

(English version)

**Question for written answer E-002499/26  
to the Commission  
Mathilde Androuët (Pfe)  
(17 June 2026)**

*Subject:* EU-Mercosur agreement, farming prices and benefits for consumers

The Commission regularly presents trade liberalisation as a way to improve economic efficiency to benefit European consumers.

The study ‘Growth narrative debunked, inequalities uncovered’ <sup>(1)</sup> disputes such claims. The study points out that lower agricultural producer prices do not necessarily mean lower prices for consumers, particularly in highly concentrated food chains. The authors consider that the gains from lower agricultural prices are likely to be captured by processors and retailers, rather than passed on to consumers (p. 3 and p. 8). The study also points out that, despite a fall in producer prices in 2024, consumer food prices continued to rise, albeit more slowly (p. 8).

In view of this:

1. Can the Commission still maintain and show that the agreement will cut food prices for European consumers?
2. Has the Commission assessed how much of the gains could be captured by intermediaries?
3. How does the Commission justify undermining European producers without any guarantee of benefits for consumers?

Submitted: 17.6.2026

**Answer given by Mr Šefčovič on behalf of the European Commission  
(10 August 2026)**

The Commission remains confident that, overall, trade agreements, including the EU-Mercosur Interim Trade Agreement (ITA), will translate to lower consumer prices in the stores.

The study cited in the question, on the other hand, bases itself on three studies, two of which are over 60 years old. The remaining one investigates a confined phenomenon, namely price increases during the COVID-19 pandemic and the role that market concentration plays.

The Commission has not specifically quantified how gains resulting from the agreement would be distributed along the supply chain. Price transmission along the agri-food chain depends on several factors, including market structure, costs and contractual relations.

The Commission is addressing imbalances in the agri-food chain through Directive (EU) 2019/633 <sup>(1)</sup>, which prohibits unfair trading practices imposed by stronger buyers on weaker suppliers.

Following its evaluation <sup>(2)</sup>, the Commission is examining how the framework could be further strengthened, in particular to better protect farmers and other weaker suppliers.

In parallel, the EU Agri-food Chain Observatory intended to improve transparency and the understanding of how value is shared among the different operators, including whether changes in agricultural prices are transmitted further along the chain.

The Commission does not agree with the statement that the ITA is undermining European producers. The degree of tariff liberalisation for EU sensitive agricultural products is limited to a very small volume in order not to expose vulnerable producers to excessive competition.

Therefore, the impact for those specific goods is by construction expected to be very limited.

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<sup>1</sup> ‘New Economic Study on the EU-Mercosur Trade Agreement: Growth Narrative Debunked, Inequalities Uncovered’, Orsola Costantini and Alex Izurieta, <https://caneurope.org/app/uploads/2026/04/economic-study-eu-mercoshur-trade-agreement.pdf>.

<sup>(1)</sup> <https://eur-lex.europa.eu/eli/dir/2019/633/oj/eng>.

<sup>(2)</sup> Commission Staff Working Document — Evaluation of the directive (EU) 2019/633 on unfair trading practices in business-to-business relationships in the agricultural and food supply chain — accompanying the report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions — Evaluation of the Unfair Trading Practices Directive, SWD(2025) 405 final, 1 December 2025, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52025SC0405>.