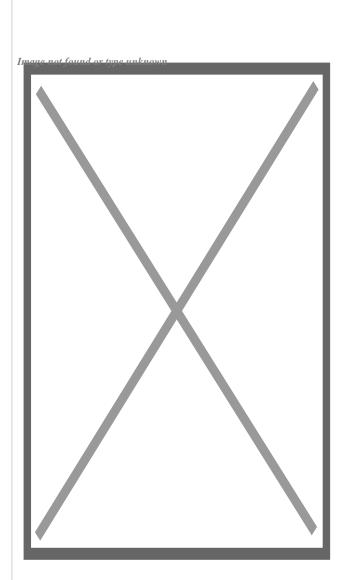
Brazil's Lula to discuss trade deal with Macron on France visit



Brazilian President Luiz Inacio Lula da Silva won office promising to roll back deforestation and renew the fight against climate change [File: Adriano Machado/Reuters]

Brasilia, June 20 (RHC)-- Brazilian President Luiz Inacio Lula da Silva says he plans to discuss a prospective trade deal between the European Union and a bloc of South American countries when he meets his French counterpart, Emmanuel Macron, in France this week.

Lula said on Monday that he expected to discuss France's "tough" stance on the proposed agreement between the EU and Mercosur, an economic bloc composed of Brazil, Argentina, Paraguay and Uruguay.

"I'm going to have lunch with Macron. I want to talk about the hardening of the EU-Mercosur deal," Lula, who also will travel to Italy and the Vatican on his European trip, told public broadcaster TV Brasil. "The EU can't try to threaten Mercosur with sanctions if we don't do this or that. If we're strategic partners, you can't make threats. ... You have to help."

The two sides are working to finalise a deal that was reached in 2019 after two decades of talks. The agreement has stalled and has yet to be ratified by the EU's 27 member states with countries such as France raising concerns about environmental protections and the deal's potential impact on European farmers.

For their part, Brazilian officials have said that, under European law, any failure to adhere to the proposed environmental standards could result in potential sanctions – although this is not stated in the March letter.

During the tenure of Lula's far-right predecessor, Jair Bolsonaro, Brazilian authorities largely turned a blind eye to illegal commercial activities that resulted in rampant deforestation in the Amazon. And in 2019, Ireland and France both said they would block the EU-Mercosur deal unless there were efforts by Brazil to protect the rainforest.

Lula's victory over Bolsonaro in October's presidential elections has been welcomed by environmental advocates around the world, with Lula pledging to crack down on Amazon deforestation and put climate change at the centre of his agenda.

Although Lula has cast himself as the anti-Bolsonaro on environmental policy, he has been vocal in his criticism of the EU's new demands. "The premise that needs to exist among strategic partners is of mutual trust and not distrust and sanctions," he said on June 12 after talks with European Commission President Ursula von der Leyen in the Brazilian capital, Brasilia. Still, von der Leyen said the EU is aiming to complete the process by the end of the year.

The EU-Mercosur trade agreement is meant to link two markets that have a total population of about 800 million people and account for about a fourth of the world's gross domestic product. It envisions leading to more than \$100 billion in annual trade of goods and services by cutting customs duties and easing access for Mercosur agricultural exporters to the EU market and for European manufacturers to Mercosur countries.

In France this week, Lula will attend a summit on Thursday and Friday with about 50 world leaders to address global inequality and the challenges of climate change.

Lula is also scheduled to meet with Pope Francis on Wednesday to discuss inequality and a path towards ending the war in Ukraine.



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