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The Relations Between the European Union and Mercosur. A Difficult Partnership in the Face of Strategic Challenges

Introduction

Relations between the European Union and the Southern Common Market (Mercosur) represent one of the most complex processes of constructing interregional partnerships. Despite negotiations that have been ongoing since 1999, the free trade and strategic partnership agreement between the two blocs has yet to be formally ratified. Its protracted trajectory illustrates the tensions among economic, environmental, and geopolitical interests, while simultaneously revealing both the growing capacities and the inherent limitations of the European Union in pursuing a coherent foreign policy towards its Latin American partners. The significance of the EU–Mercosur partnership extends beyond economic considerations. In the context of intensifying rivalry among global powers such as the United States and China, cooperation with Mercosur acquires a distinctly strategic dimension for the European Union – both in terms of securing access to critical raw materials and markets, and in cultivating alternative political alliances. At the same time, divergences concerning environmental protection, agricultural policy, and democratic standards generate numerous obstacles within the interregional dialogue.

The aim of this article is to identify the main factors that facilitate and impede cooperation between the two blocs in the context of dynamic geopolitical, economic, and environmental changes. The article examines the evolution of relations between the European Union and Mercosur, with a particular emphasis on the obstacles to finalizing the trade agreement, the tensions arising from conflicting economic and environmental interests, and the geopolitical significance of this partnership in the context of global competition. The central research question guiding this study concerns the extent to which divergent interests and strategic imperatives shape the prospects for establishing a durable interregional partnership between the EU and Mercosur. In order to address this question comprehensively, several auxiliary questions are also posed:

- What historical and institutional determinants have shaped the current configuration of EU–Mercosur relations?
- Which external factors influence and condition the negotiation process?
- In what ways do the heterogeneous economic and political interests of the European Union and the Mercosur member states affect the trajectory and long-term outlook of interregional cooperation?



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The study employs a qualitative research design that integrates elements of institutional analysis, which made it possible – where necessary – to examine the functioning of decision-making structures within the EU and Mercosur, as well as the dynamics of the interregional negotiation process. This approach is complemented by content analysis of relevant documents (including European Commission communications, Council of the EU and European Council conclusions, Mercosur declarations, and think-tank reports) and by comparative analysis. The latter enabled a systematic juxtaposition of the interests, policies, and strategies pursued by both partners in the areas of trade, environmental protection, and economic security. The article is grounded in the theoretical framework of interregionalism, which emphasizes the role of inter-bloc cooperation and institutionalized interaction in shaping the global order. This body of literature aligns with the broader liberal paradigm in international relations theory by underscoring the importance of cooperation, institutions, and economic interdependence in sustaining international stability. The concept of interregionalism has evolved since the 1990s, in parallel with deepening globalization and the emergence of multi-level governance structures. Interregionalism is understood as a mechanism for constructing a global order based on interdependence and structured interregional dialogue (Hänggi, 2000; Doidge, 2011). According to Fredrik Söderbaum and Luk Van Langenhove (2005), interregionalism may take three forms: interregional relations (such as those between the EU and Mercosur, in which both parties constitute institutionalized regional blocs); transregional relations (encompassing states from multiple regions); hybrid relations (which combine bilateral and regional elements).

Within this typology, EU–Mercosur relations constitute a classic example of institutionalized interregionalism founded on formal structures and structured political dialogue. The assumptions of interregionalism provide a conceptual platform for explaining not only the economic dimensions of cooperation, but also to shaping legitimacy and a regional identity among the partners. For the EU, this relationship represents an instrument for reinforcing its status as a global actor; for Mercosur, it offers a means of diversifying external relations and reducing dependence on the United States and China. This theoretical perspective elucidates the structural characteristics and logic of inter-bloc relations (Rüland, 2010), as well as the mechanisms that underpin the resilience and continuity of cooperation under conditions of geopolitical uncertainty. It helps explain why, despite persistent economic and political divergences, EU–Mercosur relations retain continuity and the potential for further development.”

Development of EU–Mercosur Relations

It was not until 1971 that the European Economic Community (EEC), following the initiatives of the Special Coordination Committee for Latin America, began to demonstrate greater interest in the Latin American region. The year 1971 was designated the “Year of Latin America,” and a “dialogue mechanism” was established to enable annual discussions with Latin American ambassadors in Brussels (Leonard, 2001, pp. 25–26). In the years that followed, efforts to deepen economic relations faced mounting difficulties, stemming primarily from internal challenges within both

the EEC and the countries of Latin America, particularly the adverse effects of the global oil crises. A major shift occurred in 1986 with the accession of Spain and Portugal to the European Communities. These states sought to cultivate special relations with their former colonies, in line with the EEC Treaty's preamble reference to the "solidarity which binds Europe to overseas countries."

Further strengthening of ties between the European Union and Mercosur originated in the profound political and economic transformations that unfolded in both regions during the late 1980s and early 1990s. On the one hand, the European Economic Community – having adopted the Single European Act in 1986 and approaching the establishment of the Single Market under the 1993 Maastricht Treaty – was seeking new trade partners capable of enhancing its global economic position. On the other hand, the South American states, emerging from periods of military rule and severe debt crises, aimed to deepen regional cooperation and integrate more fully into global markets. In 1991, the Southern Common Market (Mercosur) was established through the Treaty of Asunción, initiating cooperation among Argentina, Brazil, Paraguay, and Uruguay (with Venezuela joining at a later stage, though its membership is currently suspended). The newly constituted European Union recognized Mercosur as a strategic partner in Latin America, viewing it as a mechanism for advancing political stability and economic growth in the region.

At meetings of the European Council, the issue of cooperation with Mercosur was raised as early as the Corfu and Essen summits in 1994, during which the EU reaffirmed its intention to strengthen relations with Mercosur and to create the conditions necessary for launching negotiations on an interregional framework agreement. The Council and the Commission were explicitly tasked with further developing these initiatives (European Council, 1994a, 1994b). Formal cooperation structures were established in 1995 with the signing of the *EU–Mercosur Interregional Framework Cooperation Agreement*. This agreement laid the foundation for political dialogue, economic cooperation, and development assistance. Its strategic objective was the future conclusion of an association agreement built upon three pillars: political dialogue, economic cooperation, and the establishment of a free trade area (European Commission, 1995). By the late 1990s, formal negotiations on this agreement had commenced, with the aim of eliminating tariff barriers and deepening interregional integration. However, divergences of interest became apparent at an early stage – particularly in relation to access to the EU agricultural market and the system of agricultural subsidies, which remained a contentious issue for Mercosur countries whose economies are heavily reliant on competitive agricultural exports.

The period from 2004 to 2016 was marked by stagnation, as negotiations were effectively frozen in 2004 due to the parties' inability to reach a compromise (Ghiotto, 2020, pp. 12–13). The European Union – preoccupied with its enlargement to Central and Eastern Europe and with the World Trade Organization's Doha Round negotiations – reduced its level of engagement with Mercosur. At the same time, South American states, particularly Brazil and Venezuela, adopted increasingly protectionist economic policies, which further hindered the resumption of dialogue. The two regions were also divided by differing views on the normative foundations of cooperation, particularly with regard to the set of values that the European Union sought to define unilaterally.

A renewed impetus emerged only after 2010, driven by political shifts in South America – most notably the weakening of the so-called “pink tide” of left-wing governments² – as well as the EU’s growing need to diversify its trade partnerships in the aftermath of the 2008 financial crisis. In 2016, the parties agreed to resume negotiations on the association agreement, this time in the context of intensifying competition from China, which was gradually becoming the principal trading partner for Mercosur states (Barrios, Rios, 2023; Raza, 2022). China provided an expanding export market for Latin American commodities, particularly natural resources such as copper, soybeans, crude oil, and natural gas. Despite these developments, the following seven years did not yield a single EU–Latin America summit (from 2016 to 2023). The period of the COVID-19 pandemic proved equally challenging for mutual cooperation. As noted by M. Jütten (2025), the EU’s vaccine diplomacy during the pandemic undermined its credibility in the eyes of Latin American governments, whereas China – followed by Russia – emerged as one of the first suppliers of vaccines to the region. In addition, EU legislative initiatives under the European Green Deal – especially the Regulation on deforestation-free supply chains – were perceived by several Latin American states, including Argentina and Brazil, as protectionist measures.

In June 2019, after two decades of negotiations, the European Union and Mercosur announced the conclusion of the technical talks concerning the content of the trade agreement. The political agreement signified that the text had been initialled by both parties – meaning that the document had been agreed upon, although it had not yet acquired legal force. The agreement encompassed trade liberalization, sectoral cooperation, and provisions related to environmental protection and sustainable development (European Commission, 2019; Plewa, 2025). It was initially presented as the largest trade agreement in the EU’s history, covering a market of more than 780 million people. However, its ratification encountered substantial political obstacles. Several EU member states, including France, Ireland, and Austria, opposed the approval of the agreement, pointing to insufficient guarantees for the protection of the Amazon rainforest and to the incompatibility of the Brazilian government’s environmental policies with the objectives of the European Green Deal (Steinberg, 2024). As a consequence, the ratification process was halted, and relations between the two regions again entered a period of stagnation. The return of Luiz Inácio Lula da Silva to power in Brazil in 2023 opened a new chapter in interregional relations. Lula declared his intention to renew dialogue with the EU and to increase Brazil’s engagement in climate-related initiatives, a stance that was positively received by EU member states (Feás et al., 2024). At the same time, the European Union – facing the war in Ukraine and heightened tensions in its relations with China – began to reassess South America as a key area

² The “pink tide” refers to the leftward shift in Latin American politics that occurred at the turn of the twentieth and twenty-first centuries. This wave was characterized by the electoral victories of socialist and left-wing leaders, beginning with the 1999 presidential election of Hugo Chávez in Venezuela, which was followed by subsequent left-leaning governments in countries such as Brazil, Bolivia, and Ecuador. For a detailed discussion, see: D. Brusilow, *Różowa fala 2.0? Triumfy lewicy w Ameryce Łacińskiej. Nowa lewicowa fala w Ameryce Łacińskiej wyłania się z oddolnego ruchu społecznego, walczącego z niesprawiedliwością i patriarchatem*, “Krytyka Polityczna”, <https://krykapolityczna.pl/swiat/triumfy-lewicy-w-ameryce-lacinskiej/>.

of strategic cooperation, both in the energy dimension (particularly access to lithium, copper, and green hydrogen) and in the political sphere. Despite these positive signals, the ratification process of the EU–Mercosur agreement remained unresolved. On 6 December 2024, the European Union and the four Mercosur countries – Argentina, Brazil, Paraguay, and Uruguay – reached a political agreement. The two sides took their agreement to the next level by agreeing on new commitments on sustainability, including the designation of the Paris Agreement as an essential element and the incorporation of provisions aimed at halting deforestation. On 3 September 2025, the European Commission adopted proposals for Council decisions on the signature and conclusion of two parallel legal instruments: the EU–Mercosur Partnership Agreement (EMPA) and the interim Trade Agreement (iTA). The iTA will be repealed and replaced by the EMPA once the latter is fully ratified and enters into force.

Differences in approaches to environmental standards, agricultural subsidies, and the protection of the internal market mean that the prospective partnership continues to function as a “difficult dialogue,” in which political declarations do not always translate into concrete decisions. Despite efforts and adjustments introduced into the agreement, resistance from Austria, France, Ireland, the Netherlands, and – since December 2024 – Poland remains strong. Italy, which has not ultimately taken a clear position in favour of adopting the agreement, could also block the ratification process. Both the incomplete ratification process and the anticipated difficulties related to the subsequent implementation of the agreement’s provisions undermine the political consensus necessary for advancing cooperation. The process cannot move forward without approval from the Council of the European Union, which requires a qualified majority – at least 55% of the member states representing at least 65% of the EU population. A blocking minority must consist of at least four member states representing 35% of the EU population. Without approval in the Council and the formal signing of the agreement, no further procedural steps can be taken toward its entry into force. In the absence of ratification, only a limited portion of the package – specifically the elements liberalizing trade in goods – could be applied provisionally.

Interests and Contradictions Between the Partners in the Interregional Dialogue: Economic, Political, and Environmental Dimensions

In economic terms, relations between the European Union and Mercosur are shaped by structural asymmetry and the complementarity of trade flows. The European Union remains one of Mercosur’s largest trading partners, accounting for approximately 15% of its total goods trade (European Commission, 2024). The EU primarily exports industrial products, machinery, pharmaceuticals, and high value-added services, while Mercosur exports raw materials, food products, and low-processed commodities. The most contentious issue continues to be agricultural competition. Mercosur countries – particularly Brazil and Argentina – seek to liberalize access to the EU’s agricultural market, where high quality standards and substantial Common Agricultural Policy subsidies prevail. For European producers, such liberalization entails risks related to price pressure and the potential lowering of production standards (Rudloff et al., 2025).

Conversely, for Mercosur states, the maintenance of these barriers constitutes evidence of “green protectionism” (Ghiotto, 2019). In the field of foreign direct investment, the EU remains a key source of capital in South America, accounting for over 30% of FDI in the region (ECLAC, 2023). European corporations play a significant role in sectors such as infrastructure, renewable energy, and finance. For Mercosur, the inflow of investment represents an opportunity for modernization, yet it also raises concerns regarding the dominance of European firms and the limited diffusion of technology.

In the political terms, EU–Mercosur cooperation is grounded in the principle of political conditionality, which is embedded in the broader logic of the European Union’s external action. The EU promotes standards of democracy, the rule of law, and human rights, treating them as key components in legitimizing international agreements (Manners, 2002). The EU and Mercosur have committed themselves to upholding the core International Labour Organization (ILO) conventions concerning forced labour and child labour, non-discrimination in the workplace, freedom of association, and the right to collective bargaining. Both sides have also pledged to ensure occupational health and safety. The agreement establishes a framework that enables the parties to address human rights challenges, including issues affecting Indigenous peoples. Although Mercosur broadly accepts these principles, it tends to adopt a more sovereignty-oriented approach to political matters, emphasizing the norm of non-interference in domestic affairs. These differences have been evident, for example, in the assessment of democratic crises in Venezuela and Nicaragua, where the EU adopted a more assertive stance than most Mercosur member states (Feás et al., 2024). Political dialogue within the partnership thus serves not only as an instrument for promoting values but also as a site of identity negotiation: the EU seeks to reinforce its role as a “normative power,” while Mercosur aims to preserve autonomy and equality in its relations with a partner possessing greater economic and regulatory power.

In environmental terms, the EU–Mercosur Agreement contains a clause providing that violations of fundamental principles may lead to the suspension of the agreement. This provision makes it possible to suspend the agreement in cases where essential obligations under the Paris Agreement on climate change are breached (European Commission, 2024a). As Eckes and Krajewski (2025) point out, the strengthened sustainability provisions – especially the linkage between the agreement and the Paris Climate Accord – create new legal obligations that could, under specific circumstances, justify the suspension of trade preferences. In recent years, the environmental dimension has become the central point of contention and a key condition for legitimizing the agreement between the European Union and Mercosur. The EU has linked progress in the negotiations to credible guarantees concerning forest protection, biodiversity conservation, and the reduction of deforestation; it has also introduced internal regulatory instruments (e.g., supply-chain due diligence requirements). Mercosur countries, by contrast, stress the principle of common but differentiated responsibilities and the need for financial support for the green transition, pointing to the historical emissions of Northern states. The varying pace at which green standards are implemented (including the ETS/CBAM and the EU taxonomy) generates the perception of “green protectionism” among Mercosur partners, while simultaneously opening opportunities for green investment and technology transfer.

It should be underscored that the ratification of the agreement with Mercosur was blocked, among other reasons, due to concerns about Brazil's environmental policy during the presidency of Jair Bolsonaro and the scale of deforestation in the Amazon (Steinberg, 2024). EU member states – particularly France, Ireland, and Austria – conditioned their approval of the agreement on the introduction of additional guarantees related to climate protection and the preservation of tropical forests (Rudloff et al., 2025). Mercosur countries, in turn, perceive these requirements as a tool of political pressure and a form of "green protectionism," arguing that the European Union is imposing on external partners standards that are difficult to meet without adequate financial and technological support. This dispute forms part of the broader context of implementing the European Green Deal and the Regulation on deforestation-free supply chains (EU Regulation 2023/1115), which obliges importers to verify their supply chains with respect to the origin of raw materials. Despite these divergences, both sides recognize the potential for cooperation in the field of green technologies and renewable energy – particularly in the areas of biofuels, hydrogen, and critical raw materials. In this sense, environmental issues constitute not only a source of conflict but also a space for strategic compromise (Arrighini, 2025).

Following the political agreement of 6 December 2024, the parties supplemented the text with reinforced environmental commitments – including the designation of the Paris Agreement as an essential element and provisions aimed at combating deforestation – which created a more acceptable basis for ratification on the EU side (EU–Mercosur, 2024). Trade liberalization was linked with the climate agenda, supply-chain due diligence instruments (e.g., the EUDR), and new investments in critical raw materials and hydrogen (European Commission, 2024a; EUR-Lex, 2023). In addition, the decline in deforestation in Brazil in 2024–2025 has strengthened the credibility of the Lula administration's declarations in the eyes of European policymakers, thereby reducing the political costs of supporting the agreement (AP, 2025).

Within Mercosur, some actors perceive the EU's EUDR regulation as a non-tariff barrier – a form of "green protectionism" – which may complicate the implementation of commitments and require technical support for exporters (European Commission, 2024b). In Brazil, the pro-climate orientation of the Lula administration (reduced deforestation, the restoration of law-enforcement institutions) enhances the credibility of the environmental pillar and improves the overall negotiation climate with the EU, even though parallel disputes over oil extraction illustrate the limits of compromise. In Argentina, the government of Javier Milei has adopted a more confrontational stance toward Mercosur; this has been confirmed by declarations of readiness to leave the bloc or to negotiate agreements outside it, thereby introducing an element of institutional uncertainty into the negotiation framework (El País, 2025). Argentina has thus emerged as a pivotal actor: while its stance accelerates the negotiations by providing leverage over the remaining partners, it simultaneously undermines Mercosur's cohesion and complicates the overall ratification process. Ratification of the agreement remains possible, but it will likely be conditional upon additional environmental guarantees and monitoring mechanisms. The most challenging area of implementation continues to be agriculture (beef, poultry, sugar/ethanol) and the associated concerns regarding cost competition and production standards – issues raised particularly by

France, Ireland, Poland, and Austria. The French government has repeatedly declared opposition to the agreement “in its current form,” citing insufficient environmental safeguards (Reuters, 2024; Euractiv, 2024; *Le Monde*, 2024). Environmental organizations and several EU member states (e.g., France and Poland) have also expressed fears about opening the EU market to agricultural products from Mercosur.

Possible pathways for the further development of the EU–Mercosur agreement can be described through several scenarios reflecting the diverse political conditions shaping the process.

The first scenario assumes conditional ratification accompanied by additional protocols. Under this variant, the European Union and Mercosur would finalize the technical work and adopt an instrument on sustainable development that includes mechanisms for monitoring deforestation as well as procedures for consultation and enforcement. At the same time, some EU member states could obtain safeguard measures for their agricultural sectors. The implementation of this scenario would, however, depend on the continued decline in deforestation and on securing political support from France, or alternatively reaching a broader compromise within the Council (Steinberg, 2024). As Grieger (2025) notes, the ratification process is structurally constrained by the internal dynamics of the Council of the EU, where even a small blocking minority can halt progress on mixed agreements. Her analysis highlights that political fragmentation among member states significantly narrows the range of viable ratification scenarios. The second scenario envisages so-called “phased ratification,” meaning the sectoral implementation of the agreement. In the face of persistent deadlock in the agricultural chapter, the parties could bring into force selected components of the agreement – such as public procurement, technical barriers to trade, or regulatory cooperation – while agricultural provisions would be postponed and linked to specific environmental indicators derived from the EU’s EUDR regulation.

A third possible pathway is a prolonged stalemate combined with increasing centrifugal tendencies within Mercosur. A lack of agreement in the EU Council – particularly a firm “no” from France and several aligned member states – together with internal tensions within Mercosur, such as Uruguay’s unilateral efforts to deepen co-operation with China, could lead to a de facto freeze of the ratification process. The outcome would be the expansion of alternative trade arrangements, erosion of regulatory predictability, economic costs in the form of forgone trade and investment benefits, and a weakening of the European Union’s position in South America. The fourth scenario anticipates targeted renegotiation of the agreement. Under political pressure – including farmer protests in EU member states and upcoming national elections – the parties might introduce selective adjustments, such as revisions of tariff-rate quotas, strengthened safeguard clauses, or clarifications to the chapter on trade and sustainable development. Although such a process would be time-consuming, it could ultimately enhance the political and social legitimacy of the agreement.

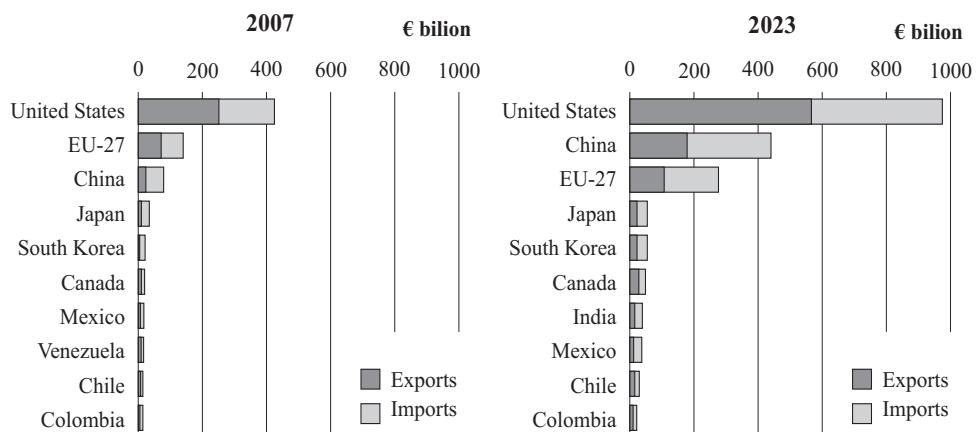
The future of the EU–Mercosur agreement remains uncertain. While several pathways for advancing the agreement exist, each is conditioned by the extent to which the parties are able to reconcile divergent economic interests, normative expectations, and environmental commitments. Scenario-based analysis demonstrates that conditional ratification remains the most feasible outcome, provided that credible environmental

guarantees are upheld and political support is secured within the EU Council. Phased ratification offers a pragmatic alternative, enabling partial implementation of the agreement despite persistent disagreements in the agricultural sector. More pessimistic trajectories – such as a prolonged stalemate compounded by internal divisions within Mercosur – highlight the risk of regulatory fragmentation and declining European influence in South America. At the same time, targeted renegotiation could, if politically viable, enhance the legitimacy and public acceptance of the agreement by addressing the most contentious provisions.

Geopolitical and Strategic Challenges: the United States, China, and the BRICS

Relations between the European Union and Mercosur must be examined within the broader context of global power rivalry and the transformations of the international order after 2020. As Pose-Ferraro (2025) argues, the EU–Mercosur negotiations increasingly reflect the intersection of geopolitical competition and political-economic constraints, making the agreement a test case for the EU's ability to operate strategically in a multipolar environment. Against the backdrop of intensifying U.S.–China competition, as well as the consequences of the war in Ukraine, South America has regained strategic significance as a space of geopolitical and economic contestation (Roy, 2025). Over the past two decades, China has become the principal trading partner for most Mercosur countries (see Figure 1), offering demand for natural resources and large-scale infrastructure investment; this, in turn, strengthens Mercosur's bargaining position vis-à-vis the European Union.

Figure 1. Latin America's main trade partners in 2007 and 2023 (€ billion)



Source: IMF data cited in: M. Jütten (2025), *China's Increasing Presence in Latin America: Implications for the European Union*, European Parliamentary Research Service, [https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/769504/EPRS_BRI\(2025\)769504_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/769504/EPRS_BRI(2025)769504_EN.pdf).

Since 2009, China has been the largest export destination for Brazil, Argentina, and Uruguay (ECLAC, 2023). Cooperation within the Belt and Road Initiative has led

to extensive infrastructure, energy, and technology investments in the region, further deepening its dependence on Chinese demand for natural resources (Raza, 2022). As a result, China's growing presence weakens the European Union's negotiating position, compelling the EU to offer more attractive terms of cooperation and environmentally sustainable investment frameworks. The United States, although historically dominant in the region, has lost its political and economic monopoly. The Biden administration has sought to rebuild U.S. influence through initiatives such as the Americas Partnership for Economic Prosperity (APEP). However, Mercosur countries increasingly pursue a strategy of balanced engagement with multiple partners. Under the Trump presidency, the United States treated South America as a zone of critical strategic interest, a stance that continues to shape regional strategic calculations and indirectly affects the EU's room for manoeuvre. In this context, the European Union is perceived as an alternative actor – one that promotes multilateral cooperation rather than political domination.

An additional factor is the growing importance of BRICS+, which includes Brazil and Argentina (the latter as an invited member in 2024). This grouping offers an alternative platform for economic and political coordination among Global South countries, strengthening their bargaining power vis-à-vis the EU (Stuenkel, 2024). Participation in BRICS encourages some Mercosur states to diversify their partnerships, potentially reducing the urgency of concluding the agreement with the European Union.

For the European Union, partnership with Mercosur holds strategic importance for advancing the concept of strategic autonomy, understood as the capacity to act in the international environment independently of pressures from other major powers. In the context of the war in Ukraine and reduced access to natural resources from Russia, South America has emerged as a priority region for the diversification of energy, mineral, and food supplies (Hagemejer et al., 2021).

The Mercosur region is of particular importance for the supply of strategic raw materials – such as lithium, copper, nickel, and hydrogen – that are essential for the energy transition and the development of Europe's green technology industries, as well as for the advancement of the defence sector (Ragonnaud, 2023). From the perspective of the EU's global policy, relations with Mercosur also reinforce the Union's normative projection. The partnership functions as an instrument for promoting regulatory standards in trade, labour law, and environmental protection, thereby strengthening Europe's "regulatory power" (Bradford, 2020). In this way, the EU is able to shape global value chains and set standards that apply even beyond its borders.

At the same time, the implementation of this strategy faces several constraints. First, some EU member states view the agreement with Mercosur not as a strategic instrument but as a risky trade commitment that could threaten domestic agricultural sectors and undermine climate goals (Arrighini, 2025). Second, political heterogeneity within Mercosur itself – between the more liberal Argentina and Uruguay, and the more interventionist Brazil – complicates the formation of a unified position vis-à-vis the EU. As a result, future cooperation is likely to be conditional and selective, meaning that it will encompass specific sectors (green energy, digitalisation, education) rather than evolve into a fully comprehensive partnership.

As Müller (2023) argues, delays in ratification risk undermining the EU's credibility as a strategic partner in South America, reinforcing perceptions that the Union struggles to translate geopolitical ambitions into concrete policy outcomes. At the same time, the growing activity of China and the BRICS in the region will force the EU to adopt a more flexible and pragmatic approach that balances values with interests. In this context, EU–Mercosur relations can no longer be understood solely as an economic project; they have become part of a broader competition over global narratives – on climate, trade, and development. For the EU, the credibility of its climate commitments and the balance between liberalisation and the protection of sensitive sectors are key. Meanwhile, an increasingly multipolar environment (China, the United States, BRICS) raises the geopolitical stakes of the agreement.

Conclusion

Even within a destabilized international system, cooperation between states remains possible as long as stable institutions and regulatory mechanisms exist. From this perspective, EU–Mercosur relations can be analysed as a process of constructing institutional frameworks that reduce uncertainty, facilitate information exchange, and increase the predictability of actors' behaviour. Joint forums, ministerial dialogues, working groups, and consultative mechanisms represent the institutional infrastructure that reduces uncertainty and enables structured interaction between the two blocs. It is also a concrete manifestation of the role that institutionalized practices play in stabilizing interregional cooperation. This also explains why – despite repeated political crises and pauses in negotiations – the interregional dialogue has never fully collapsed. The institutions created within this framework have an enduring character and provide channels for continuing cooperation even when political circumstances shift. In this way, EU–Mercosur relations can be understood as a dynamic process in which national and regional interests interact with the values and norms shaping the contemporary international order.

EU–Mercosur relations constitute an asymmetric interregional partnership in which economic benefits intersect with normative conditionality. The European Union acts as a “normative power” (Manners, 2002), promoting values such as democracy, human rights, and sustainable development, while Mercosur remains primarily focused on economic considerations. The main axes of contention include the green transition, agriculture, and SPS/TBT standards. Ultimately, the EU–Mercosur partnership represents a test of the European Union's capacity to act as a global actor in a multipolar world. Its success will depend on the Union's ability to reconcile trade and environmental interests with its ambition to maintain normative influence in the region.

Overall, the EU–Mercosur partnership illustrates the increasing complexity of contemporary interregional governance, where trade liberalization is inseparable from climate policy, societal expectations, and strategic competition among global powers. The ability of both blocs to navigate these overlapping pressures will determine wheth-

er the agreement becomes a cornerstone of interregional cooperation or an emblematic case of missed opportunity.

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Summary

The article examines the evolution and contemporary determinants of relations between the European Union and the Southern Common Market (Mercosur), presenting them as an example of a complex and asymmetric interregional partnership. The aim of the article is to identify the principal factors that that either facilitate or impede cooperation between the two regional blocs against the backdrop of dynamic geopolitical, economic, and environmental transformations. Drawing on the theoretical framework of interregionalism, the analysis demonstrates that, notwithstanding recurrent crises and prolonged negotiation deadlocks, EU–Mercosur relations retain their strategic relevance. In the economic domain, asymmetry prevails, as the EU is primarily an exporter of industrial goods and technology, whereas Mercosur exports mainly raw materials and agricultural products. This imbalance generates tensions regarding market access and agricultural subsidies. In the political dimension, the partnership is shaped by normative conditionality, while in the environmental domain disputes arise over how to balance development with environmental protection, particularly in relation to the implementation of the European Green Deal. The last part of the article elucidates the geopolitical determinants of the partnership, including the increasing influence of China, the United States, and the BRICS, as well as the relevance of cooperation with Mercosur for the European Union's pursuit of strategic autonomy.

Key words: European Union, Mercosur, trade agreement EU–Mercosur, EU foreign policy, EU normative power

Relacje Unii Europejskiej z Mercosurem. Trudne partnerstwo w obliczu strategicznych wyzwań

Streszczenie

W artykule opisano ewolucję i uwarunkowania relacji między Unią Europejską a Wspólnym Rynkiem Południa (Mercosur), ukazując je jako przykład złożonego i asymetrycznego partnerstwa międzyregionalnego. Celem artykułu jest zidentyfikowanie głównych czynników sprzyjających i utrudniających współpracę obu bloków państw w kontekście dynamicznych zmian geopolitycznych, gospodarczych i środowiskowych. W oparciu o ramy teoretyczne interregionalizmu, artykuł wskazuje, że pomimo powtarzających się kryzysów i opóźnień negocjacyjnych, relacje UE–Mercosur zachowują znaczenie strategiczne. W sferze gospodarczej dominuje asymetria, gdyż UE jest eksporterem dóbr przemysłowych i technologii, natomiast Mercosur – surowców i produktów rolnych, co generuje napięcia w zakresie dostępu do rynku i subsydiów rolnych. W wymiarze politycznym partnerstwo opiera się na warunkowości normatywnej, podczas gdy w sferze ekologicznej ujawnia się spór o równowagę między rozwojem a ochroną środowiska, szczególnie w kontekście wdrażania założeń Europejskiego Zielonego Ładu. W ostatniej części artykułu omówione zostały geopolityczne uwarunkowania współpracy, w tym wzrastająca rola Chin, USA i BRICS, oraz znaczenie partnerstwa z Mercosurem dla realizacji unijnej autonomii strategicznej.

Slowa kluczowe: Unia Europejska, Mercosur, umowa handlowa UE–Mercosur, polityka zagraniczna UE, normatywna siła UE

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