

This document contains an EU proposal for a legal text on a section on agriculture and section on wine and spirits in the Trade in Goods chapter in the Trade Part of a possible modernised EU-Mexico Association Agreement. It has been tabled for discussion with Mexico. The actual text in the final agreement will be a result of negotiations between the EU and Mexico. The EU reserves the right to make subsequent modifications to this proposal.

EU-Mexico Free Trade Agreement

EU TEXTUAL PROPOSAL

TRADE IN GOODS – SECTION ON AGRICULTURE AND SECTION ON WINE AND SPIRITS

SECTION X: AGRICULTURE

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SECTION Y: TRADE IN WINE AND SPIRITS

Article 1

Scope and coverage

1. This Section applies to wine products and spirits falling under headings 2204, 2205 and 2208 of the International Convention on the Harmonised Commodity, Description and Coding System, hereafter referred to as the ‘Harmonised System’, done at Brussels on 14 June 1983.

2. Vine varieties that may be used in wines imported from a Party and marketed in the territory of the other Party are varieties of plants of *Vitis vinifera* and hybrids of *Vitis vinifera* without prejudice to any more restrictive legislation which a Party may have in respect of wine produced on its territory. The import and marketing of wine imported from a Party and placed on the market in the other Party obtained from the varieties Clinton, Herbemont, Isabelle, Jacquez, Noah and Othello shall be prohibited.

Article 2

Winemaking practices

1. The European Union shall authorise the importation and marketing in its territory for human consumption of wine products originating in Mexico and produced in accordance with:

(a) product definitions authorised in Mexico by laws and regulations referred to in Part A(a) of Annex X to this Section,

(b) oenological practices and restrictions authorised in Mexico under laws and regulations referred to in Part A(b) of Annex X to this Section or otherwise approved for use in wines for export by the competent authority, in so far as they are recommended and published by the International Organisation of the Vine and Wine, hereafter referred to as the “OIV”, and

(c) additional oenological practices and restrictions jointly accepted by the Parties under the conditions provided for in Part A(c) of Annex X to this Section.

2. Mexico shall authorise the importation and marketing in its territory for human consumption of wine products originating in the European Union and produced in accordance with:

(a) product definitions authorised in the European Union by laws and regulations referred to in Part B(a) of Annex X to this Section,

(b) oenological practices and restrictions authorised in the European Union by laws and regulations referred to in Part B(b) of Annex X to this Section, in so far as they are recommended and published by the OIV, and

(c) additional oenological practices and restrictions jointly accepted by the Parties under the conditions provided for in Part B(c) of Annex X to this Section.

3. The addition of alcohol or spirits is excluded for all wines other than liqueur wines, to which only alcohol of vine origin or grape spirit may be added.

4. The Parties may jointly decide, by way of amendment to Annex X, to add, delete or modify references to product definitions, and oenological practices and restrictions. Such decisions shall be adopted by consensus in the (Sub)Committee referred to in Article 7.

Article 3

Labelling of wines and spirits

1. No Party shall require any of the following dates or their equivalent to appear on the container, label, or packaging of a wine or spirit:

a. date of packaging;

b. date of bottling;

c. date of production or manufacture;

d. date of expiration, use by date, use or consume by date, expire by date;

- e. date of minimum durability best-by-date, best quality before date; or
- f. sell-by-date.

A Party may require the display of a date of minimum durability on products that on account of the addition of perishable ingredients could have a shorter date of minimum durability than would normally be expected by the consumer.

2. No Party shall require translations of trademarks, brand names or geographical indications to appear on wines and spirit containers, labels, or packaging.

3. Each Party shall permit mandatory information, including translations, to be displayed on a supplementary label affixed to a wine and spirit container. Supplementary labels may be affixed to an imported distilled spirits/spirit drinks container after importation but prior to the product being offered for sale in the Party's territory, provided that the mandatory information of the original label is fully and accurately reflected.

4. The use of identification lot codes shall be permitted and, when present, preserved from deletion.

5. No Party shall apply a measure to wines and spirits that were marketed in the Party's territory prior to the date on which the measure entered into force, except under exceptional circumstances.

6. Use of drawings, figures, illustrations shall be permitted on bottles. They shall not replace mandatory labelling information and shall not mislead the consumer as to the real characteristics and composition of the wines and spirit.

7. Wine and spirits shall not be subject to allergen labelling with regard to allergens which have been used in the manufacture and preparation of the spirit and are not present in the final product.

8. The following names are protected with regard to wines and spirits, in conformity with the Paris Convention:

- (a) the name of a Member State of the European Union for wines and spirits originating in the Member State concerned,
- (b) the name of the United Mexican States or Mexico and its States.

Article 4

Certification of wines and spirits

1. For wine products imported from a Party and placed on the market in the other Party, the documentation and certification that may be required by either Party shall be limited to that set out in Part C of Annex X to this Section.

2. The Parties shall authorise the importation in their territory of spirits in accordance with the rules governing the import certification document and analysis reports as provided for in their internal legislation.

3. The Parties reserve the right to introduce temporary additional import certification requirements for wines and spirits imported from the other Party in response to legitimate public policy concerns, such as health or consumer protection or in order to act against fraud. In this case, the other Party shall be given adequate information in sufficient time to permit the fulfilment of the additional requirements.

The Parties agree that such requirements shall not extend beyond the period of time necessary to respond to the particular public policy concern in response to which they were introduced.

4. The Parties may jointly decide to amend or modify Part C of Annex X concerning documentation and certification referred to in paragraph 1. Such decisions shall be adopted by consensus in the (Sub)Committee referred to in Article 7.

Article 5
Applicable rules

Unless otherwise provided for in this Section or in the Agreement, importation and marketing of products covered by this Section, traded between the Parties, shall be conducted in compliance with the laws and regulations applying in the territory of the Party of importation.

Article 6
Transitional measures

Products which, at the date of entry into force of this Agreement, have been produced, described and presented in accordance with the internal laws and regulations of the Parties and their bilateral obligations to each other, but in a manner prohibited by this Section may be marketed under the following conditions:

- (i) by wholesalers or producers, for a period of 3 years;
- (ii) by retailers, until stocks are exhausted.

Article 7
[Sub-Committee on trade in wines and spirits and cooperation]

[Note: This article is to be reviewed in light of discussions with Mexico on the institutional structure.]

1. The Parties set up a Sub-Committee on trade in wines and spirits, herein referred to as ‘the Sub-Committee’, with the purpose of implementing and monitoring the development of this Section, to intensify their co-operation and exchange information.

2. The Parties shall through the Sub-Committee maintain contact and cooperate on all matters relating to the implementation and the functioning of this Section. In particular, the Parties shall ensure timely notification to each other of amendments to laws and regulations on matters covered by this Section that have an impact on products traded between them.
3. The Sub-Committee shall ensure the proper functioning of this Section and may make recommendations and adopt by consensus decisions as provided for in this Agreement.
4. The Sub-Committee shall determine by consensus its own rules of procedure.

Article 8

Cooperation on trade in wines and spirits

1. The Parties shall cooperate on and address issues related to trade in wines and spirits, in particular:
 - product definitions, certification and labelling of wines;
 - use of grape varieties in winemaking and labelling thereof;
 - product definitions, certification and labelling of spirits.
- 2.. To facilitate mutual assistance between enforcement authorities of the Parties, each Party shall designate the bodies and authorities responsible for the application/enforcement of this Section. Where a Party designates more than one competent body or authority, it shall ensure the coordination of the work of those bodies and authorities. In that case,, a Party shall also designate a single liaison authority that should serve as the single contact point for the authority or body of the other Party.
3. The Parties shall inform one another of the names and addresses of the bodies and authorities referred to in this Article no later than six months after the date of entry into force of this Article. The Parties shall inform each other of the changes of the bodies and authorities.
4. The bodies and authorities referred to in this Article shall closely and directly cooperate and shall seek ways of improving assistance to each other in the application of this Section and in particular in order to combat fraudulent practices.

Article 9

Incorporation of existing agreement

1. The Agreement between the European Community and the United Mexican States on the mutual recognition and protection for spirits drinks, done at Brussels on 27 May 1997, as amended (the '1997 Spirits Agreement') is incorporated into and made part of this Agreement, [as amended by Annex XXX].
2. The provisions of the 1997 Spirits Agreement, as amended and incorporated into this Agreement, prevail to the extent that there is an inconsistency between the provisions of that agreement and any other provision of this Agreement.

Annex X

Relevant legislation and certification related to the importation and marketing of wine product and spirits

Part A. Mexico Oenological practices and restrictions and product definitions referred to in Article 3.2(1).

- (a) Laws and regulations concerning product definitions:...
- (b) Laws and regulations concerning oenological practices and restrictions:...
- (c) Additional oenological practices and restrictions:...

Part B. European Union Oenological practices and restrictions, labelling and product definitions referred to in Article 3(2).

- (a) Laws and regulations concerning product definitions and labelling:
 - Council Regulation (EC) No (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013, p. 671), in particular production rules in the wine sector, in accordance with Articles 75, 80, 81, 83 and 91 and Annex VIII, Part I and II of that Regulation.
 - Commission Regulation (EC) No 606/2009 laying down certain detailed rules for implementing Council Regulation (EC) No 479/2008 as regards the categories of grapevine products, oenological practices and the applicable restrictions (OJ L 193, 24.7.2009, p. 1), in particular Article 2 and Annex I and III of that Regulation.
 - Commission regulation (EC) No 607/2009 of 14 July 2009 laying down certain detailed rules for the implementation of Council Regulation (EC) No 479/2008 as regards protected designations of origin and geographical indications, traditional terms, labelling and presentation of certain wine sector products (OJ L 193, 24.7.2009, p. 60), in particular Articles 7, 57, 58, 64 and 66 and Annexes XIII, XIV and XVI of that Regulation.
- (b) Laws and regulations concerning oenological practices and restrictions:
 - Council Regulation (EC) No (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013, p. 671), in particular production rules in the wine sector, in accordance with Articles 75, 80, 81, 83 and 91 and Annex VIII, Part I and II of that Regulation, including subsequent modifications.

- Commission Regulation (EC) No 606/2009 laying down certain detailed rules for implementing Council Regulation (EC) No 479/2008 as regards the categories of grapevine products, oenological practices and the applicable restrictions (OJ L 193, 24.7.2009, p. 1), including subsequent modifications.

(c) Additional oenological practices and restrictions:

1. Calcium sulphate.

Calcium sulphate may be used for "vino generoso (de licor)", limits of 2.5 g/l as potassium sulphate in the final product (point A(2)(b) of Annex III of Regulation (EC) No 606/2009).

2. Carboxymethylcellulose (CMC)

Carboxymethylcellulose (CMC) may be used for red wine for tartaric stabilisation, up to a limit of 100 mg/l, pending a determination by the OIV of its admissibility in wine making.

3. Concentrated grape must, rectified concentrated grape must and sucrose.

Concentrated grape must, rectified concentrated grape must and sucrose, may be used for enrichment and sweetening under specific and limited conditions (Annex VIII, Part I of Regulation (EU) No 1308/2013), subject to the exclusion of use of these products in a reconstituted form in wines covered by this Protocol.

4. Addition of water

The addition of water in winemaking is excluded, except where required on account of a specific technical necessity.

5. Fresh lees.

Fresh lees may be used under specific and limited conditions (point 21 of annex I A of Regulation (EC) No 606/2009).

6. Tannin.

Tannins may be used on a temporary basis (point 25 of Annex I A of Regulation (EC) No 606/2009), pending a determination by the OIV of its admissibility in wine making as antioxidant and stabilizer.

Part C. Documentation and certification referred to in Article 4(1).

Certification documents and analysis report

1. The Parties shall authorise the importation in their territory of wines in accordance with the rules governing the import certification documents and analysis reports as provided for according to the terms of this Part.

2. The evidence that the requirements for the importation of wine in the territory of a Party have been fulfilled shall be supplied to the competent authorities of the importing Party by the production:

(a) of a certificate issued by a mutually recognised official authority of the country of origin; and

(b) if the wine is intended for direct human consumption, of an analysis report drawn up by a laboratory officially recognised by the country of origin. The analysis report shall include the following information:

- total alcoholic strength by volume
- actual alcoholic strength by volume
- total dry extract
- total acidity, expressed as tartaric acid
- volatile acidity, expressed as acetic acid
- citric acidity
- residual sugar
- total sulphur dioxide.

3. The Parties shall determine by decision adopted by consensus by the (Sub)Committee the details of the rules set out in paragraph 2 of section C, in particular the forms to be used and the details of the information to be provided in the analysis report.

4. The Parties agree that the methods of analysis recognised as reference methods by the OIV and published by that Office or, where an appropriate method does not appear in this publication, a method of analysis complying with the standards recommended by the International Organisation for Standardisation (ISO), shall prevail as reference methods for the determination of the analytical composition of the wine in the context of control operations.

5. The Parties agree not to submit the import of wine originating in the territory of the other Party to more restrictive import certification requirements than any of those laid down in this Agreement.

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