



Report of the 6th round for modernising the EU-Mexico Global Agreement

27 November to 1 December 2017

The EU and Mexico held the sixth round of negotiations between 27 November and 1 December in Mexico City.

Below is a summary of results of the round, which resulted in significant progress across the board.

1. Trade in Goods

The group consolidated further the text, notably the provisions on definition and on institutions. The parties also explored landing zones on articles which still remain open

The annex on wine and spirits is close to be agreed with some issues remaining, such as the references to OIV's standards. The annexes on pharmaceuticals, the one on chemical and the one on cars will require further work. At the end of the round, the EU and Mexico proceeded to the exchange of the revised offers on goods.

2. Customs and Trade Facilitation

The group reached an agreement on most of the outstanding articles, notably Simplified Customs Procedures, Advance Rulings and Pre-shipment Inspections. The group also consolidated further the articles on Authorised Economic Operators as well as temporary admission, repaired goods and fees and charges. Very few issues remain to be solved in order to be able to close this chapter.

3. Services

Significant progress was achieved in agreeing on the texts. The chapters on Financial Services, Telecommunication, e-commerce, Maritime transport and Express delivery/Postal are all close to be concluded. The discussions on the mutual recognition agreement, domestic regulation have also progressed well, while the provisions on Mode 4 will require further work. During the round, the EU and Mexico also exchanged views on the offers, which will be exchanged very soon.

4. Investment protection

The text on investment protection has been consolidated further and while most issues have been agreed upon, finding a solution on the notion of Fair and Equitable Treatment will require additional work. The discussions on Dispute Settlement for Investment are taking place on 5 to 7 December in Mexico City.

5. Public procurement

Mexico and the EU agreed several provisions and only a very limited number of issues are still open in the text of this chapter.

The discussions are, however, less advanced on the market access offers, in particular on the coverage of by Mexico regarding the coverage of utilities, Private-Public Partnerships and commitments at the sub-central level.

6. Intellectual Property Rights (non GIs)

The group achieved important progress and closed several sections, including trade secrets, Trademarks, design and copyrights. The parties also explored possible landing zones on the outstanding issues like adherence to UPOV 91. There is still a need to bridge differences on the provisions related to border enforcement and regulatory data protection to be able to agree those articles.

7. Intellectual Property Rights (Geographical indications (GI))

The EU and Mexico have progressed further towards agreeing on the text on Geographical indications but more discussions on the level of protection are required, in particular on the notion of co-existence. The Parties also exchanged views on how to solve potential difficulties to protect certain EU GIs that may conflict with trademarks.

8. Technical Barriers to Trade

The group managed to make some progress by closing some articles, including as regards the objectives, the references to international standards, or Transparency and Regulatory Cooperation. The provisions regarding conformity assessment and marking and labelling still need to be agreed.

9. Anti-corruption

The parties achieved a good level of consolidation of the text as many articles have been agreed. The Parties also exchanged views on the dispute settlement mechanism that should apply to these commitments. The EU committed to present a proposal on this matter very soon following finalisation of internal work and discussions with Member States.

10. Subsidies

The Parties worked on the text to address the respective sensitivities as regards subsidies in favour of services companies, as subsidies in favour of goods have been already agreed. Mexico explained its constraints and limitation as regards the scope and the transparency obligation for services subsidies. Further work is needed.

11. State Owned Enterprises

Most definitions as well as core rules on commercial considerations and on non-discriminatory treatment have been agreed during this round. The Parties are very close to finalise the discussions on the other provisions of the text but the lack of agreement on the coverage and structure of the chapter is hampering progress.

12. Trade Remedies

The group progressed significantly and agreed several articles. A number of issues remain open, including provisions included in the safeguards section.

13. Trade and Sustainable Development

The parties achieved good progress by agreeing on several outstanding issues, e.g. on all labour rights related provisions including the obligation of parties to "make continued and sustained efforts towards ratifying the fundamental ILO Conventions".

14. Dispute Settlement & Legal Affairs

The parties achieved good progress in particular by agreeing on excluding the non-violation complaints and ensuring oral hearings. A number of issues remain on the table, including the articles for proceedings to establish and compose panels.