

Brussels, 9 November 1998

## Opening of Free-Trade Negotiations between the EU and Mexico

*Today in Mexico City the European Commission and Mexican negotiating teams are beginning a process which is intended to establish an area of free trade in goods and services between the European Union (EU) and its Member States and Mexico. The second round of negotiations (due to begin in January) will be held in Brussels, as will the third. The negotiators have committed themselves to meeting every six weeks. A flexible working programme has been drawn up for the first eight months, with the aim of setting medium-term objectives. A single negotiating group will deal with all the matters being discussed, and is due to meet on the first and last day of each round. Between these meetings, technical experts from both sides will work on formulating recommendations to the negotiating group. There are three main directions to the negotiations: Market access (all aspects of trade in goods); services and capital movements; public procurement, competition, intellectual property, dispute settlement, general exemptions and unfair practices*

In 1993, the EU and Mexico expressed their wish to create a new platform to drive forward and consolidate their relations in commercial and political matters and in cooperation. This was enshrined in the 1995 Solemn Joint Declaration.

The most significant milestone in this regard was the signing on 8 December 1997 of the Economic Partnership, Political Coordination and Cooperation Agreement between Mexico and the EU. On the political front, its aim was to increase highest-level meetings between the two parties. On the cooperation front, it sought to widen the areas of activity provided for in the 1991 Cooperation Agreement. On the commercial front, the aim was to liberalise trade between the EU and Mexico.

On the same date, an Interim Agreement on trade and trade-related matters was signed. Following ratification by the European Parliament and the Mexican Senate, it entered into force on 1 July of this year. The Joint Council set up by the Interim Agreement met for the first time on 14 July in Brussels to give the political green light to free-trade negotiations.

Both Agreements stipulate that respect for freedom, democracy and human rights are essential elements of them.

The parties' economic aim is to open up markets, step up investment and promote reciprocal investment to help build a more competitive industrial fabric.

The aims of the EU-Mexico agreement undoubtedly go beyond those of a straightforward trade agreement: it has made a commitment to relations which cover all areas of mutual interest, such as human rights, political dialogue and cooperation in a variety of fields, from telecommunications to social and cultural issues.

At the same time, it has made a firm commitment to free trade, despite the current turbulent state of the world markets.