TRADE POLICY

The Climate Impact of the EU Trade Agreement with Colombia, Peru and Ecuador

PowerShift

Table of Contents

4 **1** Introduction

5 **2** Our methodology

6 **3** Main conclusions of EU Commission's own evaluation

8 **4** Trade in goods between the EU and the Andean countries

9 EU trade with Colombia

16 EU trade with Peru

19 EU trade with Ecuador

22 In a Nutshell

23 **5** Rules, institutions and decisions governing climate policy

23 Lack of Sanctions

24 Examples

28 In a Nutshell

29 **6** Committees and bilateral dialogues established under the agreement

30 Decisions taken by the Committees

30 What exactly happened in the Committees?

35 (Lack of) civil society participation

38 Corporate lobby benefits

39 In a Nutshell

40 **7** Conclusion and recommendations

42 Endnotes

Abbreviations

ANLA	Agencia Nacional de Licencias Ambientales
BIT	Bilateral Investment Treaty
DAG	Domestic Advisory Group
CBAM	Carbon Border Adjustment Mechanism
CCODEM	National Coordination for the Defense of Mangroves
CSDDD	Corporate Sustainability Due Diligence
ETS	Emissions Trading System
ETUC	European Trade Union Confederation
EU	European Union
EUDR	European Union Deforestation Regulation
FDI	Foreign Direct Investment
FQD	(European Union) Fuel Quality Directive
GHG	Greenhouse Gas
HS	Harmonised System
IPR	Intellectual Property Rights
LNG	Liquefied Natural Gas
MADB	Market Access Database
MEP	Member of European Parliament
MRL	Maximum Residue Level
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Cooperation and Development
RED	Renewable Energy Directive
RED II	Revised Renewable Energy Directive
SENADI	Servicio Nacional de Derechos Intelectuales (Ecuadorian Institute of Intellectual Property)
SIA	Sustainable Impact Assessment
SPS	Sanitary and Phytosanitary
TNI	Transnational Institute
TSD	Trade and Sustainable Development
UPOV	Union for the Protection of New Varieties of Plants
UTP	EU Directive on Unfair Trading Practices
WTO	World Trade Organisation

1 Introduction

The trade agreement between the European Union (EU), Colombia, and Peru was signed in 2012 and provisionally entered into force in 2013. Ecuador subsequently joined the agreement in 2017.[1] Negotiations for this deal stemmed from the EU's desire to enhance economic cooperation and trade liberalisation with the Andean Community, by addressing tariff reductions, intellectual property rights, and sustainable development. The agreement was presented by the EU as representing not only an economic opportunity, but also a tool to uphold high environmental and social standards. In particular, the Trade and Sustainable Development (TSD) Chapter was promoted as providing a guarantee of sustainability, aiming to promote labour rights, environmental protection, and biodiversity conservation. However, this has not proven to be the case, and ultimately the agreement's implementation raises critical questions regarding enforceability and the practical impact of sustainability goals.

The inclusion of environmental and social standards in the agreement reflected growing concerns over climate change and its impact on both the EU and the Andean countries. The Andean region is particularly vulnerable to climate change due to its economic dependence on natural resources and agriculture. Colombia, Peru, and Ecuador face increased risks of extreme weather events, glacial retreat, and deforestation, which threaten biodiversity and food security. Similarly, the EU is experiencing climate-related challenges such as heatwaves, droughts, and flooding, requiring enhanced adaptation and mitigation strategies.

As a major historic emitter, the EU, with its 27 member states, should play a pivotal role in combatting climate change. However, it falls disappointingly short of its potential and ranked only 17th in the Climate Change Performance Index 2024.[2] This is also due to the fact that the EU continues to subsidise fossil fuels despite the fact that it has committed to phase out "inefficient fossil fuels" by 2025.[3]

The Andean countries exhibit mixed performance in climate adaptation and protection. Colombia has ambitious plans for renewable energy expansion and deforestation reduction but struggles with enforcement, particularly in regions where extractive industries operate. Colombia is also among the ten countries with the largest developed coal reserves, and is currently planning to increase its production.[4] Peru's efforts to curb emissions are undermined by agricultural expansion and deforestation, while Ecuador faces challenges linked to coastal ecosystem degradation and shrimp farming.

The EU-Andean agreement was also framed by the EU as providing a means to support the Andean countries to transition to a climate-friendly economy through technology transfer and investment in sustainable production methods. Additionally, it sought to enhance civil society participation by establishing dialogue platforms such as the Domestic Advisory Groups (DAGs), which would enable environmental and human rights organisations to influence the implementation of the agreement.

These commitments were intended to ensure that the agreement would not only strengthen economic ties, but also generate long-term benefits for climate and environmental protection. Against this backrop, this study evaluates the environmental and social impacts of the EU-Andean trade agreement, focusing on its implications for climate change mitigation and adaptation. It examines whether the agreement's sustainability provisions effectively address environmental concerns or perpetuate harmful patterns of resource exploitation. Through this analysis, we aim to assess whether the EU's approach aligns with its climate commitments and supports the Andean countries in achieving sustainable development goals.

Ultimately, the findings of this report reveal a different reality from that ostensibly envisioned by the EU. Instead of fostering sustainability, the trade agreement primarily facilitates, and in some cases increases, trade in climate-damaging products. Crucially, it also lacks enforceable mechanisms to promote sustainable development.

2 Our methodology

In an increasingly interconnected world, trade agreements play a critical role in defining economic relationships between nations. These agreements are not fixed, but evolve over time, influencing economies, societies, and ecosystems in profound ways. Evaluating their impacts is essential for policymakers, stakeholders, and the broader public. This study focusses on evaluating the climate impact of the EU-Andean Trade Agreement since its implementation. This sets it apart from other assessments, such as the ex-post-evaluation conducted by the European Commission, which takes a broader, less specific approach.

Our analysis critically examines how the EU-Andean Trade Agreement aligns with global climate goals, particularly the transition to a net-zero economy. The assessment framework is built on three key pillars:

1. **Trade Flow Analysis:** Examining variations in trade in goods, with an emphasis on high-impact commodities such as fossil fuels, raw materials, and forest-risk commodities.

2. **Policy and Governance Analysis:** Evaluating the rules and decisions that shape the climate policies of the agreement.

3. **Institutional Mechanisms:** Analysing the role of committees and dialogues established under the agreement, as well as their potential impact on standards and regulations.

Each pillar applies a climate-focused lens to uncover systemic risks and opportunities for reform. The first pillar provides data on the evolution of trade between the EU and the Andean countries, focussing on commodities with a strong climate impact. The analysis includes goods that were already duty-free when the agreement entered into force. The reason for this approach is that a truly sustainable trade agreement should include targeted measures that mitigate the risks of all emissions-intensive goods, regardless of specific tariff reductions or variations in trade flows.

The second pillar scrutinises the governance framework, focussing on sustainability and environmental chapters, the functioning of Domestic Advisory Groups (DAGs), and the effectiveness of existing mechanisms in strengthening climate protections. Finally, the third pillar investigates the evolving decisions made by committees and dialogues under the trade deal, which highlight its nature as a “living” agreement. These decisions may influence environmental regulations and standards, making it vital to track their potential impact.

This methodology provides a structured framework to assess the climate outcomes of the EU-Andean trade agreement. It takes account of the specific interplay of treaty rules, institutional mechanisms, government regulations and concrete trade and investment flows between the EU and its Latin American partners.

The actual trade and investment relationship serves as the starting point to identify all harmful trade requiring special treatment to mitigate the climate impact of the agreement. This is complemented with an analysis of the rules and institutions governing the agreement, as well as an evaluation of the concrete decisions taken since its implementation. On this basis, it is possible to devise and recommend mitigation measures that could support improved production processes and phase-out of trade in harmful goods. The methodology therefore seeks to empower policymakers, civil society, and researchers with a tool to refine and improve the trade agreement and to foster its alignment with climate objectives.

3 Main conclusions of EU Commission's own evaluation

The European Commission employs ex-post evaluations as one assessment tool during a trade deal's lifecycle. Its evaluations are evidence-based assessments of the extent to which an agreement has been effective in fulfilling its objectives. But the main objective of EU trade agreements is clearly to increase bilateral trade. This is also true for the EU-Andean agreement, as can be seen from the EU's offical summary of the deal:

> *The TA [Trade Agreement] between the EU and Colombia and Peru aims to open up markets on both sides and improve the stability of the trade relationship between the partners. (...) The overall objective of the TA is to enhance trade and investment between the two regions, integrating productive value chains and helping local businesses develop in their regional market to compete internationally."*[5]

Due to the overarching objective of increasing bilateral trade, the Commission's ex-post evaluations also tend to prioritise economic performance over sustainability, putting a strong focus on economic growth and trade expansion. That is also the reason why they often fail to provide sufficient analyses of climate-related effects. Tellingly, the Commission requires a pre-agreement Sustainability Impact Assessment (SIA) but not a post-application SIA.

In the case of the EU-Andean agreement, the European Commission contracted its ex-post assessment to BKP Economic Advisors. Between April 2020 and January 2022, this firm analysed the implementation of the agreement, as well as its economic, social, environmental and labour impacts.[6] Their study addressed various stakeholders during its consultation process, including business representatives, employers' organisations, trade unions, NGOs, academics, international organisations, public officials, and vulnerable groups.[7] However, the private sector was overrepresented in its engagements to inform its report, especially within the EU, and workshops conducted in the Andean capitals excluded many directly affected rural communities.

In terms of environmental outcomes, the final report of the evaluation came—somewhat surprisingly—to a few noteworthy conclusions, including on the agreement's climate impact. According to the report, the trade deal increased green house gas (GHG) emissions in the EU and the Andean countries,

Deforestation driven by agricultural expansion.
Photo: Pok Rie / Pexels.com

Shimp farming .
Photo: John Cameron / Unsplash.com

particularly Colombia and Peru, as tariff reductions increased production in sectors like petroleum, chemicals, and utilities. Only Ecuador's emissions remained more or less stable, with minor reductions in some sectors. Despite the increased emissions in both regions, global GHG emissions worldwide declined slightly, as some production shifted to EU countries where environmental standards are stricter.[8]

According to the ex-post evaluation, deforestation increased, especially in Colombia, driven by agricultural expansion in crops like vegetables and sugar cane. Around 34.5% of cropland expansion in Colombia resulted in deforestation between 2012 and 2016. Yet, Ecuador and Peru appear to have experienced somewhat less pressure on forests due to slower cropland expansion.[9]

With regard to other environmental impacts, the report highlights how water-intensive crops, such as avocados, appear to have degraded water quality in Peru. Ecuador's shrimp industry may have contributed to a loss of carbon sinks and biodiversity due to the conversion of mangroves to shrimp ponds (see pages 21 and 26).[10] Air quality worsened in Colombia as a result of industrial and agricultural growth, with minor improvements in vehicle emissions due to increased import of vehicles from the EU. Ecuador's shrimp and tuna industries also contributed to air pollution, with overall improvements in production patterns being minimal.[11]

The Trade and Sustainable Development (TSD) chapter's impact on environmental performance was marginal, according to the Commission's assessment. While it provided a platform for dialogue on sustainability, it did not lead to substantial legislative or policy reforms in the area of environmental protection. Governance reforms were actually driven more by other political processes, such as the Paris Agreement. Consultation procedures like Domestic Advisory Groups (DAGs) enabled civil society to raise concerns, but achieved only limited results.[12] The agreement's focus on expanding trade exacerbated environmental damage in some sectors, particularly agriculture. While some shifts toward more sustainable practices were observed, these were not sufficient to offset the increased environmental pressures due to increased trade.[13]

In conclusion, the ex-post evaluation's main conclusion was that the trade agreement contributed to economic growth, especially in the Andean region, but this came at the cost of increased environmental harm, particularly deforestation and GHG emissions. The sustainability mechanisms put in place were not robust enough to fully mitigate the adverse effects, and further action is needed to align the agreement with environmental goals.

4 Trade in goods between the EU and the Andean countries

The trade agreement between the EU and the Andean countries was provisionally applied with Peru since March 2013, with Colombia since August 2013 and with Ecuador since January 2017. Belgium was the last EU member state to complete national ratification in 2024, which enabled the Council to conclude the European ratification process in October 2024. The EU trade agreement with Colombia, Peru and Ecuador is thus fully implemented since 1 November 2024.[14]

However, the conclusion of the ratification process and the final entry into force is more of political than economic significance, as the overwhelming majority of the agreement's clauses have been applied since 2013 and 2017 respectively. For this reason, it is important to analyse its impact since its provisional application.

This chapter provides basic data on the evolution of trade in goods between the EU and Colombia, Peru and Ecuador, focussing on a selection of goods that have a strong climate impact. However, it is important to acknowledge the fact that while the trade deal has been applied for over a decade now, this does not necessarily imply a causal link between the liberalisation agreed under the agreement and the variations of trade flows outlined. Other factors, such as fluctuations in commodity prices, may also have influenced bilateral trade flows.

It is also important to note that the assessment presented here is not limited to goods that are subject to tariff preferences under the agreement. We also consider products where the trade deal does not foresee any new market access or tariff reduction commitments. This includes commodities that were already largely duty-free in the EU before the application of the agreement, such as crude oil, hard coal, copper, and green coffee.

The reason for this approach is that trade in commodities such as fossil oil and hard coal—important items in Colombia's exports to the EU—has serious implications for climate change, both in terms of production and consumption. In addition, the Commission argued that the trade deal promotes and preserves "a high level" of environmental protection, guaranteeing that it "works in favour of sustainable development".[15] Moreover, in the title on trade and sustainable development (TSD), the parties to the agreement commit to promote domestic and international policies "to mitigate and to adapt to climate change".[16]

This raises the obvious question of what contribution the agreement has actually made to achieving sustainable development and ensuring climate protection. More specifically: What measures have been taken since its implementation to identify harmful goods in bilateral trade, to eliminate the environmental risks they pose and to support the green transition? Potential mitigation measures could include the reduction and phasing-out of trade in harmful commodities, investment in renewable energy and industrial decarbonisation, as well as related technology and know-how transfer.

The key criterion for our assessment is therefore the extent to which the agreement actually contributes to eliminating the climate damage caused by EU-Andean trade and to the transition to a net-zero economy. In the subsequent sections we will approach these questions by analysing basic data on harmful trade flows between the EU and the three Andean countries who signed the agreement—Colombia, Peru and Ecuador.

EU trade with Colombia

Before the trade agreement with the EU was implemented in August 2013, Colombia had a trade surplus with the EU for over a decade (Figure 1). However, one year after its application, the situation was reversed. EU imports shrank significantly until 2020, and the EU achieved ongoing surpluses vis-à-vis Colombia. This trend was only broken in 2022, when the EU's imports increased sharply and Colombia recorded a monetary surplus of almost €1.2 billion. So, at least in value terms, the agreement did not lead to an immediate increase in bilateral trade. From Colombia's perspective, exports to the EU have actually fallen significantly, with the notable exception of 2022. In 2024, Colombia's trade deficit with the EU rose to €2.2 billion—the highest deficit recorded so far.

EU mining imports from Colombia

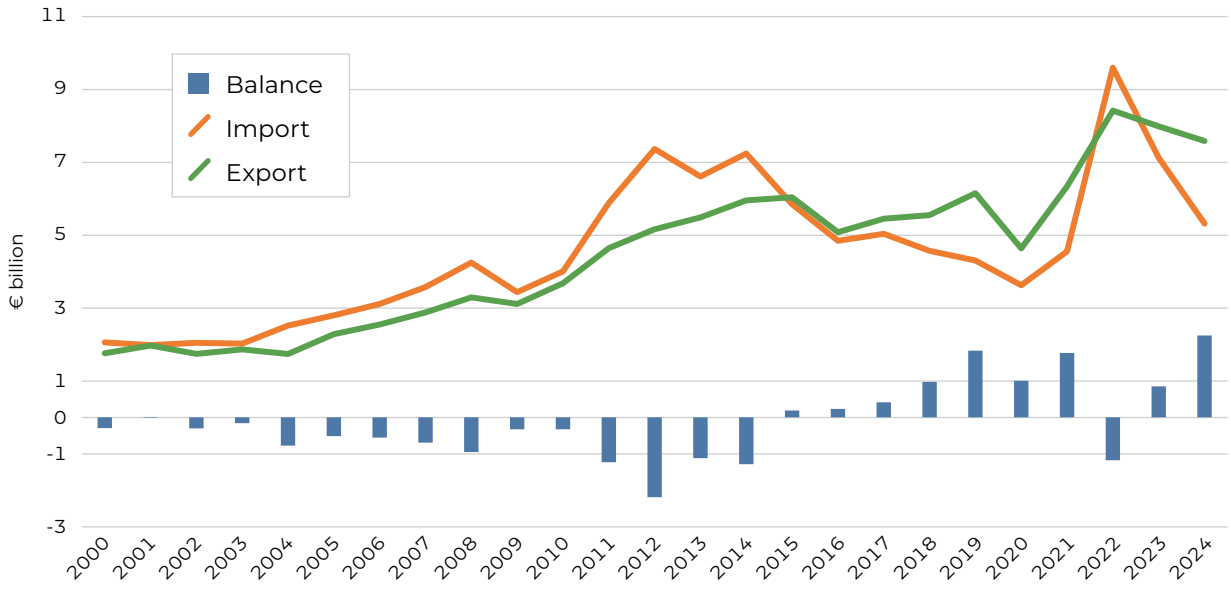
Colombia is an important supplier of raw materials to the EU. However, the mining sector is also one of the main contributors to deforestation and climate change in Colombia. According to estimates, in the period 2001 to 2018, deforestation took place in more than 120,000 hectares of legal mining concessions. However, given that more than two-thirds of mining occurs without any legal permission, the negative impact is actually significantly larger. In the same period, it is estimated that deforestation took place across about 400,000 hectares as a result of both legal and illegal mining. The illegal production is mainly conducted by artisanal miners as well as criminal gangs and armed groups who still control many rural areas in the country.[17]

Gold and hard coal are the most important materials mined in Colombia, and also the most harmful for biodiversity and the climate. According to Colombian researchers, for every kilogramme of gold legally mined in the country, 20 trees are felled, and for every 1,000 tonnes of coal, 10 trees are logged.[18]

Gold and hard coal already enjoyed duty-free access in the EU before the implementation of the trade agreement. Colombian gold exports to the EU experienced a particularly steep increase since 2018, amounting to between €400 million and €500 million per year (Figure 2). In the preceding years, these exports were largely negligible.

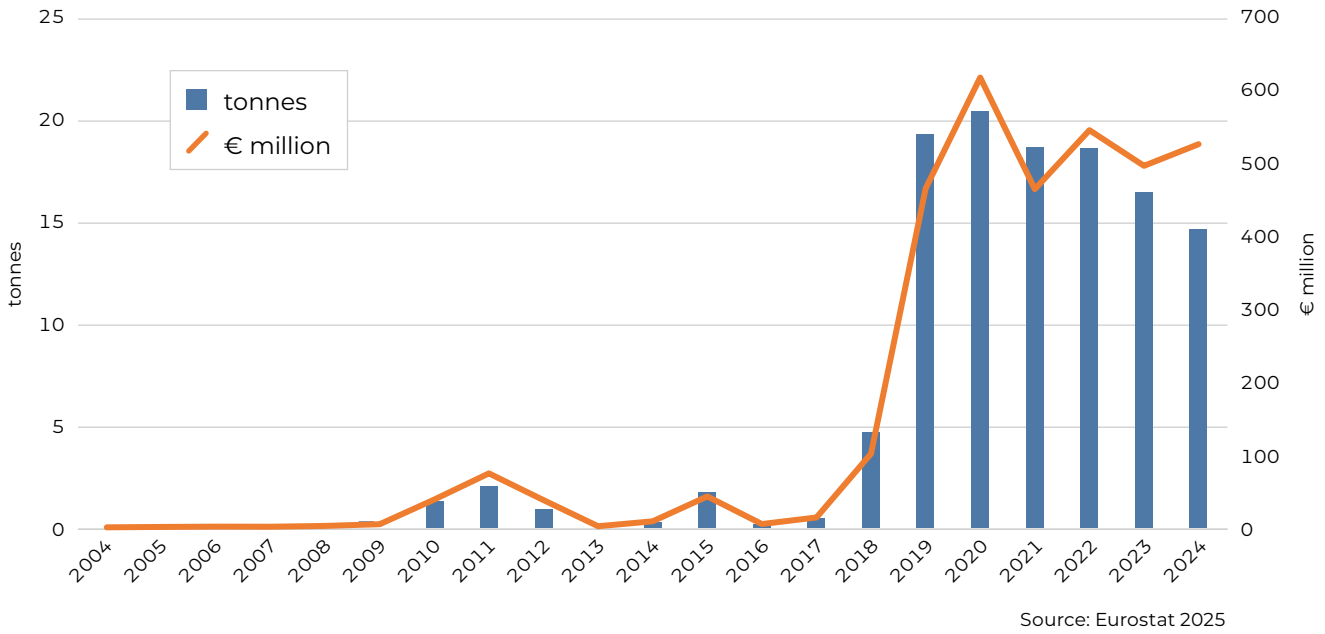
Moreover, as well as gold mining's devastating effect on forests, the use of mercury in the extraction process also contaminates rivers and soils and endangers the health of local communities. Another cause for concern: it is estimated that so far only five percent of Colombia's potential gold reserves have been explored and exploited, meaning the destructive search for the mineral will be stimulated even further.[19]

Figure 1: EU trade in goods with Colombia 2000 – 2024, *€ billion*



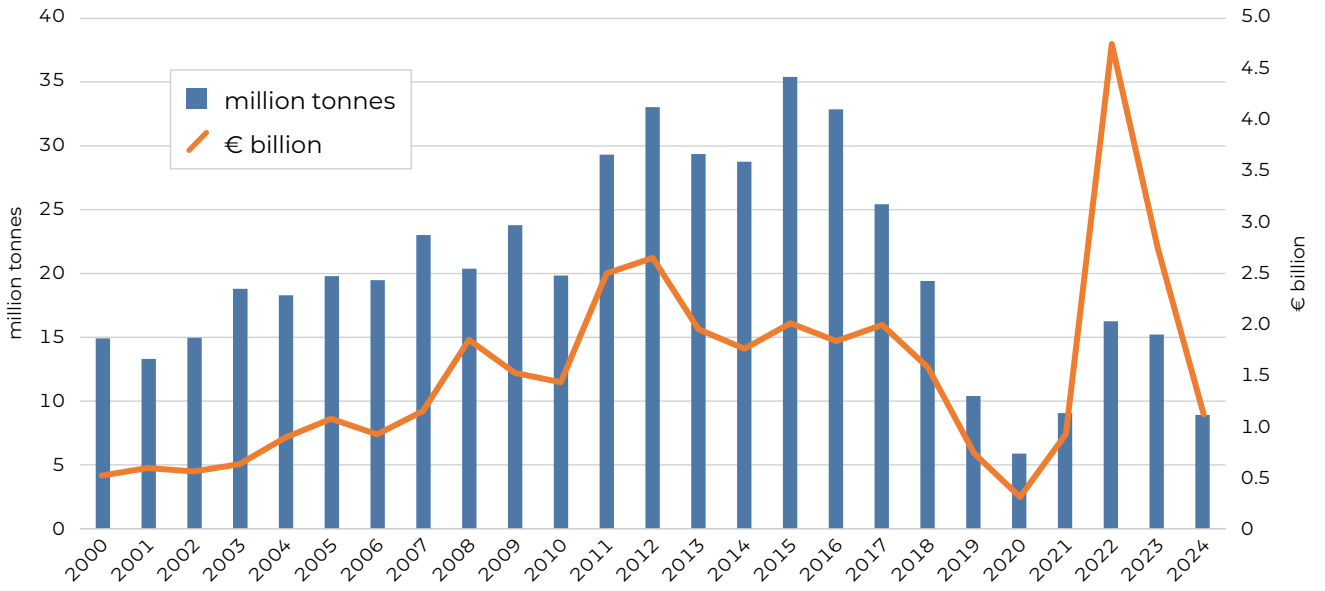
Source: Eurostat 2025

Figure 2: EU gold imports from Colombia 2004 – 2024, *volume and value*



Source: Eurostat 2025

Figure 3: EU hard coal imports from Colombia 2000 – 2024, *volume and value*



Source: Eurostat 2025

In past decades, Colombia has also been an important supplier of hard coal to the EU. However, beginning in 2016, European import of Colombian coal started to decline—a reflection of the general decrease in EU coal consumption, with numerous Member States having announced a coal phase-out in order to achieve climate neutrality. But Russia's war of aggression against Ukraine in 2022 led to a temporary shift in energy demand in the EU. Russia's decision to limit gas supply to Europe shortly before and after the invasion of Ukraine sparked a price spike and a relative shift from gas to coal in power generation. Moreover, the EU banned the import of Russian coal in August 2022 (followed by an import ban on Russian crude oil in December) and switched to other countries to close the supply gap.[20]

Colombia was among the beneficiaries of the short-lived rise in energy prices and the shifts in European fossil fuel demand. The multi-year decline in EU coal imports from Colombia was followed by a marked increase in 2022 (Figure 3). This increase was particularly pronounced in value terms, indicating a huge price hike for hard coal. However, the price effect levelled off significantly in 2023 and 2024.

Hard coal is extracted at the Cerrejón mine, Colombia.
Photo: Tanenhaus, CC BY 2.0, via Wikimedia Commons

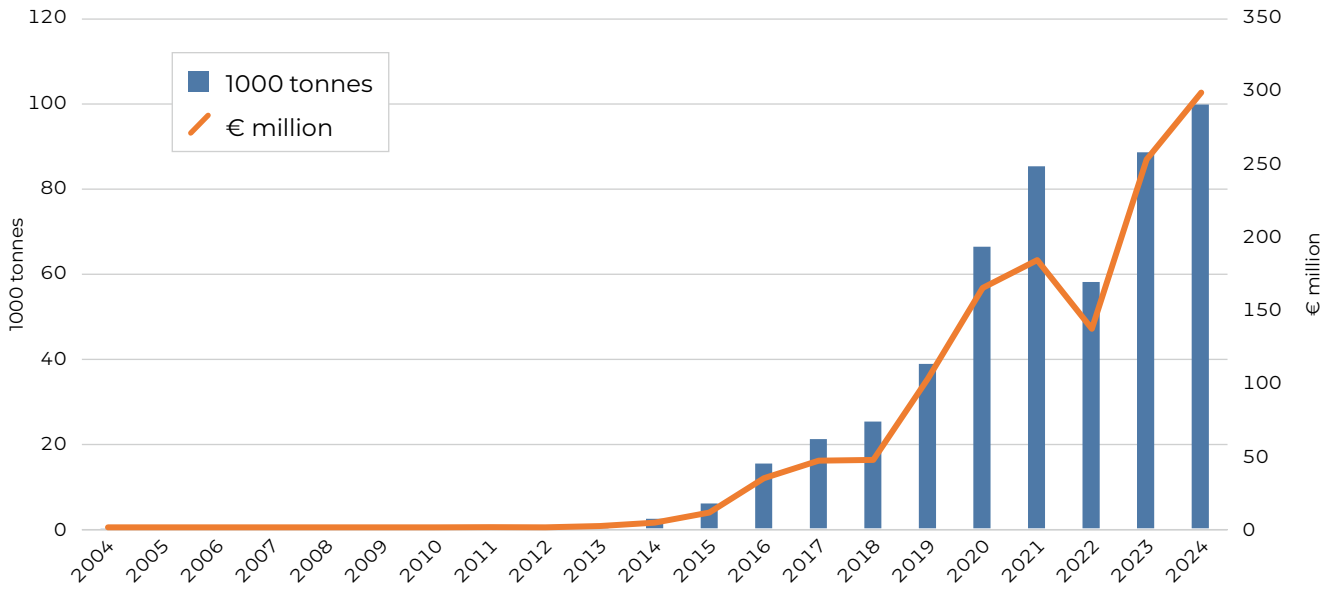
The energy price crisis highlights the extremely precarious role in the global economy of resource-rich countries such as Colombia. They serve as a safety valve in times of crisis, which the EU resorts to in order to cover temporary supply shortages. However, Colombia's economic future cannot be based on volatile fossil fuel demand from the EU and other wealthy countries. With the global energy transition underway, demand for fossil fuels will inevitably contract, endangering its export earnings and jobs. But, although the EU is among Colombia's top three trading partners and the destination of the majority of Colombia's coal exports, the country's huge transition risks have not been addressed sufficiently under the EU-Andean trade agreement.

According to the agreement's TSD title, the parties recognise that "the effect of climate change can affect their current and further development" and therefore "highlight the importance of increasing and supporting adaptation measures". The parties also commit to "trade and investment measures that promote and facilitate access, dissemination and use of best available technologies for clean energy production and use, and for mitigation of and adaptation to climate change."[21]

Unfortunately, these commitments have not been backed up with concrete actions—a shortcoming that is also implicitly confirmed by the Commission's ex-post evaluation of the EU-Andean agreement, published in 2022. The final report of the evaluation concluded that the environmental outcome has been marginal so far, due to "the limited scope of the TSD Title as well as the limited number of concrete actions and their corresponding impacts." It therefore recommended "allocating more resources to TSD implementation and turn it into a pro-active tool, instead of a reactive one."[22]

In essence, what the agreement actually achieved in terms of trade in raw materials, was to secure the cheapest possible supply for the EU by keeping import tariffs at zero, while turning a blind eye to Colombia's transition needs. This shortcoming is also regrettable given the huge emissions associated with gold and coal extraction. Deforestation in the legal mining concession areas alone is estimated to having caused more than 34 megatonnes of CO_2eq-emissions in the 2001 – 2018 period. Whereas before 2010, coal was the main driver of mining-related deforestation, since 2011 gold has become the primary cause of forest loss. Should these mining activities continue unabated, an additional 400,000 hectares of forest could be lost in the next two decades.[23]

Figure 4: EU avocado imports from Colombia 2004 – 2024, *volume and value*



Source: Eurostat 2025

EU agricultural imports from Colombia

Agricultural commodities account for over a third of Colombia's total exports to the EU, the second most important product group after fossil fuels. Coffee, bananas, avocados, and palm oil are among the country's most important agricultural exports. Yet, these products are also - to varying degrees - drivers of global warming as well as potential 'victims' of climate change.

Avocado exports from Colombia to the EU experienced a huge increase in the last decade, bolstered by the trade agreement, which eliminated the EU's import tariff of 5.1%. According to Eurostat, Colombian exports of avocados to the EU have grown sharply in both volume and value terms. The imported values increased from €3 million in 2014 to €300 million in 2024 (Figure 4).

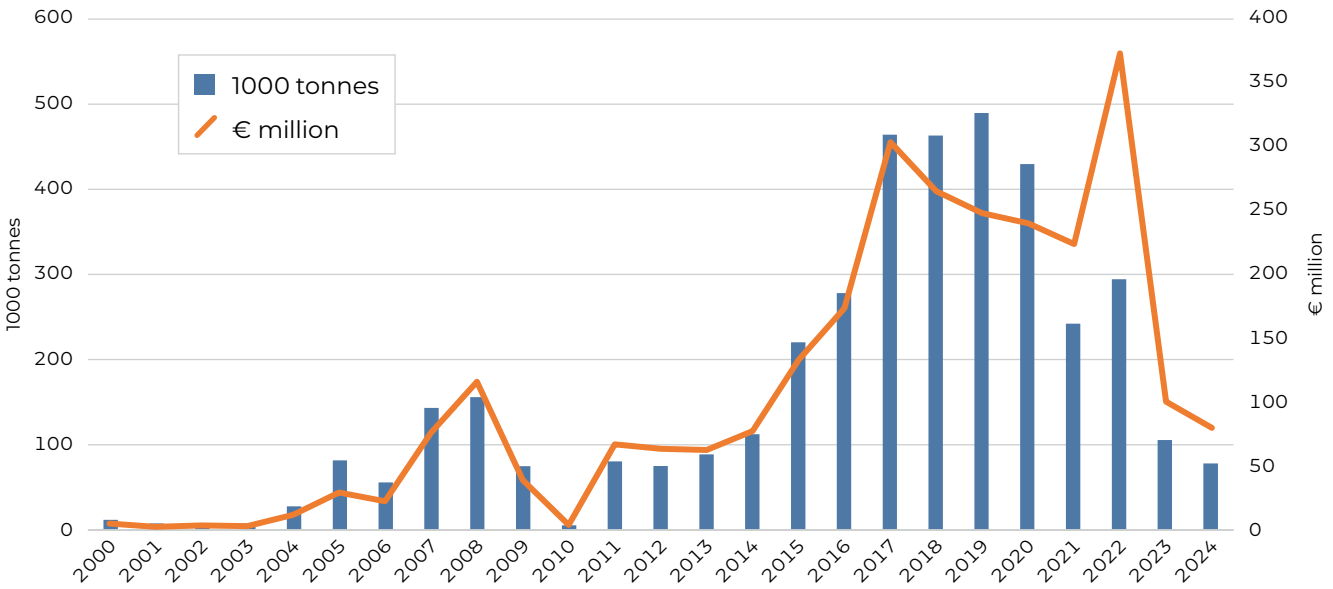
Although this was regarded as a favourable development for the Colombian economy, and lauded by governments as a means of diversifying exports, the cultivation of avocados also has a significant environmental impact. According to Eco Genova, an NGO active in the department of Quindío, the main avocado-growing region, the dominant Hass variety has a higher water requirement than other crops, including coffee, bananas and corn.[24] Avocado companies have constructed dams that divert water from surrounding communities, effectively privatising water and fuelling conflicts over this essential resource.[25]

Moreover, avocado farms apply huge amounts of pesticides and other agrochemicals to their crops, thereby destroying the genetic diversity.[26] Between 2018 and 2022, the area under avocado cultivation in Quindío increased by 39%. This resulted in the displacement of many smallholders, deforestation and land speculation.[27] In addition, the export crop also causes considerable levels of CO_2 emissions,[28] including those associated with its transport abroad.

Another Colombian commodity with a huge environmental impact is palm oil. The expansion of palm plantations has been associated with a negative climate impact due to deforestation, soil erosion, and loss of biodiversity. In Latin America, Colombia emerged as an important producer and exporter of palm oil, with 57% of its exports going to the European Union.[29] While crude palm oil had already been duty-free in the EU before 2013, the trade agreement also eliminated EU tariffs on refined and other palm oil products. Yet, the majority of exports to the EU still consists of unrefined raw materials, mainly crude palm oil and smaller amounts of palm kernel oil.

The EU's palm oil imports from Colombia saw a strong increase since the implementation of the trade deal in 2013 (Figure 5). However, the imported volume experienced a steep drop in 2021, followed by a brief spike in the imported value in 2022 and another sharp drop in volume and value in 2023 and 2024.

Figure 5: EU palm oil imports from Colombia 2000 – 2024, *volume and value*



Source: Eurostat 2025

The main driver behind the EU's increasing imports of palm oil since 2013 has been its use as a feedstock for biodiesel production. Between 2013 and 2018, the EU's use of palm oil for energy generation grew steadily. In 2018, the EU consumed 53% of imported palm oil for biodiesel and 12% for heating and electricity, meaning in total 65% of imported palm oil went into energy production. The EU's Renewable Energy Directive (RED) encouraged the use of palm oil and other food-based feedstocks to produce biofuels and achieve member states' renewables targets.[30]

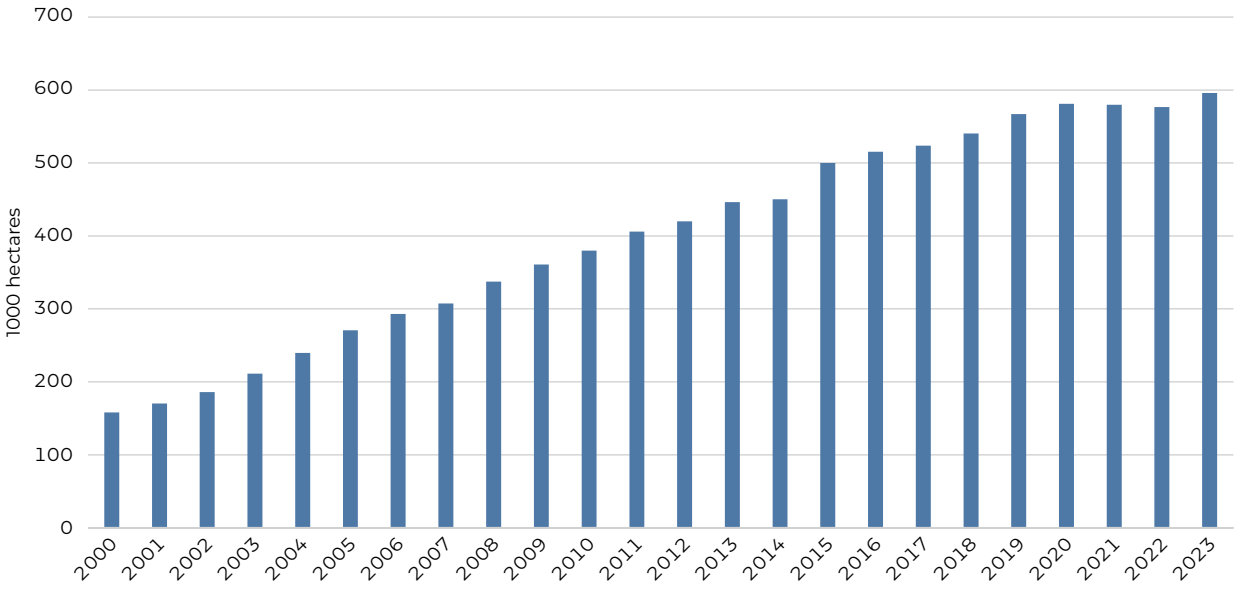
The price spike in 2022 was a reflection of the temporary increase in edible oil prices caused by several events: Russia's war and the blocking of export routes for Ukraine's sunflower oil, higher export levies on soybean oil in Argentina, a drought in Canada reducing its canola supply, as well as the cooking oil crisis in Indonesia. The renewed slump in palm oil exports to the EU since 2023 has been attributed to two other factors: changes in Colombian tax policies that increased the attractiveness of selling palm oil on the local market, and EU Member States discouraging the use of palm oil in national biodiesel blends.[31]

Due to Colombia's tax revision, the share of palm oil being exported fell from 48% in 2020 to 27% in 2023.[32] Under the revised Renewable Energy Directive (RED II), EU members are required to phase-out the crediting of biodiesel made from palm oil towards national blending mandates by 2030. The directive categorises palm oil as having a high risk of indirect land use change, endangering forests and other carbon-rich ecosystems. But given the urgency of the climate crisis, the directive's timeline is far too long. That is the reason why several Member States have gone further individually and have already banned crediting palm-based biodiesel towards their national biofuel mandates, including Germany, France, Italy, Austria, Belgium and Sweden.[33]

Demand from the EU and other countries fuelled the expansion of Colombia's palm plantations—oil palm cultivation is the agricultural activity that has grown most in the last two decades. The sector is made up of small, mid and large-scale producers, with a growing share of smallholders due to a government programme that supports the collaboration of smallholders and large-scale plantations (so-called Alianzas Productivas). Between 2000 and 2023, the area planted with oil palm almost quadrupled from 157,000 hectares to 596,000 hectares (Figure 6).

A major part of this expansion occured on pasture land for cattle in the savannahs of the Orinoco basin, a smaller part on previously forested areas, including the Colombian Amazon. Palm oil cultivation increased the risk of indirect land-use changes, pushing cattle farms from pastures into forest areas (cattle-raising is the primary cause of deforestation in Colombia). It has been estimated that from 2013 to 2018, oil palm expansion caused deforestation of some 10,000 hectares per year.[34] The trade agreement has maintained this expansive dynamic through the liberal EU import regime, without implementing targeted mitigation measures to contain the associated risks.

Figure 6: Oil palm planted area in Colombia 2000 – 2023, *1000 hectares*



Source: Fedepalma, Statistical Yearbook, several issues

This is a severe shortcoming, given that this expansion coincided not only with the clearance of savannahs and forests, but also with the armed conflict between paramilitary groups, guerrillas and the Colombian army, which led to wide-scale land grab and the forced displacement of millions of people. Many palm oil companies joined forces with armed groups to evict peasants and occupy their lands.[35] Even after the 2016 peace agreement between the Colombian government and the FARC guerrillas, forced evictions and land grabbing continued as other armed groups expanded their presence in areas left by demobilised militias. By the end of 2023, about 5.1 million people were still living in internal displacement; 1.5 million of these were displaced after the peace agreement.[36]

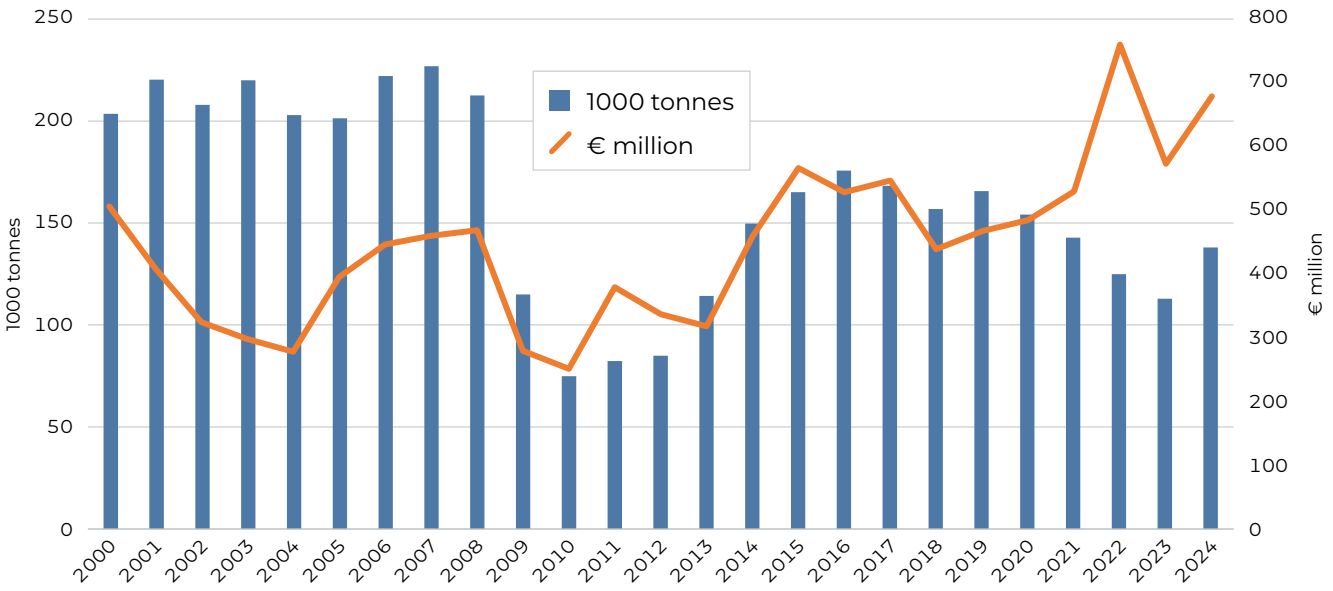
Moreover, the government's reparation mechanisms for victims have been insufficient so far, especially regarding the restitution of land. An estimated 6 million hectares were seized illegally during the civil war. Yet, by August 2023, restitution or compensation had only been ordered regarding 227,000 hectares. And even with a favourable court ruling, it is far from certain that seized land will be returned to victims, given the poor enforcement of these decisions. The continuation of the armed conflict exposes government officials involved in restitution to security risks.[37]

Overall, the EU's policy towards Colombia appears incoherent. Whilst the EU financially supported the peace process and the related capacity-building,[38] its palm oil imports also simultaneously fuelled the expansion of plantations, deforestation and the violent dispossession of peasants. The trade agreement itself did not provide for sufficient prevention and mitigation measures to avoid the environmental and social destruction caused by EU palm oil imports.

Ultimately, it is completely different EU regulations, unrelated to the trade agreement, that have finally curbed European palm oil demand and the pressure on Colombian ecosystems. Most significantly the national bans on counting palm-based biodiesel towards renewables quotas recently implemented in several EU member states have led to reductions in palm oil trade. In the next couple of years, the EU's autonomous trade policy instruments like the Deforestation Regulation (EUDR) and the Directive on Corporate Sustainability Due Diligence (CSDDD) may also help to discourage imports of palm oil linked to deforestation and human rights violations. However, this will only be possible if the trade agreement does not undermine the effectiveness of these instruments.

The coffee sector, another important plank of Colombia's rural economy, also poses a deforestation risk. In this case, however, the risk arises from the combination of rising demand and climate change itself. Globally, Colombia is the third largest coffee exporter after Brazil and Vietnam. The EU is the second largest trading partner for Colombia's coffee sector, receiving 26% of its total green coffee exports in 2022.[39] Of the 550,000 Colombian coffee

Figure 7: EU coffee imports from Colombia 2000 – 2024, *volume and value*



Source: Eurostat 2025

producers the large majority are smallholders, with 96% of farms smaller than 5 hectares, and an average farm size of just 1.5 hectare.[40]

Before the trade agreement, the import of non-decaffeinated green coffee had already been duty-free in the EU, thereby securing a cheap supply of the raw material for European roasters. After its implementation, Colombia also gained duty-free access for decaffeinated green coffee and roasted coffee (whether decaffeinated or not). However, the vast majority of EU imports from Colombia consist of green coffee. In the first three years after 2013, the volume of EU coffee imports increased, then it plateaued until 2019. After falling until 2023, the imported volumes rose again in 2024 (Figure 7).

The price spike in 2022 was caused by a confluence of global and local factors including Russia's agression, the energy crisis, inflated production costs, worsening shipping conditions, increased demand and adverse climate events.[41] One of the factors behind the decreasing volume of Colombia's coffee exports to the EU in 2021 – 2023 has been the La Niña weather phenomenon which—for the first time—lasted for three consecutive years.[42] Heavy rains, floods and landslides decimated Colombian coffee farmers' harvests, reducing their output and exports.[43]

The average annual deforestation caused by Colombia's coffee farms has been estimated at 7,500 hectares from 2005 to 2018.[44] Yet, climate change could cause an additional wave of forest clearance. Colombia's coffee-growing regions are mainly located in hilly areas as the arabica species prefers a cooler climate, higher altitudes and specific patterns of rainfall. But global warming is already affecting coffee yields due to rising temperatures, more frequent droughts and more erratic but heavier rainfall, as happened in 2021 – 2023. As the suitability of lower areas for coffee cultivation continues to decrease, farmers will be forced to migrate to the higher mountaneous areas which are still covered in forests. According to the Stockholm Environment Institute's Trase initiative, this could put vast forest areas in several Colombian departments at risk: 827,000 hectares in the department of Antioquia, 618,300 hectares in Cauca and 113,000 hectares in Chocó.[45]

Despite the importance of the coffee sector for Colombia's economy, for farmers' income and the environment, the trade agreement does not outline any targeted mitigation measures. Neither the growing deforestation risk linked to the migration to higher altitudes nor the risk to peasant livelihoods posed by adverse climate events have been addressed. The TSD title limits itself to recognising the importance of voluntary mechanisms of forest certification, but does not mention any specific measures to deal with forest-risk commodities or to support the people whose livelihoods depend on their production.

EU trade with Peru

Regarding the EU's trade with Peru, the situation before and after the implementation of the trade agreement is characterised by only minor changes. Before the provisional application, especially in the period from 2010 to 2011, Peru achieved a growing surplus in trade in goods with the EU (Figure 8). In the first years after the implementation, its surpluses stabilised at a lower level, and only started to increase again from 2020 onwards. On the other hand, the EU managed to slightly increase its exports to Peru after 2013, with the only exception being 2020—the year of the Corona pandemic. At least from a monetary perspective, Peru appears to benefit from goods trade with the EU, and the trade agreement apparently did not change this scenario.

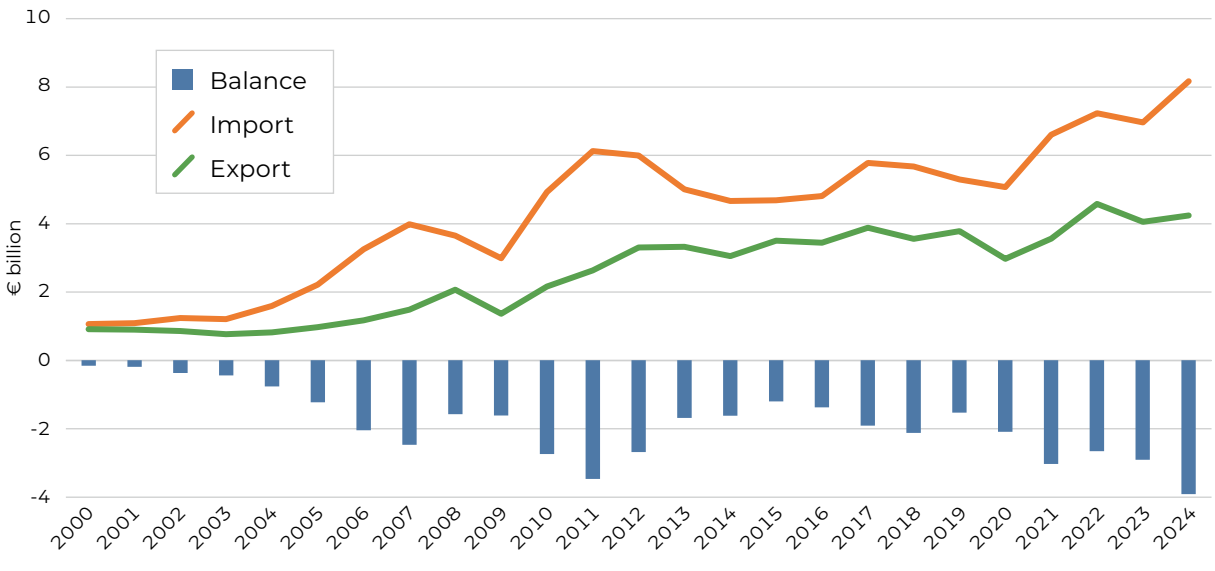
EU copper imports from Peru

Mining is the second most important sector after agriculture for Peru's exports to the EU. Mining products account for some 44% of Peru's goods exports to Europe.[46] Alongside Chile and Brazil, Peru is one of the EU's top suppliers of copper.

In the decade before the trade agreement, Peru experienced a sharp increase in its copper exports to the EU (Figure 9). These stabilised at a slightly lower level in the first years after the agreement came into force. However, since 2019 there has been an upward trend again. This trend has been bolstered by the growing demand for transition materials,

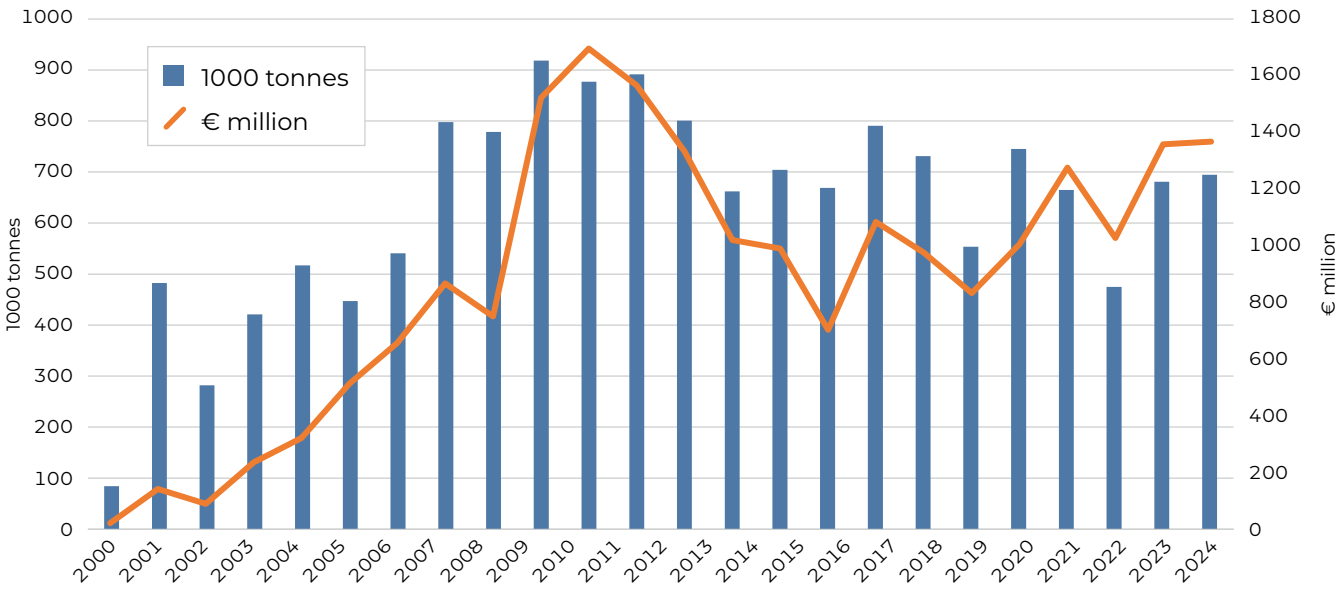
Eroded mountain and terraced landscape in Peru.
Photo: Seiji Seiji / Unsplash.com

Figure 8: EU trade in goods with Peru 2000 – 2024, *€ billion*



Source: Eurostat 2025

Figure 9: EU copper imports from Peru 2000 – 2024, *volume and value*



Source: Eurostat 2025

with copper being one of the most-commonly used minerals in clean energy technologies.

Nonetheless, the mining sector has also been a major cause of conflict, especially in communities living in areas where extractive industries operate. In Peru, the extraction of copper is often accompanied by human rights violations and environmental offences, such as illegal expropriation of indigenous territories, violent suppression of social protests and the contamination of drinking water.[47]

Mining and the related processing activities are also highly energy-intensive, which is why the mining sector is a significant contributor to climate change. As emissions occur during all processing stages—including extraction, smelting and refining—the responsibility to decarbonise mining lies with both exporters and importers, as well as the corporations controlling the supply chain.[48] Yet, Europe's largest copper importer, Hamburg-based Aurubis AG, refuses to disclose the companies from which it sources copper concentrate in Peru, thereby undermining attempts to address human rights violations and environmental damages alike.[49]

Unfortunately, the trade agreement does not contain any provisions to support corporate due diligence and the decarbonisation of the mining industry. This is a significant shortcoming, as it has now been widely recognised that transparency in global supply chains is necessary, in order to realise the green transition of production and trade. It remains to be seen whether the EU's Corporate Sustainablility Due Diligence Directive (CSDDD) and its transposition by member states will provide an effective instrument to enforce social and environmental standards in copper mining and trade.

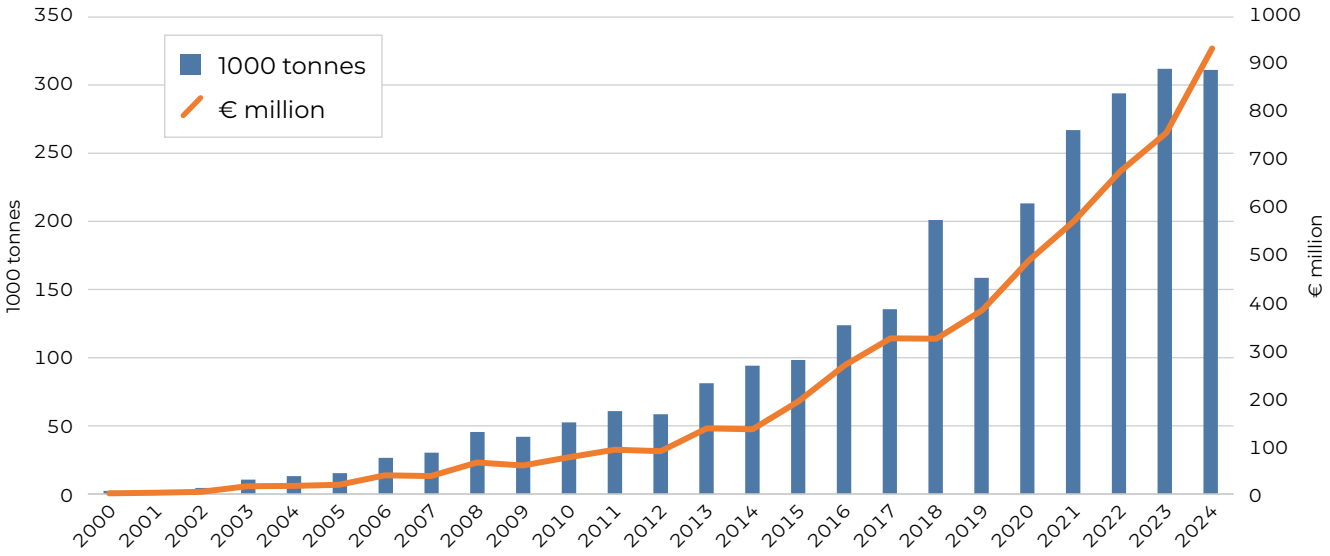
EU avocado imports from Peru

The trade agreement eliminated the EU's import tariff of 5.1% on avocado imports from the Andean countries. Since its implementation, the EU's avocado imports from Peru saw a steep increase from 81,000 tonnes in 2013 to more than 300,000 tonnes in 2023 and 2024 (Figure 10).

But avocado cultivation in Peru also has a significant environmental and climate impact. The expansion of avocado plantations began in the 1990s, mainly in Peru's arid coastal strip. The country has now become the world's second biggest exporter, with the EU its main market. The dominant Hass variety, which is very suitable for export due to its thick peel, displaced other varieties and eroded the genetic diversity on avocado farms. According to the Peruvian avocado producers association Pro Hass, the area planted with avocado increased from 25,000 hectares in 2014 to 67,000 hectares in 2023.[50]

The expansion of the water-thirsty crop has been facilitated by large irrigation projects, but in many areas water sources are being depleted. The water requirement of avocados is four times that of oranges and ten times that of tomatoes.[51] As wells are drying out, farmers

Figure 10: EU avocado imports from Peru 2000 – 2024, *volume and value*



Source: Eurostat 2025

are digging even deeper to water their plants. In the Ica region the government was forced to step in and prohibit the creation of new wells to prevent further water shortages.[52]

Apart from water stress, avocado production and trade causes high GHG emissions compared to other tropical crops. In addition to energy-intensive irrigation, high application of fertilisers and pesticides increase the climate impact of this crop. Fungicides are applied during the growth phase and post-harvest to reduce fruit loss. A lifecycle assessment shows that in addition to transport emissions, the production stage for avocados generates especially-high GHG emissions. For every kilogram of avocado produced, seven times as much kg CO_2-eq is emitted compared to one kilogram of pineapple and 3.5 times as much compared to one kilogram of bananas.[53]

Despite the severe environmental impact of energy- and water-intensive crops cultivated in arid regions, the trade agreement fostered a huge increase of avocado imports from Peru. However, targeted mitigation measures to contain the environmental impact of trade in such energy- and water-intensive goods have not been implemented.

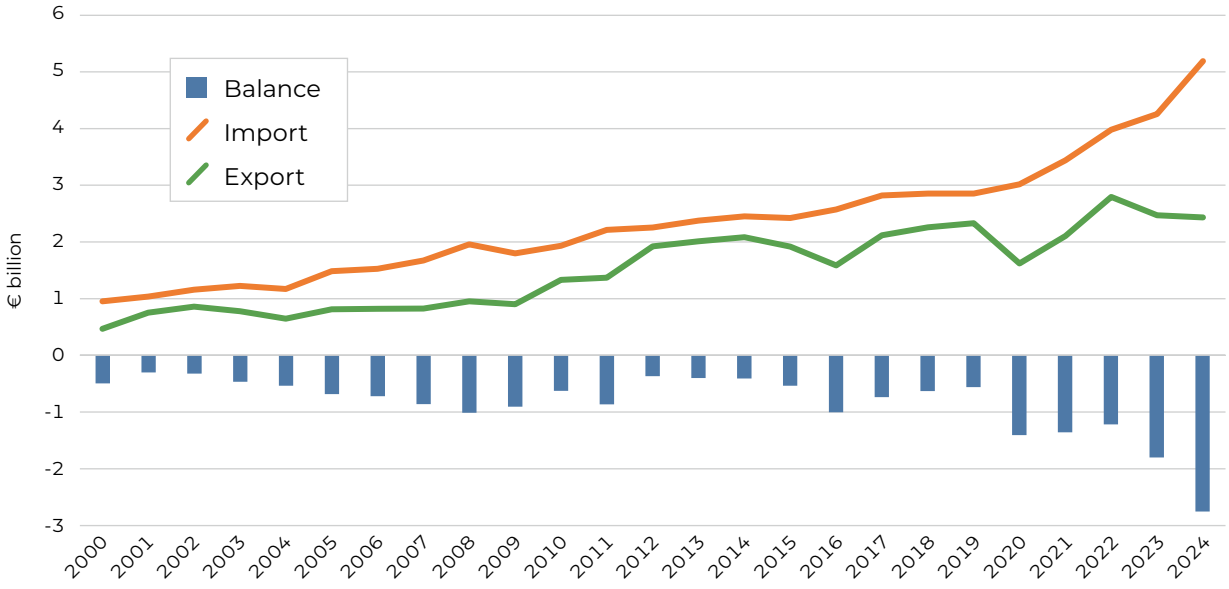
Avocados are a notoriously water-intensive crop.
Photo: Kristine Wook / Unsplash.com

EU trade with Ecuador

A glance at the development of trade in goods over the last two decades reveals that key trends in bilateral economic relations between the EU and Ecuador have not been significantly changed by the trade agreement. Imports and exports show a slight upward trend over the entire period from 2000 to 2024 (Figure 11). Similar to Peru, Ecuador also managed to achieve a trade surplus with the EU over the entire period under review, a surplus which has been growing in the last two years. So, at first glance, Ecuador, like Peru, appears to benefit from bilateral exchange with the EU, at least in monetary terms.

Ecuador decided to join the EU trade agreement at a later stage than Colombia and Peru. The country's accession protocol to the agreement was signed in November 2016 and has been provisionally applied since 1 January 2017.[54] While Ecuador's surplus with the EU slightly decreased in the first two years after the implementation of the agreement, it started to grow considerably in the period 2020 – 2023, totalling €1.8 billion in 2023 (Figure 11).

Figure 11: EU trade in goods with Ecuador 2000 – 2024, *€ billion*



Source: Eurostat 2025

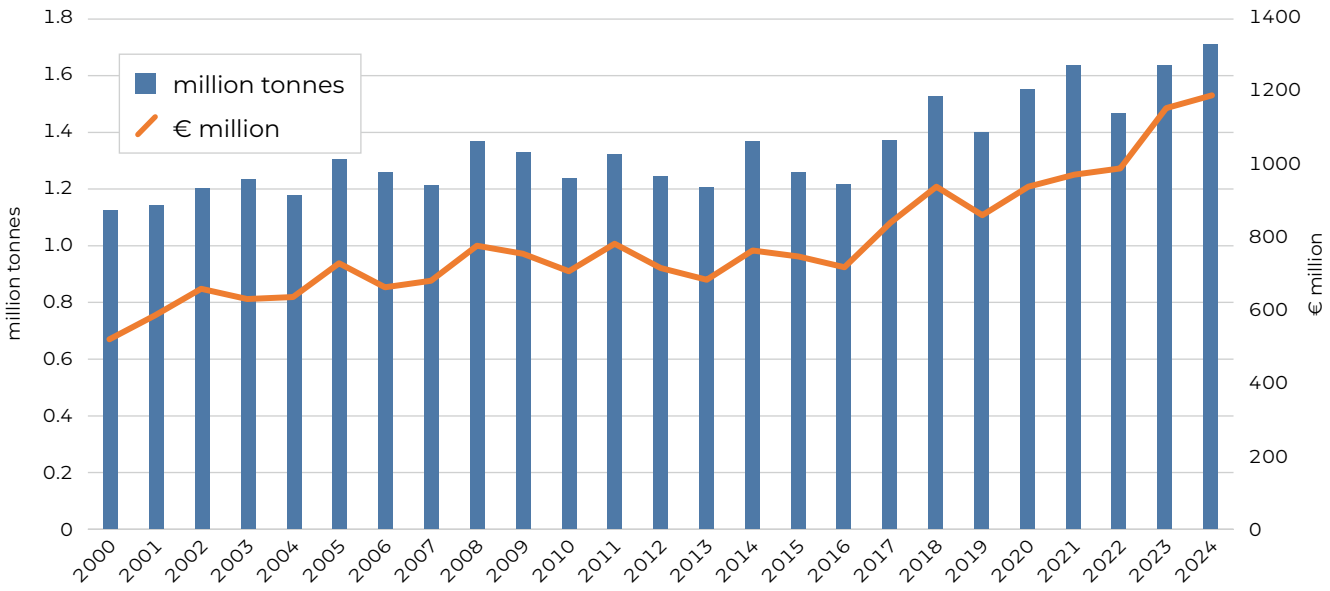
EU banana and shrimp imports from Ecuador

Ecuador is by far the world's biggest exporter of bananas. The Andean country accounted for 29% of global banana exports in 2023, worth US$3.8 billion.[55] It is also the EU's biggest banana supplier, followed by Colombia.[56] The trade agreement provided for a gradual reduction of the EU's import duty on bananas, from €97/tonne in January 2017 to €75/tonne in January 2020.[57] Since its implementation in 2017, EU banana imports from Ecuador have shown an upward trend compared to previous years, albeit with some fluctuations. In 2024, the imports reached 1.7 million tonnes, with a value of almost €1.2 billion (Figure 12).

The banana sector is an important pillar of Ecuador's economy, providing jobs and income, especially in the coastal regions. Although the majority of banana producers are small and medium-sized farms, a rather small group of larger plantations (bigger than 100 hectares) control a disproportionately large share of the area under cultivation. However, small and medium-sized farms are also integrated into international networks supplying the European market.[58]

As most banana plantations are monocultures, growing the internationally dominant Cavendish variety, they are very susceptible to pests and diseases. Therefore large amounts of pesticides are applied by territorial or aerial spraying. In addition, banana farms use many chemical fertilisers to stabilise their yields. The extensive use of agrochemicals leads to environmental damage including the contamination of water courses, eutrophication and the

Figure 12: EU banana imports from Ecuador 2000 – 2024, *volume and value*



Source: Eurostat 2025

degradation of soils, in addition to numerous health problems for plantation workers.[59] Up to 26 highly dangerous active ingredients are being applied in Ecuador's banana production, according to Oxfam. Moreover, some of the pesticides used in Ecuador are prohibited elsewhere – for example Paraquat, which is banned in the EU.[60]

The key obstacle to Ecuador's banana sector reducing its environmental impact originates from the power imbalances in the supply chain, with European retailers pushing down the prices they pay to their suppliers in Ecuador and elsewhere. Through their unfair trading practices and the squeezing of prices below production costs, the retail chains are creating a downward pressure to cut costs along the value chain. While small farmers unable to compete are pushed out of the business, the remaining plantations lower their wages and cut back on safety and investment.[61]

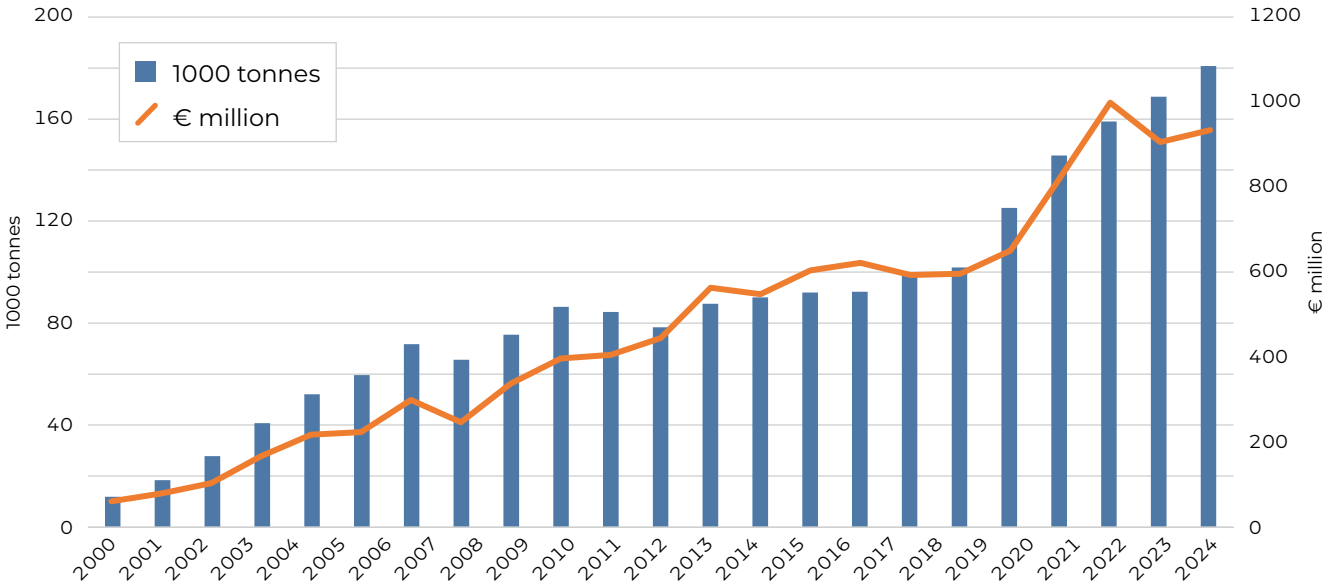
So, one of the main mitigation measures to improve the environmental and social standards in Ecuador's banana sector would be to eradicate the unfair trading practices of Europe's retail chains. Unfortunately, the trade agreement does not contain any provisions in this regard. However, positively, a first step to deal with the harmful purchasing behaviour of retailers has been taken, but again outside of the trade agreement.

The 2019 EU Directive on Unfair Trading Practices (UTP Directive) in the agri-food chain prohibits a set of ten harmful buying practices.[62] But so far, the directive, which had to be transposed into national law by the end of 2021, has only had limited effect. One of its main shortcomings is that it does not ban buying goods at prices below production costs, arguably one of the most harmful trading practices. Member states were, however, allowed to go beyond the minimum requirements set by the directive. Spain is the only country so far which used the transposition to do this—it introduced an effective mechanism obliging buyers in the food chain to cover the production costs of suppliers.[63]

In terms of the climate impact of the banana supply chain, the primary production stage contributes between 16 – 20% of the total GHG emissions, including the use of nitrogen fertilisers, pesticides and packing materials. But the vast majority of emissions, estimated at 62 – 67% of total emissions, occur during transport and shipping via refrigerated cargo ships. Riping centres and retail distribution to the points of sale represent another 12% of emissions in the banana supply chain.[64]

Despite the huge share of the transport sector in GHG emissions of the banana chain, the trade agreement does not foresee any targeted mitigation measure in this respect. Once again it is a decision taken beyond the trade agreement which has at least started to tackle this issue. Since 2024, the EU emissions trading system (ETS) has been extended to cover maritime emissions from large ships entering EU ports. This revision covers not only intra-EU shipping emissions, but also 50% of emissions from voyages starting or ending outside of the EU.[65]

Figure 13: EU shrimp imports from Ecuador 2000 – 2024, *volume and value*



Source: Eurostat 2025

Another cause for concern is the EU's shrimp imports from Ecuador. Before the trade agreement, Ecuador's shrimp farms already benefitted from lower tariffs under the EU's General System of Preferences. However, the trade agreement eliminated the remaining tariffs on shrimp products from 2017 onwards. Since its implementation, EU shrimp imports from Ecuador increased sharply, from 92,000 tonnes in 2017 to 181,000 tonnes in 2024 (Figure 13).

However, these imports contribute to considerable environmental damage, as the activity of the shrimp industry led to the destruction of huge areas of mangrove forest in Ecuador. Before the expansion of the shrimp industry, the mangrove ecosystem covered an area of 363,000 hectares. But the development of shrimp farms in the mid-1970s resulted in large-scale deforestation, and a loss of biodiversity and resources for artisanal fishing communities. According to estimates of the National Coordination for the Defense of Mangroves CCODEM, by 2020 more than 70% of the mangrove ecosystem was already destroyed by the expansion of shrimp ponds. This destruction in turn leads to a loss of further benefits provided by mangroves, such as flood control, carbon sequestration and water filtration.[66] And this process seems to be ongoing, according to the Commission's own ex-post evaluation (see page 26).

The trade agreement does not provide any specific measures targeting forest-risk commodities like shrimps and the TSD title lacks any option for sanctions. Yet again, hopes might be placed on progressive legislation outside the agreement, such as the EU's Deforestation Regulation and the Corporate Sustainability Due Diligence Directive. However, the Deforestation Regulation does not cover shrimp under its list of forest-risk commodities—although further products might be included on this list in the future.

In a Nutshell

The analysis of trade flows since the implementation of the EU-Andean agreement reveals some of the shortcomings of the agreement with regard to its climate impact. Arguably the most significant weakness: the trade agreement does not contain the necessary mechanisms to support the transition to a net-zero economy. In detail, we have observed the following problems:

1 The EU's mineral imports, especially gold and coal, from Colombia highlight the precarious role that resource-rich countries are being forced into by the EU. They provide essential raw materials like gold, and serve as a buffer to cover temporary supply shortages, as evidenced in coal trade trends. However, sustainable economic development cannot be based on the export of raw materials harming the environment, and whose demand—in the case of coal—is due to decline as the energy transition continues. Colombia faces a huge transition risk which has not been adequately addressed in the trade agreement. Commitments to support the green transition and climate mitigation through the dissemination of clean tech have not been backed up with concrete measures.

2 Regarding palm oil, the EU's policy towards Colombia appears incoherent. While the EU supported the country's peace process, its palm oil imports fuelled the conflict, the dispossession of peasants and deforestation. The recent drop in EU palm oil imports was not brought about by the agreement, but by national bans on palm-based biodiesel. The trade agreement itself did not provide for sufficient preventive measures to avoid the destruction caused by Andean producers responding to EU palm oil demand.

3 Similarly, the agreement lacks adequate instruments to tackle the problems faced by Colombia's coffee sector. Neither the growing deforestation risk linked to migration to higher altitudes, nor the risk to peasant livelihoods posed by adverse climate events have been addressed. The TSD Title lacks specific commitments to deal with forest-risk commodities or with the people whose livelihoods depend on their production.

4 Despite the importance of Peru's copper supply for the EU, the agreement does not address its specific problems: human rights violations, environmental offences, and its climate impact due to emissions at all stages of processing. In particular, it turns a blind eye to the responsibility of European corporations who control the copper supply chain. Corporate due diligence to decarbonise copper mining, processing, and refining is not part of the agreement.

5 This is also true for EU avocado imports from Peru. Despite the serious environmental impact of this energy- and water-intensive crop, the agreement fostered a huge increase of EU avocado imports without proper mitigation measures in place.

6 Ecuador's banana farmers serving the EU market suffer due to unfair trading practices of EU retailers who squeeze prices below production cost. This undermines attempts to cushion the harmful social and environmental impact of the crop. As the trade agreement does not prohibit these practices, hopes have to be placed on the implementation of the EU Directive on Unfair Trading Practices. In a similar vein, as the huge transport-related emissions due to the banana trade are not dealt with under the agreement, the recent extension of the EU Emissions Trading System (ETS) to partly cover maritime emissions of extra-EU voyages may provide some relief.

7 The agreement's weaknesses are especially blatant with regards to the steep increase of EU shrimp imports from Ecuador fuelling the deforestation of the country's extremely vulnerable mangrove ecosystems. As the agreement's TSD chapter lacks proper instruments to regulate the booming shrimp trade, hopes might be placed on a revision of the EU Deforestation Regulation, which could add shrimp to its list of forest-risk commodities.

The main conclusion of our analysis of EU-Andean trade is that any serious progress to potentially reduce its climate impact has occured despite the trade agreement, not because of it. The key EU regulations that promote more sustainable trade were introduced independently of the trade deal: the Deforestation Regulation, the Corporate Sustainability Due Diligence Directive, the phase-out of palm-based biodiesel, the Directive on Unfair Trading Practices or the ETS extension covering maritime emissions. In contrast, many of the market access commitments made in the agreement actually hamper these progressive regulations rather than supporting them.

5 Rules, institutions and decisions governing climate policy

Title IX of the trade agreement contains several provisions aimed at promoting trade and sustainable development (Box 1).[67]

However, the articles in question are characterised by weak, cautious language which undermines their effectiveness. There is also no indication or allowance in the articles for the possibility of *strengthening* environmental standards or labour rights protections. The sustainability agreements predominantly reinforce pre-existing commitments and present almost no new provisions or innovative developments to deliver on their titular aspiration.

The parties commit to adhere to international environmental agreements and to promote environmentally friendly practices. However, the actual implementation of these provisions is questionable, especially as there are no effective mechanisms to enforce them. Thus violations of environmental standards rarely have legal consequences, leading to a disconnect between the stated goals of the agreement and its practical impact. This weakens the agreement's potential to effectively promote environmental protection.

Lack of Sanctions

A central shortcoming of the agreement is the absence of sanctions to address violations of the labour and environmental provisions. For instance, breaching commitments under international treaties like the UN Framework Convention on Climate Change cannot lead to the suspension of trade preferences awarded under the agreement. This lacuna allows European companies to continue to benefit from the raw materials and commodities of the Andean countries, even if basic environmental and labour protections have not been observed during their extraction or production. The absence of sanctions fosters an extractivist dynamic, where economic gains take precedence over the protection of affected communities and ecosystems.

The Title on Trade and Sustainable Development also lacks specific commitments to implement climate-related and other mitigation measures. As the entire chapter is notably exempt from the agreement's dispute settlement mechanism, the enforcement of all its provisions are seriously weakened. Moreover,

Box 1

The Articles of Title IX on Trade and Sustainable Development in the EU-Andean Agreement

Article 267	Context and Objectives
Article 268	Right to Regulate and Levels of Protection
Article 269	Multilateral Labour Standards and Agreements
Article 270	Multilateral Environmental Standards and Agreements
Article 271	Trade Favouring Sustainable Development
Article 272	Biological Diversity
Article 273	Trade in Forest Products
Article 274	Trade in Fish Products
Article 275	Climate Change
Article 276	Migrant Workers
Article 277	Upholding Levels of Protection
Article 278	Scientific Information
Article 279	Review of Sustainability Impact
Article 280	Institutional and Monitoring Mechanism
Article 281	Domestic Mechanisms
Article 282	Dialogue with Civil Society
Article 283	Governmental Consultations
Article 284	Group of Experts
Article 285	Report of the Group of Experts
Article 286	Cooperation on Trade and Sustainable Development

Title IX is also now outdated as it does not follow the Commission's revised approach on trade and sustainable development chapters in its trade agreements, adopted in 2022. According to this revision, serious violations of the Paris Agreement could lead to trade sanctions "as a matter of last resort".[68]

Examples

UPOV and Intellectual Property

The trade agreement strengthens intellectual property protection under the UPOV Convention (Union for the Protection of New Varieties of Plants).[69] This is problematic because it could disadvantage small farmers and indigenous communities in the Andean countries. The mandatory enforcement of seed rights under UPOV 1991 undermines traditional agricultural practices, increasing the risk of global corporations gaining control over agricultural production while local communities lose their seed diversity.[70]

In Chapter 3 of the trade agreement, entitled "Provisions on Intellectual Property Rights", Article 230(3) stipulates that where the import of a medical or agrochemical product requires the approval of a national authority, said approval must be granted in an expeditious manner.[71] This provision is problematic in several respects. Firstly, the measure largely favours European corporations, given that the EU is a significant exporter of chemical products to the Andean countries.

Secondly, the expeditious approval of an import licence may result in an inadequate examination of the environmental impact of a novel chemical. In Colombia, the responsibility for issuing environmental licences, including those pertaining to the use of agrochemicals, lies with the *Agencia Nacional de Licencias Ambientales* (ANLA).[72] When it was first set up in 1993, the authority took a maximum of 225 days to issue licences. However, following the implementation of Decree 2041 in 2014, this period was reduced to 63 working days. It is questionable whether an appropriate environmental impact assessment of, for example, a new pesticide, can be carried out in such a short time.[73] This is compounded by the fact that Colombia's authorities have significantly limited financial capacities.

Moreover, the considerable differences between European and Andean ecosystems have to be taken into account. It is not uncommon for Andean farmers to use pesticides that were originally developed in Europe and are not adapted to the particular conditions of Andean ecosystems. These agrochemicals therefore represent a disproportionate risk to the environment, to water sources, and to the health of the local population.[74]

The intellectual property (IP) chapter contains further risky rules. Article 232 of Section 7, entitled "Plant Varieties", states that "the Contracting Parties shall cooperate to ensure the protection of plant varieties in accordance with the International Convention for the Protection of New Varieties of Plants, as adopted on 19 March 1991 (UPOV 91)".[75]

This convention has been the subject of criticism by a number of civil society organisations due to its impact on the privatisation of seeds, the resulting hardships for farmers and the associated loss of biodiversity.[76] In the event that a farmer utilises a protected plant species without remunerating the holder of the right to that plant variety, the latter receives rights to the harvest. In contrast, the convention does not vindicate the right of farmers to save seeds for their own use, selection and breeding—a traditional practice among peasant and indigenous communities.[77]

Furthermore, the privatisation of seeds results in the loss of plant genetic diversity, which in turn jeopardises the development of climate resilient crops and monopolises seed rights in the hands of private corporations.[78] In 2021, 50% of all seed patents were held by just four companies: Bayer, Corteva, ChemChina and Limagrain.[79] Two of these companies (Bayer and Limagrain) are headquartered in the European Union. The trade agreement's IP chapter therefore increases the risk of seed privatisation threatening the livelihoods of Andean farmers, biodiversity and the climate-resilience of crops adapted to local conditions.

Human rights

Despite the agreement's human rights commitments, particularly in Article 1, the human rights situation in Colombia remains concerning. The agreement highlights the importance of human rights, but there has been limited progress in addressing violence against trade unionists and indigenous communities. With no effective enforcement mechanisms, many of these provisions remain symbolic, failing to result in real improvements in human rights conditions (see also Chapter 4, p.8, and Chapter 6, p.29, of this report).

Clearing for a palm oil plantation in the old-growth rainforest of Ucayali, Peru.
Photo: Rettet den Regenwald e.V. / Flickr.com

Deforestation

Although deforestation is mentioned as an issue, the agreement is vague regarding specific mitigation measures.[80] Without clear commitments to forest preservation, trade liberalisation risks contributing to increased deforestation, particularly through agricultural expansion, as we have previously outlined. While the EU has recently passed stricter regulations to prevent deforestation, these have not yet been integrated into the agreement reducing the effectiveness of these measures.[81]

Such a scenario is not inevitable. Trade agreements can be different, as is demonstrated by Peru's agreement with the United States, officially in place since 2009. The agreement includes strict enforcement mechanisms. The United States has the authority to request audits and inspections in Peru to ensure compliance with forestry regulations. U.S. authorities also have the right to verify the traceability of timber exports to prevent illegal logging. If violations are detected, trade sanctions can be imposed as a consequence.[82]

However, the reverse is not possible, making this a highly one-sided mechanism. Additionally, the implementation of these mechanisms reveals significant weaknesses, as shown in the table below.

Aspect	Peru Trade Promotion Agreement (USA-Peru)	EU Trade Agreement with Colombia, Peru & Ecuador
Specific regulations on forest protection	Detailed annex with mandatory measures against illegal logging	General environmental commitments without a specific focus on forest protection
Enforcement mechanism	Strict control, audits, possible trade sanctions	Dialogue and consultations, but no sanctions
Monitoring and control	U.S. authorities can conduct inspections in Peru	No external controls, only reports and recommendations
Sanctions for violations	Trade restrictions possible	No direct sanctions
Involvement of civil society	Little formalised involvement	"Domestic Advisory Group" with NGOs and trade unions
Effectiveness	Partially effective, but corruption and weak enforcement in Peru remain issues	Soft approach that often exerts little pressure on governments

Technology transfer and renewable energy

While the agreement recognises the importance of technology transfer, there are no clear obligations to ensure that clean technologies are actually transferred among the partner countries.[83] Without binding rules to support local production capacities, the Andean nations remain dependent on imported technologies from Europe and other industrialised countries.

Article 275 §4 of the TSD Chapter states that contracting parties shall support trade and investment measures that promote and facilitate access to the best available technologies for clean energy production and use, climate change mitigation and adaptation, and the diffusion and utilisation of such technologies. Furthermore, §5 b) stipulates that it encompasses the advancement of measures in the domains of energy efficiency and renewable energy that satisfy environmental and economic criteria, while also reducing technical barriers to trade.[84] However, the article only consists of rather weak "best endeavour" clauses with low binding effect, and lacks any concrete obligation to actually transfer specific technologies. The agreement therefore does not contain effective obligations that could help to overcome Andean countries' dependence on clean tech imports.

In addition, the diffusion of clean tech also has to comply with environmental regulations and consultation obligations towards local communities and indigenous peoples. Otherwise, it can lead to social conflicts, as in Colombia's department of La Guajari, where Italian energy company Enel decided to suspend the construction of a wind farm amid protests by the indigenous Wayuu people and intra-community violence.[85]

In order to attract energy projects, including investment in the hydrogen value chain, the Colombian government proposed further reducing the time required for the approval of energy projects, with a target of between 45 and 50 working days.[86] Yet, this proposal runs counter to the interests of the Wayuu communities (and other local and impacted communities across the country), who have demanded comprehensive environmental impact assessments of such projects and prior and informed consultation for impacted communities.[87] The trade agreement, however, is silent on the preconditions such investments should fulfil.

Agriculture and mining impact

The mining and agricultural sectors have been widely liberalised, particularly through increased market access for raw materials and agricultural products. This brings significant ecological and social risks. In the mining sector, particularly in Colombia and Peru, this has led to environmental degradation, water contamination, and land conflicts. While the trade agreement facilitates market access, environmental protection and the rights of local communities are insufficiently addressed.

The Colombian government has recently encouraged European investment in renewable energy sources, and identified green hydrogen as a potential export commodity. It is also eager to export critical mineral products to serve Europe's green transition. Yet, these ambitions could lead to a new phase of reliance on commodity exports in exchange for industrial goods.[88]

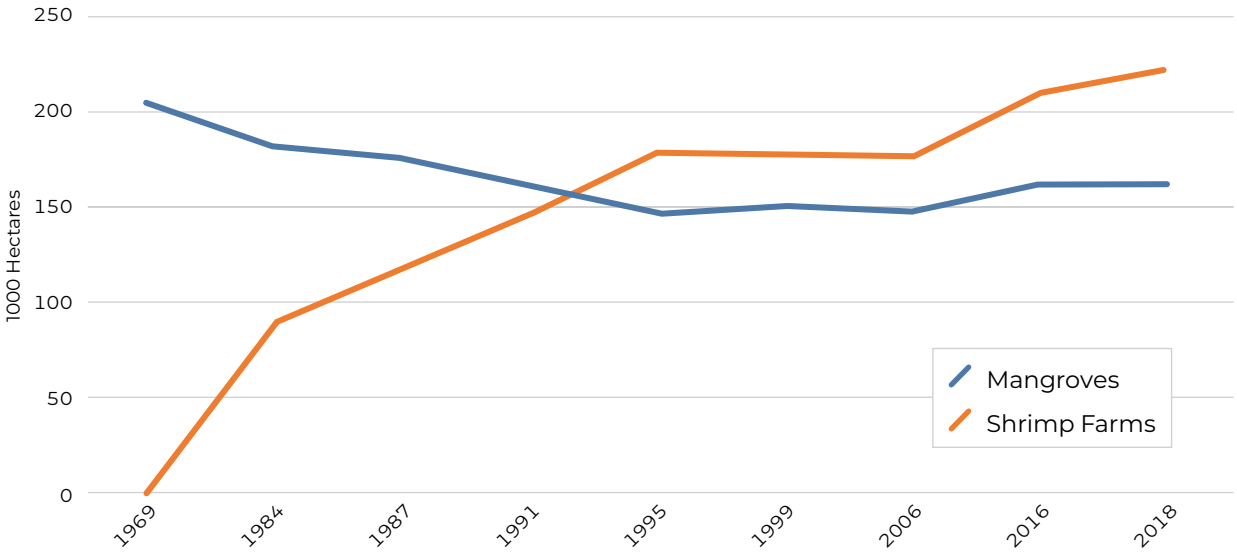
The trade agreement has contributed to the (re-)primarisation of the Colombian economy, locking in strong dependence on the export of raw materials, and risks to the local manufacturing sector due to the import of industrial products. Furthermore, the agreement fosters the production and trade of commodities harmful to the climate, such as avocados, palm oil and shrimp (see also Chapter 4, p.8).

Shrimp farming and mangrove destruction

The European Union is the second most important market for Ecuadorian shrimp exports.[89] Ecuador is also the main origin of shrimp imported by the EU. Both the value and volume of exports from Ecuador increased after the trade agreement was implemented (see Chapter 4, p.8). However, the expansion of shrimp ponds led to large-scale destruction of mangroves, which has been acknowledged by the Commission's ex-post evaluation of the trade agreement (Figure 14).[90] While the elimination of the import tariff boosted shrimp exports to the EU, the agreement failed to prevent this destruction and negative environmental impact.

The ex-post evaluation points to another flaw of the agreement: the failure to prevent the lowering of environmental standards. In 2017, Ecuador issued its Ecological Code of the Environment, which legally regulates a wide range of activities to protect the environment.

Figure 14: Ecuador: Change in mangrove area and in shrimp farm area 1969 – 2018, *Hectares*



Source: Rodríguez 2018

According to the Commission evaluation's final report, this code "has been regarded as a setback in environmental protection levels as it eases the exceptional authorisation mechanism". Due to this weakening of Ecuador's environmental legislation, the "shrimp sector benefits from an exemption in the secondary regulation regarding the prohibition of expansion of productive activities in mangrove areas."[91]

Despite an EU-supported project to mitigate the impact of the shrimp industry,[92] the Commission's report considers it likely that "pre-existing biodiversity and climate pressures related to shrimp farming e.g., degradation and deforestation of mangroves areas, water pollution, and CO_2 emissions, are intensified by the Agreement."[93] However, in the meetings of the TSD subcommittee (a committee which is supposed to assess and monitor the sustainability of the agreement) participants have not been informed of the results of this assessment, nor have any specific measures to address the issue been proposed. This example reveals a serious failure of the specialised subcommittee. Despite an official evaluation acknowledging the link between the agreement and mangrove destruction, this important issue has not been raised in the TSD subcommittee, raising serious questions about the credibility and functioning of this committee.

The expansion of shrimp aquaculture contributes to the destruction of mangrove forests.
Photo: Dat Tae Studio / pexels.com

In a Nutshell

The EU-Andean trade agreement's sustainability provisions, included in Title IX, are largely symbolic and fail to address urgent environmental and social challenges. Weak language, lack of enforcement mechanisms, and the Chapter's exclusion from the agreement's dispute settlement system render these provisions ineffective. This approach prioritises trade liberalisation over genuine commitments to sustainability or equity, despite rhetoric implying otherwise. Particular areas of concern identified by our analysis include:

1 **Empty commitments to sustainability**
The agreement makes vague promises on labour rights, environmental protection, and climate change without imposing any binding and enforceable obligations. Violations of these provisions incur no sanctions, enabling European corporations to exploit Andean resources without accountability for environmental destruction or social injustices.

2 **Seed privatisation entrenching corporate control**
Strengthened intellectual property rules under UPOV 91 prioritise corporate profits over small-scale farmers and indigenous communities. These rules erode traditional agricultural practices, threaten biodiversity, and entrench corporate control over food systems, creating dependency and undermining local resilience.

3 **Escalating environmental damage**
Liberalised trade has driven deforestation, land grabs, and ecological destruction. The rapid expansion of monocultures like palm oil plantation in Colombia and shrimp farms in Ecuador, fueled by EU demand, displaced local communities and intensified biodiversity loss and deforestation. The agreement offers no meaningful safeguards to prevent these outcomes.

4 **Token technology transfer**
Provisions for technology transfer are non-binding, perpetuating dependency on imported and expensive European technologies for renewable energy. European companies investing in renewable energy projects in the Andean region have faced resistance from local communities, while comprehensive environmental and social assessments seem to have been bypassed.

Ultimately, the agreement institutionalises an unequal relationship that prioritises European economic interests at the expense of Andean ecosystems, farmers, and communities. Its sustainability framework is a façade, failing to address systemic inequalities or enforce meaningful protections. Without a radical overhaul to embed enforceable commitments and equitable mechanisms, the agreement risks perpetuating extractivist trade relations under the guise of sustainability.

6 Committees and bilateral dialogues established under the agreement

Trade agreements have the potential to serve as platforms for global coordination to combat climate change, foster collaboration and support unified approaches to environmental sustainability. However, this ideal is not yet realised in current global trade policy.

To facilitate the implementation of the agreement between the EU and the Andean countries after its entry into force, various specialised "Committees" were established. These committees play a central role, with almost every chapter of the agreement assigned to a specific committee.

These specialised committees report to the overarching "Trade Committee", and are composed of representatives from the parties involved, typically government officials from Colombia, Peru, and Ecuador, along with representatives from the European Commission. The committees oversee the agreement's development throughout its lifecycle, holding the authority to amend the agreement and make significant decisions without the involvement of the European Parliament.

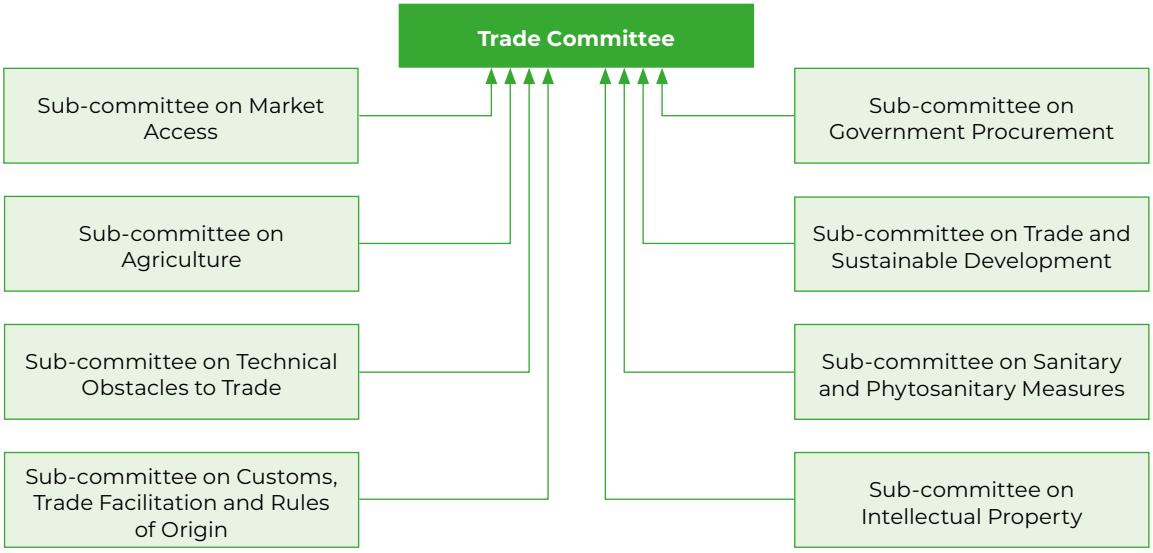
Climate-related discussions are taking place within several committees. Naturally, the Committee on Sustainable Development plays a key role in this area, as previously outlined. However, commitments with implications for climate issues may also be negotiated in other committees, such as those on sanitary and phytosanitary standards or agriculture. Given their potential influence, examining the operational approaches and likely outcomes of these committees is essential.

The Trade Committee was established by Article 12. In accordance with §2, the Committee is required to convene at least once a year. Equally though, the Committee may convene at the level of senior officials at any time. The Committee is empowered to initiate negotiations aimed at deepening trade liberalisation in sectors already covered by the agreement, to amend the tariff reduction periods for products set out in Annex I, to establish new subcommittees and to take other measures.[94] This implies that amendments to the trade agreement can be made at short notice, and with the participation of only senior officials.

Under §4, the Trade Committee has the authority to convene bilaterally or between an individual Andean country and the EU in specific instances, such as when an exclusive matter arises between two parties (e.g. the EU and Peru), or when the subject of discussion pertains to an issue addressed by a specialised body composed of only those two parties. In such cases, other parties wishing to participate must communicate their intent and secure the agreement of the concerned parties.

Article 13 further empowers the Trade Committee to engage in negotiations aimed at further liberalisation of trade. This includes examining proposed amendments or additions to the provisions of the agreement. The Committee is authorised to modify the tariff

Figure 15: Committees etablished under the trade agreement



elimination schedule, accelerate the timeline for specific products, adjust rules of origin, and address matters related to contracting authorities in public procurement.

Article 15 outlines the establishment of specialised bodies to support the Trade Committee's functions. According to §4, the Committee can create additional subcommittees, working groups, or other specialised entities to facilitate the agreement's objectives. The Trade Committee is responsible for determining the composition, tasks, and procedural rules of these bodies, ensuring that they align with the agreement's overall goals.

This indicates that the Trade Committee can convene further subcommittees at any juncture and define the tasks and composition thereof without any public negotiation. While the members of these specialised bodies are required to be representatives of each signatory party (the EU, Colombia, Peru, and Ecuador), the text does not specify whether these representatives must be government/EU representatives, or whether groups such as industry associations can be considered. In any case, the participation of stakeholders, for example industry representatives, could also be regulated through the drafting of the rules of procedure or the definition of the tasks by the Trade Committee.

There are therefore two risks associated with the committees that we will examine in more detail: first, they create the potential for the subsequent amendment of an agreement previously approved by democratic representatives, without further democratic review. Second, the committee meetings can be used to discuss climate protection regulations and for interested actors to exert pressure to weaken or entirely prevent them. Both of these risks occurred during the implementation of the EU-Andean agreement.

Decisions taken by the Committees

The decisions taken by the Trade Committee so far relate, inter alia, to mechanisms and procedures to address disputes, and to the establishment of a group of experts on sustainable development.[95] However, the documents also highlight the committee's broad discretion, raising concerns about democratic oversight in subsequent amendments or actions. For example, the Trade Committee has the authority to amend tariff schedules, deepen trade liberalisation in specific sectors, and adopt other measures without additional parliamentary oversight. Many further decisions focused on procedural updates, reflecting the integration of Ecuador and the need to align operational aspects of the agreement.[96] Amongst other issues, geographical indications remain a significant focus.[97]

The Trade Committee's decision of November 24, 2017 provides an example of the potentially far-reaching authority of this body. At the request of Colombia, the Committee clarified the scope of the chapter on public procurement in the EU-Andean agreement. According to the decision, all sub-central public procuring entities in Colombia which do not engage in "industrial or commercial" functions fall under the scope of the procurement chapter.[98] While this decision does not significantly change the substance of the commitments that had already been taken, it still reconfirms a huge concession made by Colombia during the negotiations.

By extending the right to bid for public contracts not only with Colombia's central government but also its subcentral authorities (departments, municipalities), EU firms' business opportunities have been significantly increased. Given that transnational EU corporations are far more competitive than Colombia's firms, this decision could contribute to the displacement of local manufacturers and to a widening of the technological divide between the EU and the Andean countries, including in the green tech sector. Furthermore, it is easy to imagine that the Committee could make even more far-reaching decisions that would alter the agreement in substantial aspects.

What exactly happened in the Committees?

As mentioned above, it is not just the decisions taken by the committees that are a reason for concern. The committee meetings can also be used to discuss unfavourable climate protection regulations and to exert pressure to weaken or entirely prevent them. In the following sections, we illustrate this with several examples.

Climate conventions and the committees

Article 270, entitled "Multilateral Environmental Standards and Agreements", reconfirms the intention of the parties to implement the provisions of environmental conventions, including the Stockholm Convention, Convention on International Trade in Endangered Species of Wild Fauna and Flora the Kyoto Protocol and so forth. However, §3 states that the Subcommittee on Trade and Sustainable Development may recommend to the Trade Committee the inclusion of other agreements.[99]

In principle, the incorporation of other environmental agreements into the trade agreement may be welcome. Nevertheless, the potential for amendments incorporating new agreements through the Trade Committee still represents a democratic deficit. Even if these agreements must still be approved by the relevant national legislative bodies, pressure for approval can occur during the meetings of the Committee and its subcommittees. This happened for instance during the fifth meeting of the Trade Committee, when the EU urged Colombia to sign the Escazú agreement as quickly as possible. While this agreement represents a major achievement in environmental law, nevertheless this example raises concerns that the Committee meetings may also facilitate pressure being put on Andean countries to sign more questionable agreements.

Deforestation and EU regulation

Deforestation has also been a frequently debated issue in committee meetings. The clearance of natural forests remains a significant challenge in Colombia, Ecuador, and Peru, driven by agricultural expansion, illegal logging, and mining activities. These Andean countries are home to vast swathes of the Amazon rainforest, one of the world's most critical ecosystems for biodiversity and climate regulation. The increasing demand for agricultural products and raw materials has placed immense pressure on these forests, raising concerns about their long-term sustainability and the environmental impact of trade practices.

In Colombia, deforestation is primarily linked to agricultural expansion, cattle ranching, and illicit crop cultivation. Forest areas are often cleared to make way for pastures or monocultures like oil palm and bananas. Between 2016 and 2020, Colombia saw deforestation rates ranging between 154,000 and 219,000 hectares annually, largely concentrated in regions such as Caquetá and Guaviare. This loss not only threatens local biodiversity, but also exacerbates climate change by reducing carbon storage capacity.[100]

Ecuador faces similar pressures, particularly due to the expansion of shrimp farming and palm oil plantations. Mangrove deforestation is a specific concern, with shrimp aquaculture encroaching on coastal ecosystems that serve as critical carbon sinks. While Ecuador has made strides in reforestation and sustainable management, challenges remain in regulating industries that impact on forests and coastal zones.[101]

Peru's deforestation is driven by illegal logging, agriculture (including coca cultivation), and gold mining. The country loses over 150,000 hectares of forest annually on average, with significant activity in the Madre de Dios region. Gold mining, in particular, devastates the landscape, pollutes water sources with mercury, and disrupts ecosystems.[102]

The EU's Deforestation Regulation (EUDR)[103] aims to combat global deforestation by regulating the import of commodities associated with forest degradation, such as soy, palm oil, coffee, and beef. This legislation requires companies importing these goods into the EU to prove that they are not linked to deforestation or forest degradation after a set cutoff date.[104]

The implementation of the EUDR poses both challenges and opportunities for Colombia, Ecuador, and Peru. Small-scale producers in these countries may face significant hurdles in meeting the EUDR's traceability and certification requirements. Many farms lack formal land titles or the financial resources to implement sustainable practices, leaving them vulnerable to exclusion from EU markets.[105] But at the same time the regulation could incentivize the adoption of sustainable agricultural practices and stronger forest governance in the region. By aligning their production with EUDR standards, these countries could improve access to EU markets, reduce the environmental footprint of their export sectors and reach an important step towards climate protection.[106]

In various Committee meetings, Andean countries, notably Colombia and Ecuador, raised massive concerns about the challenges small producers face in meeting the deforestation regulation's requirements, including issues with land titles and the remote locations of farms.[107] The EU emphasised its

commitment to supporting small producers through various programmes aimed at promoting sustainable agricultural development.

Even though the EU continues to emphasise its determination to implement the EUDR, it is evident that the regulation has come under attack during these closed-door committee meetings. The Andean countries' ongoing critique of the regulation may have contributed to the recent decision to postpone its implementation until the end of 2025—even if other factors, especially internal ones, may have played a role too.

Pesticide policy

A recurring topic of debate in the Committees relates to the maximum residue levels (MRLs) of pesticides. MRLs represent the highest permissible amount of pesticide residue allowed to remain on food products when pesticides are applied in accordance with approved guidelines, ensuring no significant risk to human health.

Andean government representatives frequently criticise the EU's MRLs, arguing that they are excessively stringent. This, they claim, restricts the use of certain pesticides considered safe elsewhere, thereby creating barriers to trade. The EU, however, defends its approach by emphasising its adherence to the precautionary principle. Within the EU, there is also internal opposition to the strict MRL regulations, and the Andean criticisms provide additional support to these dissenting voices (mostly coming from the corporate sector) within Europe.

Import tolerances for pesticides are a regulatory mechanism that allow agricultural products treated with certain pesticides to be imported into a country, even when those pesticides are not approved for domestic use. These tolerances set MRLs for pesticide residues in imported food and feed, based on applications from exporting countries or agribusinesses.

While the system is designed to facilitate global trade, it raises significant concerns. One key issue is that import tolerances can create loopholes in pesticide regulation, allowing residues of chemicals that would otherwise be banned or restricted in the importing country. This can undermine domestic pesticide policies and expose consumers to substances their governments have deemed unsafe for use within their own domestic agricultural sectors.[113]

Box 2

Regulations under siege: How committee meetings are exploited to undermine safety standards

In several committee meetings Andean countries requested special treatment or exemptions, and concerns were raised about the impact of MRLs on agricultural exports.[108]

> *"Andean countries stressed that some decisions on minimum residue levels taken by the EU are not based on risk assessment and requested the application of import tolerances for active substances already established. They reiterated their request for special and differential treatment or to exemptions that only Member States can request under EU law for domestic production."*[109]

> *"The Andean countries voiced their concerns—in several subcommittes—about the impact of EU SPS measures foreseen in the implementation of the Green Deal and more specifically the limits reduction of pesticides MRLs presented in the Farm to Fork Strategy."*[110]

> *"The Andeans made a common front underlining that MRLs reductions are not in line with Art. 5 of the WTO SPS Agreement and that these measures are the result of a 'hazard approach' advocating for the application of the provision of the Agreement on 'Special and Differential Treatment'."*[111]

The EU however maintained that its measures are grounded in scientific risk assessments, prioritising health and environmental protection:

> *"The EU has the right to establish the level of protection considered appropriate. EU measures on pesticides are fit for purpose (protection of health) and taken based on a scientific risk analysis, in a transparent way and respecting international commitments (WTO). Evidence shows that they are not resulting in restrictions to trade."*[112]

While the Andean countries have used the committee meetings to push for more import tolerances, the EU has tried to appease them:

> *"It is worth mentioning that as regards import tolerances the EU largely accepted the requests presented by Third Countries. Between 2009 and 2022 we received 617 requests and we only refused 83 while 534 received positive opinion and were established in the EU."*[114]

It is striking that the majority of import tolerances requested were allowed, and indeed, the pressure from the Andean countries in the committees seems to have been successful. Notably, the EU has granted import tolerances for certain commodities requested by Andean countries. For instance, in 2014, the EU established import tolerances for the herbicide Saflufenacil on bananas and coffee beans from Ecuador.[115] Saflufenacil is a herbicide which disrupts chlorophyll production in plants and leads to the death of unwanted weeds.

When used properly, Saflufenacil has low acute toxicity, meaning short-term exposure is unlikely to cause harm to humans. However, repeated exposure may affect blood health, potentially increasing the risk of anemia. Farmworkers and those frequently exposed to the chemical face higher risks. If Saflufenacil enters water bodies, it can have several negative environmental impacts. Since it has moderate toxicity for aquatic organisms, exposure could harm fish, amphibians, and invertebrates by affecting their growth, reproduction, or survival. Additionally, the herbicide may disrupt ecosystems by impacting algae and aquatic plants, which are crucial for oxygen production and the food chain. As Saflufenacil is moderately soluble in water, it can persist in aquatic environments, potentially contaminating water sources used for drinking or irrigation. Furthermore, if the herbicide leaches through the soil, it could contaminate groundwater, threatening drinking water supplies.[116]

The EU's approval of import tolerances for Saflufenacil in products from Colombia and Ecuador highlights a broader trend in trade and pesticide regulation: economic interests often take precedence over stringent health and environmental protections. The Andean countries have actively pushed for higher import tolerances in EU committee meetings, and the EU has largely accommodated these demands, despite concerns about the long-term risks of Saflufenacil exposure.

Approving its residue on imported food creates a double standard, as the EU continues to ban or heavily restrict many hazardous pesticides within its own agricultural sector, while permitting their presence on imported goods. This not only undermines consumer protection, but also weakens environmental and labour protections in exporting countries, where pesticide use is often less strictly regulated, exposing workers and ecosystems to harm.

Moreover, the EU's willingness to compromise on import tolerances raises questions about its commitment to aligning trade policy with its Green Deal objectives and Farm to Fork strategy, both of which emphasise a reduction in harmful pesticides. By prioritising trade relations over precautionary health and environmental measures, the EU risks legitimising unsustainable agricultural practices in exporting countries instead of supporting a shift toward safer alternatives.

Ultimately, this case illustrates how regulatory flexibility benefits agribusiness and trade interests at the expense of stricter consumer and environmental protections.

Palm oil free labelling

Palm oil is a significant agricultural product for Colombia, Ecuador, and Peru, contributing to their economies and providing livelihoods for thousands of rural workers. As major producers in Latin America, these countries play a key role in the global palm oil market, exporting substantial quantities to regions such as the European Union. However, the production of palm oil has been widely criticised for its significant environmental and social consequences.

One of the most pressing issues associated with palm oil production is its role in deforestation. In Colombia and Peru, vast areas of tropical forests are cleared to make way for palm plantations. This deforestation leads to extensive biodiversity loss, disrupts ecosystems, and contributes to significant carbon emissions that exacerbate climate change.[117] In Ecuador, the destruction extends to fragile mangrove forests, where palm oil cultivation and shrimp farming degrade coastal ecosystems that are critical for carbon storage and marine biodiversity.[118]

Deforestation for palm oil cultivation contributes to increased carbon emissions, exacerbating climate change. The loss of forest cover reduces carbon sequestration capacity, while land clearance methods, such as burning, release stored carbon into the atmosphere.[119]

As well as environmental degradation, palm oil production often results in severe social consequences. In many cases, land is acquired through practices that displace local communities and indigenous populations. Farmers and smallholders are frequently coerced into giving up their land, leading to loss of livelihood and cultural heritage. The industry's expansion has also been linked to labour rights abuses, including poor working conditions and exploitation.[120]

Palm oil's environmental and social costs are further exacerbated by its controversial reputation in consumer markets. In the European Union, "palm oil-free" labelling has gained popularity, reflecting growing concerns about the product's sustainability. While this labelling aims to promote environmentally friendly choices, it may also penalise even sustainably produced palm oil, undermining efforts by producers in Colombia, Ecuador, and Peru to comply with certifications verifying deforestation-free supplies. The stigmatisation of an entire crop not only limits market access, but may also disincentivise investment in more sustainable practices.

No wonder, then, that the topic of palm oil-free labelling is high on the Committees' agendas. The Andean countries have repeatedly raised complaints about it. In particular Colombia and Ecuador have voiced concerns that "palm oil-free" labelling in the EU was unfairly stigmatising their products.[121] The EU clarified that no mandatory "palm oil-free" labelling exists under its regulations, but that manufacturers can voluntarily provide such information if desired.[122]

The negative impacts of palm oil—from deforestation and habitat loss to social displacement and exploitation—underscore the urgent need for more equitable and sustainable approaches to its production and trade. Addressing these challenges requires coordinated global action, fostering transparency, and prioritising the rights of communities and the preservation of ecosystems.

Intellectual property rights: seeds

It is not only the Andean states that use the committees to undermine and dilute unfavourable regulations. The EU also flexes its muscles when it perceives its profits to be at risk.

The EU has consistently criticised Ecuador for its insufficient protection and enforcement of plant variety rights, pointing to non-compliance with obligations under the trade agreement and the UPOV conventions. Key EU concerns include unauthorised exchanges of propagation material, weak enforcement against farmers cultivating and exporting protected plant varieties without paying royalties, and prohibitively high registration fees. These criticisms reflect the EU's adherence to the UPOV framework, which prioritises the intellectual property rights of breeders.[123]

> *"Moreover, the EU raised serious concerns regarding the protection and enforcement of plant variety rights in Ecuador. It is a long standing issue which was already discussed at previous IPR Sub-Committees, without bringing any results. This year, the Commission received numerous complaints on this subject matter from certain MS (FR, NL, DE) as well as numerous stakeholders (in consequence, four complaints have been registered in the MADB)."*[124]

However, Andean countries, including Ecuador, often view UPOV as imposing unfair constraints on small-scale farmers and indigenous communities. They argue that strict compliance with UPOV, particularly regarding limitations on the use and exchange of seeds, undermines traditional farming practices and food sovereignty. The requirement for farmers to obtain breeder permission or pay royalties is seen as disproportionately favouring multinational corporations at the expense of local agricultural resilience.

Ecuador's response highlights these tensions. While the country has implemented reforms, such as establishing a technical directorate within the Ecuadorian Institute of Intellectual Property SENADI to improve enforcement, and reducing license registration fees, it has also shown reluctance to fully align with UPOV 91 standards. Ecuador's interest in conducting a study on the economic impact of plant variety rights protection, in collaboration with IP Key Latin America, underscores its focus on balancing international obligations with domestic socio-economic priorities. This approach reflects a broader resistance in the Andean region to the perceived inequities of the UPOV system.[125]

The EU's push for stricter enforcement under UPOV often clashes with the Andean perspective, which emphasises the need to protect traditional knowledge and promote equitable access to seeds. This ongoing

debate exemplifies the broader challenge of reconciling global intellectual property frameworks with the realities and priorities of developing countries.

On many occasions, the Andean states complained to the EU about its climate protection regulations and put pressure on the EU accordingly.[126]

> *"On the environment/climate side, Andean countries raised massive concerns and detailed questions on deforestation (all – cost, practicalities, competitiveness, recognition of their efforts), CBAM (Carbon Border Adjustment Mechanism) (mostly Colombia), and the CSDDD (also mostly Colombia)."*[127]

(Lack of) civil society participation

The Domestic Advisory Group

The Domestic Advisory Groups (DAGs), are supposed to play a central role in monitoring the sustainability commitments of the agreement, as is outlined in Article 281.[128] The objective of these groups is to promote the participation of civil society in the application of the agreement. The groups, composed of representatives from civil society, are, however, unfortunately often underfunded, and in some cases, DAGs have not even been fully established, or operate within a framework that does not allow for genuine participation. This limits the ability of civil society to actively influence the enforcement of labour and environmental standards, calling the credibility of this mechanism into question.

In the Andean agreement, the aforementioned Articles 281 and 282 regulate the participation of civil society within the agreement. The parties may either establish consultative groups comprising representatives of different social sectors or utilise existing mechanisms. The groups may, at their own discretion, issue statements regarding the advancement of this component of the agreement. The dual option for civil society participation has been the subject of criticism from organisations in Andean countries on the grounds that it enables governments to utilise less democratic mechanisms that may exclude key civil society actors, thereby rendering their participation in the implementation of the agreement more challenging.

Civil society participation in Colombia

Colombia has not fulfilled its obligations with regard to the promotion of public participation, as exemplified by the lack of progress in the establishment of the DAGs. In the initial four-year period following the implementation of the trade agreement, the Colombian government initiated the formation of a Domestic Advisory Group (DAG) through existing mechanisms which are weak and not easily accessible to all. The DAG was not actually established until 2017, when it was initiated independently of government, by civil society with representatives from trade unions, industry, and NGOs.[129] However, the government does not consistently recognise the involvement of the DAG beyond the previously existing mechanisms, which are subject of critique, and in turn hinders the ability of civil society to be genuinely engaged. [130]

Civil society participation in Peru

Civil society organisations in Peru have been calling for the effective implementation of the DAGs since the beginning of the agreement. Although Peru has estblished a DAG, the government decided to use existing groups within the state bureaucracy as the consultation mechanism (see below). Furthermore, the non-binding nature of the DAGs and their thematic limitation to trade and sustainable development issues hinders broader civil society participation in the agreement as a whole. The participation of domestic consultative bodies in Peru has been criticised for being bureaucratic, undemocratic and limited in nature.

The mechanisms that the Peruvian government had in place prior to the signing of the agreement have been used by the government to fulfil the requirement of a DAG, and it has described these mechanisms as being in accordance with Article 281 of the agreement. In the area of labour rights, these included The National Council for Labour and Employment Promotion, the National Council for Occupational Safety and Health, and the National Commission to Combat Forced Labour. For environmental issues, these include the National Commission on Biodiversity, the National Commission on Climate Change and the National Commission to Combat Desertification and Drought.

Complaints

These mechanisms have proven to be ineffective in including the voices of civil society and broad sections of the population. In 2017, for example, Peru's trade union federations left the National Council for the Promotion of Labour and Employment, criticising the government for ignoring social dialogue.

In light of this situation, 15 Peruvian civil society organisations formed an internal consultative group in 2017 to submit assessments, proposals and complaints about trade agreements. Despite dialogue between this group and the DAGs of the European Union and Colombia, the Peruvian government refused to recognise the group's work. In the same year, various organisations, including RedGe and Peru Equidad, filed a complaint with the European Union's DG Trade denouncing Peru's lack of compliance with the labour and environmental rights established in the agreement, and the absence of real mechanisms for citizen participation.[131]

Several more official complaints and submissions have been made regarding the implementation of the trade agreement between the EU and Colombia, Peru, and Ecuador, particularly by trade unions, environmental organisations, and other civil society groups. Some of the most significant complaints concern human rights, labour rights, and environmental and climate protection obligations. We outline some specific examples:

Labour rights violations

Trade unions, especially the international labour movement, have repeatedly filed complaints about labour rights violations in Colombia. These primarily concern the disregard of international labour standards and the systematic persecution of union members. For many years, Colombia has seen a high number of attacks and murders of trade unionists, which has repeatedly been a subject of complaint under the trade agreement.

For example in 2017, Colombian trade unions, with the support of the European Trade Union Confederation (ETUC), filed a formal complaint about Colombia's non-compliance with labour standards. The main accusations focused on the lack of safety for trade union members and violations of ILO core labour standards.[132]

Environmental impact concerns

At the same time, environmental organisations from the EU and the affected countries have repeatedly pointed to the negative environmental consequences of the agreement. These mainly concern the increase in deforestation in the Amazon region and the environmental impact of mining in Colombia and Peru. For example in 2018, a coalition of environmental groups, including Friends of the Earth Europe and the Transnational Institute (TNI), filed formal complaints with the European Commission. They called for greater consideration of environmental commitments, as outlined in the sustainability chapter of the agreement, and criticised the lack of enforcement of measures to protect biodiversity and combat illegal deforestation.[133]

Human rights complaints

In Colombia and Peru, social organisations have filed complaints criticising the human rights impact of the agreement. These particularly address the negative impact on indigenous communities affected by land conflicts, forced relocations, and the expansion of extractive industries.

For example in 2020, a group of Colombian and European NGOs, including Oxfam and Misereor, filed complaints about the deterioration of the human rights situation, particularly in relation to mining and agriculture.[134]

Peruvian government complaints

The Peruvian government itself has also in the past expressed concerns about certain aspects of the trade agreement, particularly its impact on small agricultural enterprises and the challenges of adapting to EU standards for export products such as fruits and vegetables. Unofficially, difficulties in implementing environmental standards were also highlighted.

For example in 2016, the Peruvian government held talks with the EU regarding adjustments in the implementation of the sustainability chapters, particularly concerning agriculture and biodiversity protection.[135]

Source: rawpixel.com

Complaints to joint committees

The trade agreement between the EU and the Andean countries is subject to regular reviews by joint committees responsible for monitoring sustainability and environmental standards. As part of these reviews, civil society groups and NGOs have regularly submitted inputs to highlight specific grievances and call for stricter enforcement measures.

For example in 2019, civil society in Colombia and Peru submitted reports during meetings of the Joint Committee on Trade and Sustainable Development, which highlighted the inadequate implementation of environmental and labour standards. These reports called for more intensive monitoring and concrete steps to improve the situation on the ground.[136]

Civil society participation mechanisms fail to fulfil purpose

The mechanisms for civil society participation in the EU-Andean trade agreement have largely failed to fulfill their purpose. Domestic Advisory Groups (DAGs), intended to monitor sustainability commitments, are underfunded, poorly implemented, and often exclude key civil society actors. In Colombia and Peru, governments have undermined meaningful engagement, relying on bureaucratic or existing mechanisms that marginalise independent voices.

This has left major issues—such as labour rights violations, deforestation, and the displacement of indigenous communities—unaddressed, while sustainability commitments remain largely rhetorical. Without genuine reforms to ensure inclusive and effective civil society participation, the agreement risks perpetuating inequities and failing to deliver its labour and environmental obligations.

Corporate lobby benefits

On the other hand, the Andean trade agreement offers significant opportunities for corporate lobbying to influence its implementation, and benefit from its provisions. Multinational corporations, particularly those operating in extractive industries, agriculture, and energy, can leverage the agreement's committee structures to advocate for favourable interpretations of trade rules and sustainability commitments. For instance, the ability of the Trade Committee and its subcommittees to amend aspects of the agreement without further democratic oversight creates a channel through which corporations can push for regulatory changes that prioritise their interests.

Additionally, industry representatives often participate in consultations and advisory mechanisms, such as Domestic Advisory Groups (DAGs), where they can shape the discussion around labour and environmental standards. This dynamic is further amplified by the agreement's non-binding sustainability clauses and the exclusion of these clauses from dispute resolution mechanisms, enabling corporations to downplay their obligations while benefiting from liberalised market access. The combination of weak enforcement, corporate access to decision-making platforms, and the prioritisation of trade liberalisation over stringent regulation underscores the potential for corporate interests to dominate the implementation of the agreement.

As revealed in confidential documents obtained by PowerShift, the agribusiness lobby had the opportunity to present its concerns regarding Farm-to-Fork, deforestation, and due diligence during a dinner with committee representatives on the sidelines of the Trade Committee Meeting in November 2023. It is alarming to see this preferential treatment offered to agribusiness lobbyists, granting them a platform to exert influence in this manner:[137]

Dinner with Representatives of the AGRO sector in Colombia.

Hosted by the EU´s HoD it was attended by representatives of the agro business sector: Art.4.2 (banana), Art.4.2 (palm oil), Art.4.2 (coffee exporters), Art.4.2), Art.4.2 Art.4.2 – representing cocoa producers) and Art.4.2 (Art.4.2 for the agro sector). Art.4.2 , INTPA Art.4.2 for South America also participated. The dinner allowed for an open exchange on the impact of EU autonomous measures (notably F2F, Deforestation and Due Diligence) on Colombian agro sector given the particularities of the country. Key concerns are: (1) traceability, which is made difficult by the absence of land titles and the small size and remote location of the plots – i.e. no connectivity and security concerns; (2) the transition from illicit crops could be hindered or reversed if burdensome requirements are imposed on farmers; (3) small producers require financial assistance to uptake the necessary changes to comply with new regulations; and (4) lack of clarity and short deadlines for the implementation of the Deforestation Regulation.

Mission report 10th Trade Committee EU-Colombia, Peru, Ecuador
Source: see endnote 137

In a Nutshell

The EU-Andean trade agreement establishes specialised committees to oversee its implementation, granting them significant powers, including the authority to amend the agreement without further democratic oversight. While these committees, such as the Trade Committee and the Committee on Sustainable Development, ostensibly aim to promote sustainable practices, their operations raise serious concerns.

1 **Democratic deficit**
The committees can amend the agreement and influence regulations, including those related to climate and sustainability, without the involvement of democratic bodies like the European Parliament. This undermines transparency and accountability, enabling backroom decisions that may weaken existing standards.

2 **Pressure against climate protections**
Committees have become fora where Andean and European stakeholders push back against environmental regulations. For instance, Andean countries have lobbied against EU pesticide residue limits and deforestation policies, while the EU has pressured Andean states to adopt measures favouring corporate interests, such as intellectual property rules under UPOV.

3 **Environmental failures**
Despite provisions to address deforestation and climate agreements, the committees lack enforcement mechanisms, resulting in unchecked ecological damage. The trade agreement has exacerbated deforestation in the Amazon and expansion of monocultures, including palm oil plantations, contributing to biodiversity loss and carbon emissions.

4 **Privileged corporate influence**
Industry representatives can dominate committee discussions, sidelining civil society and local communities. The committees' structure and procedural rules prioritise economic liberalisation, leaving little room for meaningful public input or protection of vulnerable populations.

Ultimately as our study has shown, the committee system under the EU-Andean trade agreement reflects an imbalance of power that prioritises corporate and trade interests over democratic oversight, environmental sustainability, and social equity. Without substantial reforms to ensure transparency, enforce sustainability commitments, and involve civil society, these committees risk continuing to be tools thatenable the perpetuation of ecological harm and social inequality.

7 Conclusion and recommendations

Our ex-post evaluation has shown that ultimately, and despite claims otherwise, the EU-Andean trade agreement does not make a relevant contribution to achieving its stated objective of sustainable development nor reaching a net-zero economy. Since its application, trade in goods that are produced through socially and environmentally harmful methods such as shrimp, avocados, or bananas has increased, Andean countries' fatal dependence on the export of unprocessed raw material like gold and coal has reappeared, the decarbonisation of critical raw material supplies like copper has stalled, and the urgent adaptation needs of coffee smallholders have largely been ignored. Targeted provisions mitigating the climate impact of EU-Andean trade are largely absent.

If progress has been made to reduce the contribution of EU-Andean trade to global warming, this has occurred despite the trade agreement, not because of it. The key regulations promoting more sustainable trade were introduced independently of the accord: the Deforestation Regulation, the Corporate Sustainability Due Diligence Directive, the phase-out of palm-based biodiesel, the Directive on Unfair Trading Practices or the Emissions Trading System extension covering maritime emissions. In contrast, many of the market access commitments implemented under the agreement actually hamper these progressive regulations rather than supporting them. Moreover, the agreement provides a mechanism—through the committees—that allows these regulations to be contested, revised, or even weakened, potentially undermining their effectiveness.

The agreement's sustainability provisions are largely symbolic, and fail to address urgent environmental and social challenges. Weak language, lack of enforcement mechanisms, and exclusion from the agreement's dispute settlement system render these provisions ineffective. The deal prioritises trade liberalisation over genuine commitments to sustainability or equity, showing a business as usual approach despite the urgent need for climate action.

In addition, the committee system established under the agreement reflects an imbalance of power that again prioritises trade interests over environmental sustainability and social equity. While Andean countries used the committee system to lobby against EU pesticide residue limits and policies aiming to reduce deforestation, the EU in turn has pressured Andean states to adopt intellectual property rules that threaten biodiversity and climate adaptation, such as the UPOV 91 convention.

Photo: Alejandro Ortiz / Unsplash.com

In order for the EU-Andean agreement to deliver on the promises made about it, and make a serious contribution to net-zero trade, it needs a comprehensive overhaul. Our recommendations for such a revision are that it should:

1 **Include effective provisions prioritising climate protection:**
The agreement must be subordinated to climate goals and international obligations. Effective and enforceable provisions on climate mitigation and adaption, supplemented with concrete action plans and timelines, should be included in all chapters. Tariff concessions must be linked to the effective implementation of international environmental and climate commitments.

2 **Restrict or end trade in harmful products:**
Trade in climate-damaging goods such as coal, oil, shrimp, avocados and palm oil must be reduced or phased-out entirely. The agreement should be equipped with clear rules to limit or ban trade in harmful goods.

3 **Integrate targeted and binding mitigation measures:**
The agreement must be supplemented with effective mitigation measures that support the decarbonisation of production processes. Local companies, mines and farms should be supported in their transition to cleaner and climate-resilient production. Regulatory capacities to enforce environmental and labour legislation have to be strengthened. Corporate due diligence rules must ensure transparency along specific supply chains.

4 **Add comprehensive and reliable technological and financial support mechanisms:**
The agreement needs to be underpinned with long-term and binding support mechanisms, including technical and financial assistance, as well as know-how and technology transfer. Financial assistance should avoid an overreliance on private investors whose vested interests risk undermining the green transition. To avoid increasing the public debt of Andean partners, financial packages should essentially consist of grants, not loans.

5 **Disempower the agreement's committees:**
The power of the committees to change parts of the EU-Andean agreement after its final ratification should be restricted. These committees must adhere to transparent processes, to curb the influence of corporate lobbyists obstructing climate measures. Meeting minutes, correspondence and other documents should be accessible to the general public. Elected representatives must have the opportunity to actively participate in monitoring the trade agreement, and to vote on proposed changes to it.

Endnotes

1 See Website of the European Commission, DG Trade: https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/andean-community_en.

2 Climate Change Performance Index 2024: https://ccpi.org/country/eu.Downloaded: 07/01/2025.

3 Climate Action Network Europe: EU fossil fuel subsidies on the rise again. 07/06/2024: https://caneurope.org/content/uploads/2024/06/EU-Fossil-fuel-subsidies_2024.pdf.

4 Climate Change Performance Index 2025: https://ccpi.org/country/col. Downloaded: 07/01/2025.

5 Trade Agreement between the European Union and its Member States, of the one part, and Colombia, Peru and Ecuador: https://eur-lex.europa.eu/legal-content/DE/TXT/PDF/?uri=CELEX:22012A1221(01)

https://eur-lex.europa.eu/EN/legal-content/summary/eu-trade-agreement-with-colombia-peru-and-ecuador.html.

6 European Commission: Directorate-General for Trade, Ex post evaluation of the implementation of the Trade Agreement between the EU and its Member States and Colombia, Peru and Ecuador – Final report. Vol. I, Main report, Publications Office of the European Union, 2022, https://data.europa.eu/doi/10.2781/9164.

7 European Commission: Directorate-General for Trade, Ex post evaluation of the implementation of the Trade Agreement between the EU and its Member States and Colombia, Peru and Ecuador – Final report. Vol. I, Main report, Publications Office of the European Union, 2022, https://data.europa.eu/doi/10.2781/9164, p. 6 – 7.

8 European Commission: Directorate-General for Trade, Ex post evaluation of the implementation of the Trade Agreement between the EU and its Member States and Colombia, Peru and Ecuador – Final report. Vol. I, Main report, Publications Office of the European Union, 2022, https://data.europa.eu/doi/10.2781/9164, p. 141 – 142, 144.

9 Idem p. 144 – 145.

10 Idem p. 154 – 155.

11 Idem p. 154 – 155.

12 Idem p. 144 – 145, 220.

13 Idem p. 144 – 145.

14 https://www.consilium.europa.eu/en/press/press-releases/2024/10/14/eu-andean-countries-council-green-lights-the-conclusion-of-the-trade-agreement-with-colombia-peru-and-ecuador.

15 European Commission: Highlights of the Trade Agreement between Colombia, Peru and the European Union, MEMO, Brussels, 26 June 2012: https://ec.europa.eu/commission/presscorner/detail/en/memo_12_487.

16 EU Trade Agreement with Colombia and Peru, Title IX, Trade and Sustainable Development, Article 275, Climate Change.

17 https://news.mongabay.com/2021/06/in-less-than-a-generation-legal-mining-in-colombia-deforested-over-120000-hectares.

18 https://news.mongabay.com/2021/06/in-less-than-a-generation-legal-mining-in-colombia-deforested-over-120000-hectares.

19 https://gfintegrity.org/wp-content/uploads/2021/02/Colombia-Gold-EN_2.10.21.pdf.

20 Ben McWilliams et al.: The European Union-Russia energy divorce: state of play, Bruegel, 22 February 2024: https://www.bruegel.org/analysis/european-union-russia-energy-divorce-state-play.

21 EU Trade Agreement with Colombia and Peru, Title IX, Trade and Sustainable Development, Article 275, Climate Change.

22 European Commission: Ex post evaluation of the implementation of the Trade Agreement between the EU and its Member States and Colombia, Peru and Ecuador, Final Report – Vol. I: Main Report, January 2022: https://op.europa.eu/en/publication-detail/-/publication/f09dba9e-aa5a-11ec-83e1-01aa75ed71a1/language-en.

23 https://iopscience.iop.org/article/10.1088/1748-9326/abfcf8/pdf.

24 NGO Eco Génova (2023) "Ojo con el agua....cate hass". https://ecogenova.home.blog/2023/03/16/plegable-ojo-con-el-agua-cate-hass.

25 Ibid. S. 5. Point Number 2.

26 Ibid. S. 5 Point Number 6 and 7.

27 Ibid. S. 5 Point Number 4, 5 and 10.

28 Die hohe Menge an Co2 ist auch erwähnt in: Die Frucht, die alles frisst (monde-diplomatique.de).

29 Aid Einvironment / IUCN (2023): Insights in the Supply Chain: Palm Oil from Colombia to the EU, September: https://www.iucn.nl/en/publication/potential-risks-for-palm-oil-from-colombia-to-the-eu.

30 Transport & Environment (2019): The trend worsens: More palm oil for energy, less for food, June: https://www.transportenvironment.org/articles/trend-worsens-more-palm-oil-energy-less-food.

31 Aid Einvironment / IUCN (2023): Insights in the Supply Chain: Palm Oil from Colombia to the EU, September: https://www.iucn.nl/en/publication/potential-risks-for-palm-oil-from-colombia-to-the-eu/.

32 https://www.elnuevosiglo.com.co/economia/produccion-de-palma-de-aceite-sera-7-menos-que-en-el-2023.

33 UFOP (2023): EU-27 imported less palm oil, 19 July 2023: https://www.ufop.de/files/1216/8991/5601/23_29_EN_EU_Imports_palm_oil.pdf.

34 https://www.forest-trends.org/wp-content/uploads/2022/01/Dashboard_Colombia_August_2024_v2.pdf.

35 https://www.iucn.nl/en/publication/drivers-of-deforestation-in-the-colombian-amazon-industrial-agriculture/.

36 https://www.internal-displacement.org/publications/2024-global-report-on-internal-displacement-grid/.

37 https://documents.un.org/doc/undoc/gen/g24/106/04/pdf/g2410604.pdf.

38 https://www.europarl.europa.eu/RegData/etudes/STUD/2018/621834/EPRS_STU(2018)621834_EN.pdf.

39 https://www.solidaridadnetwork.org/wp-content/uploads/2024/06/The-Grounds-for-Sharing-annex-Colombia.pdf.

40 https://www.rainforest-alliance.org/wp-content/uploads/2023/05/Rainforest-Alliance-Colombia-Coffee.pdf.

41 https://www.dw.com/en/higher-coffee-prices-may-hit-european-cafes/a-62900268; https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20240510-1.

42 https://immap.org/wp-content/uploads/2016/12/La-Nina-phenomenon-in-Colombia-Dashboard-English.pdf.

43 https://www.ico.org/documents/cy2022-23/cmr-1222-e.pdf; https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Coffee%20Annual_Bogota_Colombia_CO$_2$023-0012.pdf.

44 https://www.forest-trends.org/wp-content/uploads/2022/01/Dashboard_Colombia_August_2024_v2.pdf.

45 https://www.ico.org/documents/cy2022-23/cmr-1222-e.pdf; https://www.reuters.com/world/americas/colombias-heavy-rains-seen-pouring-into-mid-2023-government-2022-11-29.

46 https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_peru_en.pdf.

47 https://dialogue.earth/en/pollution/361618-peru-mining-corridor-impact-on-communities-copper/.

48 https://www.iisd.org/system/files/2024-08/igf-decarbonization-mining-sector.pdf.

49 https://www.facing-finance.org/en/2023/09/deutsche-kupferimporte-verletzen-menschenrechte-in-peru.

50 https://prohass.com.pe/wp-content/uploads/2025/01/CAMPANA-PALTA-HASS-2023-FINAL.pdf; https://prohass.com.pe/wp-content/uploads/2024/12/REPORTE-CAMPANA-PALTA-HASS-2020.pdf.

51 https://www.christianaid.org.uk/sites/default/files/2024-05/getting-smashed-the-climate-danger-facing-avocados.pdf.

52 https://theworld.org/stories/2022/07/12/peru-s-avocado-green-gold-rush-loses-some-shine.

53 https://www.blog.industrialecology.uni-freiburg.de/wp-content/uploads/2019/03/LCA_tropical_fruits_Julian_Egle_Tobias_Bahmer_Peiman_Hadjian.pdf.

54 https://www.consilium.europa.eu/en/press/press-releases/2024/10/14/eu-andean-countries-council-green-lights-the-conclusion-of-the-trade-agreement-with-colombia-peru-and-ecuador.

55 https://trendeconomy.com/data/commodity_h2/0803.

56 https://agriculture.ec.europa.eu/document/download/5239643c-fd6e-45bd-9c44-f046f983564a_en?filename=bananas-market-situation-2024-2_en.pdf.

57 EU-Ecuador Accession Protocol to the EU Trade Agreement with Colombia and Peru, Annex II, Subsection 3: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:22016A1224(01)&qid=1588594733909&from=EN; See also: https://www.fruitrop.com/en/Articles-by-subject/Direct-from-the-markets/2017/Banana-Customs-duty-in-the-EU-Ecuador-s-turn.

58 https://ideas.repec.org/a/ags/apstra/339777.html.

59 https://rethinkingvaluechains.com/wp-content/uploads/2020/07/ENG_Bananas-case-study_RVC-Open-ressources_December-2019.pdf.

60 https://www.oxfam.de/system/files/studie_englisch_complaint_from_banana_workers.pdf.

61 https://www.oxfam.de/system/files/studie_englisch_complaint_from_banana_workers.pdf.

62 https://agriculture.ec.europa.eu/common-agricultural-policy/agri-food-supply-chain/unfair-trading-practices_en.

63 https://www.eurovia.org/news/an-adequate-answer-to-the-farmers-protest-fair-prices-through-strengthening-the-utp-directive-2.

64 https://rethinkingvaluechains.com/wp-content/uploads/2020/07/ENG_Bananas-case-study_RVC-Open-ressources_December-2019.pdf.

65 https://climate.ec.europa.eu/eu-action/transport/reducing-emissions-shipping-sector_en.

66 https://www.clientearth.org/media/nlxpnadj/the-hidden-cost-of-farmed-shrimp-from-ecuador-pdf.pdf.

67 Consolidated text: Trade Agreement between the European Union and its Member States, of the one part, and Colombia, Peru and Ecuador, of the other part. 16.11.2022. p. 146 – 159. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX-%3A02012A1221%2801%29-20221116.

68 Website of the European Commission: https://circabc.europa.eu/ui/group/8a31feb6-d901-421f-a607-ebbdd7d59ca0/library/8c5821b3-2b18-43a1-b791-2df56b673900/details. Accessed: 03/12/2024.

69 Text of the Agreement, Article 232, p. 132.

70 A reliable source of information about UPOV (International Union for the Protection of New Varieties of Plants) is the official website of the organisation: www.upov.int This site provides comprehensive information about the UPOV Convention, member states, plant variety protection systems, as well as recent reports and legal documents. Additionally, the Food and Agriculture Organization (FAO) (www.fao.org) also offers analyses and critiques of the UPOV Convention, particularly in the context of food security and farmers' rights.

71 Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, p. 71. https://eur-lex.europa.eu/legal-content/DE/TXT/PDF/?uri=CELEX:22012A1221(01).

72 https://www.anla.gov.co.

73 This article discusses the shortening of times (regarding the example of "environmental licences for renewable energy projects"): https://razonpublica.com/energias-renovables-la-guajira-dilema-clima-la-proteccion-ambiental. It includes the following quote: "Can ANLA or Corpoguajira carry out a proper environmental licensing procedure in less than three months? That is doubtful. Even doubling the labour force would not be enough to carry out a serious review of the environmental impact studies."

74 Suarez, M. (2020) "Contaminación ambiental del agua por el uso indebido de pesticidas en plantaciones de banano en Ecuador". http://dspace.utb.edu.ec/handle/49000/8482.

75 Text of the Agreement, p. 71.

76 Grain (1998) "Ten Reasons not to Join UPOV", https://grain.org/en/article/1-ten-reasons-not-to-join-upov.

77 Ritmo (2020) "Resistencias y autonomías desde la alimentación ancestral, Cusco- Perú". https://www.ritimo.org/Las-semillas-un-mundo-de-sabiduria-ancestral.

78 Grain (1998). See also Forum Environment and Development discussion paper: https://www.agrarkoordination.de/fileadmin/dateiupload/PDF-Dateien/V2_Duits_UPOV91_A4.pdf.

79 Deutsche Welle (06/04/2021), "Quien controla el suministro mundial de alimentos?", https://www.dw.com/es/monopolio-de-semillas-qui%C3%A9n-controla-el-suministro-mundial-de-alimentos/a-57107797.

80 Text of the agreement, Article 273, p. 150f.

81 More information about the EU Deforestation Regulation (EUDR) can be found on the official website of the European Commission: https://environment.ec.europa.eu/topics/forests/deforestation/regulation-deforestation-free-products_en.

82 Text of the US-Peru Trade Promotion Agreement, P. 15. https://ustr.gov/sites/default/files/uploads/agreements/fta/peru/asset_upload_file953_9541.pdf.

83 Text of the Agreement, Article 275 p. 151.

84 Text of the Agreement, Article 275 §5.

85 https://power.nridigital.com/future_power_technology_aug23/guajira-colombia-development-wayuu-enel-wind.

86 El Tiempo (13/03/2024), "Minambiente prepara proyecto de ley para reducir el tiempo de licenciamiento a la mitad". https://www.eltiempo.com/economia/sectores/minambiente-prepara-proyecto-de-ley-para-reducir-tiempo-de-licenciamiento-a-la-mitad-3324383.

87 Idem.

88 Idem.

89 NGO Acción Ecológica (2020), "Cuando el Mar entra en la Tierra: Producción camaronera en tierras altas" https://www.naturalezaconderechos.org/wp-content/uploads/2020/07/CUANDO-EL-MAR-ENTRA-A-LA-TIERRA2.pdf. S. 18.

90 European Commission: Ex post evaluation of the implementation of the Trade Agreement between the EU and its Member States and Colombia, Peru and Ecuador, Final Report – Vol. I: Main Report, January 2022: S. 146. http://andean.fta-evaluation.eu/images/reports/I_Draft_Final_Report_ex_post_eval.pdf.

91 Ex-post-report ibid.

92 For example, the Sustainable Shrimp Partnership, established in 2017, received 74,000 USD from the EU.

93 European Commission: Ex post evaluation of the implementation of the Trade Agreement between the EU and its Member States and Colombia, Peru and Ecuador, Final Report – Vol. I: Main Report, January 2022: S. 148.

94 The agreement explicitly stipulates the acceleration of tariff reduction, but does not provide that the Committee can delay the reduction even if an agreement is reached to do so.

95 The Decisions are available online: https://circabc.europa.eu/ui/group/09242a36-a438-40fd-a7af-fe32e36cbd0e/library/cf2bcf4f-e8e0-41fe-a707-90476627cb2d?p=1&n=10&sort=modified_DESC.

96 Decision 2/2021 of the EU-Colombia-Peru-Ecuador Trade Committee of 17 August 2021 amending Decisions No 1/2014, No 2/2014, No 3/2014, No 4/2014 and No 5/2014 to take account of the accession of Ecuador to the Trade Agreement between the European Union and its Member States, of the one part, and Colombia, Peru and Ecuador, of the other part, and to update the lists of arbitrators and of experts in Trade and Sustainable Development [2021/1488] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:22021D1488.

97 Decisions on Geographical Indicators: https://circabc.europa.eu/ui/group/09242a36-a438-40fd-a7af-fe32e36cbd0e/library/e2af84c6-2c2f-40b5-963f-0cdfe26ba4e6?p=1&n=10&sort=modified_DESC.

98 Decision no 1-2017 of the EU-Colombia-Peru Trade Committee of 24 November 2017: https://circabc.europa.eu/ui/group/09242a36-a438-40fd-a7af-fe32e36cbd0e/library/bd9fcb84-ea87-4b04-9605-d3fb0baa044d/details.

99 Text of the agreement, Article 270, p. 148f.

100 Global Forest Watch: https://www.globalforestwatch.org/dashboards/country/COL/?category=forest-change.

101 TRASE: https://trase.earth/insights/bolivia-ecuador-and-peru-revealed-as-deforestation-hotspots?utm.

102 Global Forest Watch: https://www.globalforestwatch.org/dashboards/country/PER.

103 https://green-business.ec.europa.eu/deforestation-regulation-implementation_en.

104 European Commission DG Environment: https://environment.ec.europa.eu/topics/forests/deforestation/regulation-deforestation-free-products_en?utm_source=-chatgpt.com.

105 Ministerie van Landbouw, Visserij, Voedselzekerheid en Natuur, the Netherlands: Peru: building bridges for the implementation of the EU regulation on agro-commodities free of deforestation, 21/12/2023: https://www.agroberichtenbuitenland.nl/actueel/nieuws/2023/12/21/building-bridges-for-andean-countries-implementation-of-the-eu-regulation-on-agro-commodities-free-of-deforestation.

106 https://magazines.rijksoverheid.nl/lnv/agrospecials/2024/02/peru.

107 Minutes X Meeting of the Trade Committee Colombia-Ecuador-Peru Trade Agreement/European Union Friday 17 November 2023 https://circabc.europa.eu/ui/group/09242a36-a438-40fd-a7af-fe32e36cbd0e/library/c094f223-eb3f-4c42-9b72-a13af4ef4bf7/details . Also the 10th Subcommittee on Agriculture, 12 October 2022 and also in: Flash reports and briefings of TSO Sub-Committee EU-Colombia/Peru/Ecuador Trade Committee, 17 November 2023.

108 Flash reports and briefings of all Sub-Committees. EU-Colombia/Peru/Ecuador Trade Committee, 2 December 2021.

109 Eighth annual meeting of the EU-Colombia/Ecuador/Peru Trade Committee and Sub-committees - 15 November - 3 December 2021.

110 Eighth annual meeting of the EU-Colombia/Ecuador/Peru Trade Committee and Sub-committees - 15 November - 3 December 2021.

111 Eighth annual meeting of the EU-Colombia/Ecuador/Peru Trade Committee and Sub-committees - 15 November - 3 December 2021.

112 Flash reports and briefings of all Sub-Committees: EU-Colombia/Peru/Ecuador Trade Committee, 17 – 28 October 2022.

113 More information can be found on the Website of PAN Pesticide Action Network: https://pan-germany.org.

114 Flash report of 10th Subcommittee on Sanitary and Phytosanitary matters (SPS).

115 See https://food.ec.europa.eu/system/files/2021-01/pesticides_mrl_guidelines_overview-it-table.pdf.

116 More information on Saflufenacil: https://www3.epa.gov/pesticides/chem_search/reg_actions/registration/fs_PC-118203_01-Aug-09.pdf.

117 https://grain.org/en/article/7123-oil-palm-in-latin-america-monoculture-and-violence.

118 https://news.mongabay.com/2023/11/palm-oil-cultivation-in-colombia-ecuador-peru-and-brazil.

119 Counting on forests and accounting for forest contributions in national climate change actions.

120 https://grain.org/en/article/7123-oil-palm-in-latin-america-monoculture-and-violence.

121 TBT Sub-committee EU-Colombia/Peru/Ecuador Trade Committee, 2 December 2021.

122 TBT Sub-committee EU-Colombia/Peru/Ecuador Trade Committee, 2 December 2021.

123 FTA EU-Colombia, Ecuador, Peru TRADE Committee (IPR input) 19/04/2024.

124 FTA EU-Colombia, Ecuador, Peru TRADE Committee (IPR input) 19/04/2024.

125 Government Procurement Sub-committee EU-Colombia/Peru/Ecuador Trade Committee videoconference. Ref. Ares(2024)2901292 - 19/04/2024 Trade Committee LTT.

126 See for example ninth annual Trade Committee Meeting of the EU-Colombia/Ecuador/Peru – Quito – 16 November 2022. Flash Reports and briefings of TSO Sub-Committee EU-Colombia/Peru/Ecuador Trade Committee, 17 November 2023.

127 Flash Reports and briefings of TSO Sub-Committee EU-Colombia/Peru/Ecuador Trade Committee, 17 November 2023.

128 Consolidated text: Trade Agreement between the European Union and its Member States, of the one part, and Colombia, Peru and Ecuador, of the other part. 16/11/2022. p. 470). https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02012A1221%2801%29-20221116.

129 The history of the DAGs in Colombia was presented by the Colombian government delegation itself at the eighth meeting of the Subcommittee on Trade and Sustainable Development: p.19

130 The limitation of official recognition exclusively to the already established mechanisms was acknowledged by the Colombian government delegation at the 7th meeting of the Subcommittee on Trade and Sustainable Development: p. 19.

131 NGO RedGe (2022) “Documento de actualización referido a la queja presentada por el incumplimiento del gobierno peruano de sus obligaciones en el marco del acuerdo comercial entre Perú y la Unión Europea”. https://www.redge.org.pe/sites/default/files/22022-DOCUMENTO-ACTUALIZACION-QUEJA-UE.pdf.

132 See European Trade Union Confederation (ETUC). (2017). Colombian trade unions file complaint with EU over trade agreement. https://www.etuc.org/en/press-release/colombian-trade-unions-file-complaint-eu-over-trade-agreement. More information: Global Rights Index. (2019). Colombia: Worst Countries for Workers. International Trade Union Confederation (ITUC). https://www.ituc-csi.org/global-rights-index-2019.

133 See Friends of the Earth Europe. (2018). EU trade deals linked to environmental destruction in Latin America. Download here: https://www.foeeurope.org. More information: Cárdenas, R. (2021). Indigenous Peoples and Environmental Justice in Latin America. Routledge.

134 See Oxfam International. (2020). Peru and Colombia: Land conflicts increase as EU-Andean trade agreement exacerbates inequality. Download here: https://www.oxfam.org.

More: Castañeda, J. (2020). Human Rights and Trade Agreements: Protecting People’s Rights in Colombia. Heinrich Böll Stiftung.

135 See European Commission. (2016). EU and Peru discuss trade and environmental standards under the Trade Agreement: https://trade.ec.europa.eu. More: Matthews, A. (2015). Trade Agreements and Environmental Regulations: Peru’s Experiences. World Bank Group.

136 See European Commission. (2019). Joint Committee on Trade and Sustainable Development discusses labour rights and environmental issues with civil society in Colombia and Peru. https://trade.ec.europa.eu. More: TNI (Transnational Institute). (2018). Reclaiming Public Scrutiny in Trade Policy: Civil Society’s Role in Trade Negotiations. Amsterdam: TNI.

137 Mission report 10th Trade Committee EU-Colombia, Peru, Ecuador, 14.-17.11.2023. Ares(2024)1153799. Page 5. The document is available with the authors.

Imprint

Publisher
PowerShift – Verein für eine ökologisch-solidarische Energie- & Weltwirtschaft e.V.
Greifswalder Str. 4, 10405 Berlin
Tel.: +49 30 42805479
alessa.hartmann@power-shift.de

https://power-shift.de

https://power-shift.de/impressum/

Eingetragen beim Registergericht AG Charlottenburg, VR 29859 B

Download this study as a PDF

Authors
Thomas Fritz, Alessa Hartmann

Editor
Fleachta Phelan

Research Assistance
Juan Manuel Quintero Serna

Layout and Design
Christopher Freeman | conductdesign.com

Cover Image: Jorge Gardner / Unsplash.com

Berlin, March 2025

This study has been supported by the European Climate Foundation.

European Climate Foundation

Responsibility for the information and views set out in this study lies with the authors. The European Climate Foundation cannot be held responsible for any use which may be made of the information contained or expressed therein.

About PowerShift

PowerShift e.V. is based in Berlin and works on international trade, raw materials and climate policy. Global inequality, climate catastrophe, exploitation—the problems of today's world are huge. PowerShift is addressing them at their source. PowerShift highlights interdependencies, raises awareness and develops policy alternatives. We use our expertise to expose grievances and raise political demands for an ecologically and socially just world. Our team forges strong alliances with other organisations, social movements and citizens to reach our goals. We know that we are stronger together than we can ever be alone.

If you would like to stay informed about our work, please subscribe to our newsletter:
https://power-shift.de/newsletter-bestellen

PowerShift