## JOINT COMMUNIQUE - TRADE PART



## 11th Joint Committee European Union – Mexico Brussels Mexico City, 26-27 October 2011

- 1. With regard to the session on Trade and Trade related Issues, works were led, on the Mexican Party, by Manuel Luna, General Director for Europe of the Ministry of the Economy and, on the European Union Party, by Matthias Jorgensen, deputy Head of Unit for relations with Latin America of the Directorate-General for Trade of the European Commission.
- 2. The Parties underlined the positive trends in bilateral trade and investment flows. In 2010, the merchandise trade flows between the EU and Mexico reached 34.5 billion euros<sup>1</sup> (47.1 billion dollars<sup>2</sup>), almost reaching the pre-crisis levels. This, coupled with the positive investment data, with flows of nearly 99 billion US dollars<sup>3</sup> over the 1999-2010 period, confirms the importance of the FTA for facilitating trade and investment. The Parties exchanged information on their respective FTA negotiations with third countries.
- 3. The Parties noted with grave concern the precarious state of the WTO Doha Development Round negotiations. They reaffirmed their commitment towards an active process of multilateral trade liberalisation that contributes to the recovery and rebalancing of the global economy. They urged WTO members to develop a solid roadmap for advancing the negotiations towards conclusion issue by issue on their own merit, on the basis of "early harvest", as paragraph 47 of the Doha mandate allows. The Parties considered that such a roadmap should deliver concrete results within a meaningful timeframe, including on Trade Facilitation, removing non-tariff barriers improving the functioning of the Dispute Settlement Mechanism as well as on targeted "critical mass" initiatives in industry and services under the most favoured nation principle. They also agreed that particular emphasis should be put on addressing the specific needs of the Least Developed Countries.
- 4. On the issue of sustainable supply of raw materials, the Parties recognised that it is crucial to strengthen raw materials markets through ongoing efforts to improve transparency, enhance development and ensure that natural resources are exploited sustainably and responsibly, in a context of growing interdependence of nations, with each country being in turn importer and exporter, producer and consumer. Moreover, the Parties discussed the scope for active cooperation on raw materials in pluri-lateral and multilateral settings.

<sup>&</sup>lt;sup>1</sup> Eurostat

<sup>&</sup>lt;sup>2</sup> Banco de México

<sup>&</sup>lt;sup>3</sup> Mexican Ministry of the Economy

- 5. The Parties reviewed the issues under consideration in the special committees established in the framework of the FTA, and encouraged technical experts to continue the work to resolve outstanding problems so as to facilitate trade and increase economic opportunities for operators.
- 6. The Parties agreed on continuing the dialogue on the problems that have affected the economic operators in relation to the payment of taxes through custom brokers, with the aim to find a satisfactory solution for all the parties involved as soon as possible, in conformity with the Mexican legislation. The Parties noted that improvements have been made on customs procedures, such as introducing new measures to facilitate the payment of duties and taxes directly by the companies.
- 7. As regards sanitary and phyto-sanitary (SPS) issues, Mexico and the European Union confirmed their determination to establish and implement transparent SPS import conditions that take into account the recommendations of the international standard organizations. Mexico and the EU also confirmed their intention to establish procedures to facilitate the trade (i.e. on approval procedure of establishments, regionalisation) between the Parties without jeopardizing the respective levels of SPS protection. The Parties welcomed the final approval of the import conditions for pig semen and pig meat.
- 8. As regards cooperation within the Special Committee on Standards and Technical Regulations the Parties took note of the work done and encouraged technical services to maintain an open and collaborative approach with the aim to progress, where possible, with the recognition of equivalence of technical regulations and conformity-assessment procedures of the other Party in the area of electronic products. The Parties agreed also to continue cooperation and exchange of good practices on health products. The Parties reiterated their commitment to internationally-agreed procedures in these fields.
- 9. The Parties agreed on their common interest in deepening the mutual trade liberalization through the provisions of the review clauses of the EU-Mexico Free Trade Agreement on agriculture, services and investment. The Parties underlined their commitment to continuing this process and envisaged the possibility to enlarge the scope of the reviews to other areas in order to reach ambitious results in conformity with the interests of each Party.
- 10. The Parties exchanged views on the correct application of the procedures established by the EU-Mexico FTA on the verification of proof of origin, in particular concerning the garlic sector. It was agreed that the EU would reply as soon as possible to the concerns raised by Mexico.
- 11. Mexico expressed its great interest in the EC proposal COM(2010) 0542 for a regulation of the European Parliament and of the Council on the approval and market surveillance of two- or three-wheel vehicles and quadricycles. The EU offered to maintain a regular exchange of information on the development of the new legislation.
- 12. The Parties exchanged views on the new opportunities for bilateral trade and investments following the possible accession of new Member States to the EU in 2013 and the corresponding adaptation of the FTA
- 13. The Parties welcomed the celebration on March 30th 2011 of the Joint Committee of the EU-MEX Spirits Agreement, thus reactivating the discussions in that particular forum. They took stock of the current state-of-play regarding trade in spirits and discussed concrete

difficulties encountered by them and ways to overcome them. The fruitful discussion that took place in this meeting is set to be continued in the next committee, to be hosted by Mexico.

14. The EU congratulated Mexico on the work carried out by the Mexican competition Authority and the steps to translate this into action at the regulatory level.