

The background of the top section is a composite image. On the left, there's a close-up of industrial machinery with sparks flying. On the right, there's a geometric pattern of triangles. A European Union flag with its yellow stars on a blue background is visible on the left side, partially overlapping the machinery.

STATEMENT

Brussels, 3 September 2025

Proposed trade deals unlock enormous potential

The EU-Mercosur and EU-Mexico agreements are smart and strategic partnerships that can offer significant, long-term, positive social, economic and environmental potential to a combined population of 1.23 billion people.

The free trade agreements (FTAs) would open the doors to mutually beneficial collaboration by enabling fair access to public procurement, enhancing regulatory cooperation, and encouraging knowledge exchange between industrial ecosystems.

For the industrial technology sector in Europe, such as Orgalim's members, these agreements support both competitiveness and climate ambition. Our industries provide the technologies at the heart of the green transition: from advanced electrification to energy efficiency solutions. Ensuring access to critical raw materials through stable trade partnerships like these is essential to scaling these innovations, both in Europe and globally.

The Mercosur agreement in particular will be key to safeguarding the competitiveness of our industries and helping them to build more diversified and resilient international value chains. By 2040, the agreement is expected to lead to a €5.4 bn growth in EU exports of machinery and a €2.1bn increase in exports of electrical equipment to Mercosur.

Orgalim fully supports these deals and considers them a crucial step forward in strengthening Europe's global industrial partnerships and delivering on shared sustainability goals through innovation. We now urge the European Parliament and Council to proceed to a swift ratification of the deals to unlock their benefits for the European and Latin American economies.

We look forward to a new era of fruitful collaboration with our Latin American partners in the face of shared geopolitical, climate and environmental challenges.

Orgalim represents Europe's technology industries, comprised of 770,000 innovative companies spanning the mechanical engineering, electrical engineering, electronics, ICT and metal technology branches. Together they represent the EU's largest manufacturing sector, generating annual turnover of over €2,755 billion, manufacturing one-third of all European exports and providing 11.6 million direct jobs. Orgalim is registered under the European Union Transparency Register – ID number: 20210641335-88.

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