



TRADE LINKS LAZOS COMERCIALES

11th meeting of the Joint Committee Mexico – European Union

TABLE OF CONTENTS

11th meeting of the Joint Committee
Mexico – European Union

MEXICO

Trade Balance

Financial and Economic Indicators

BUSINESS

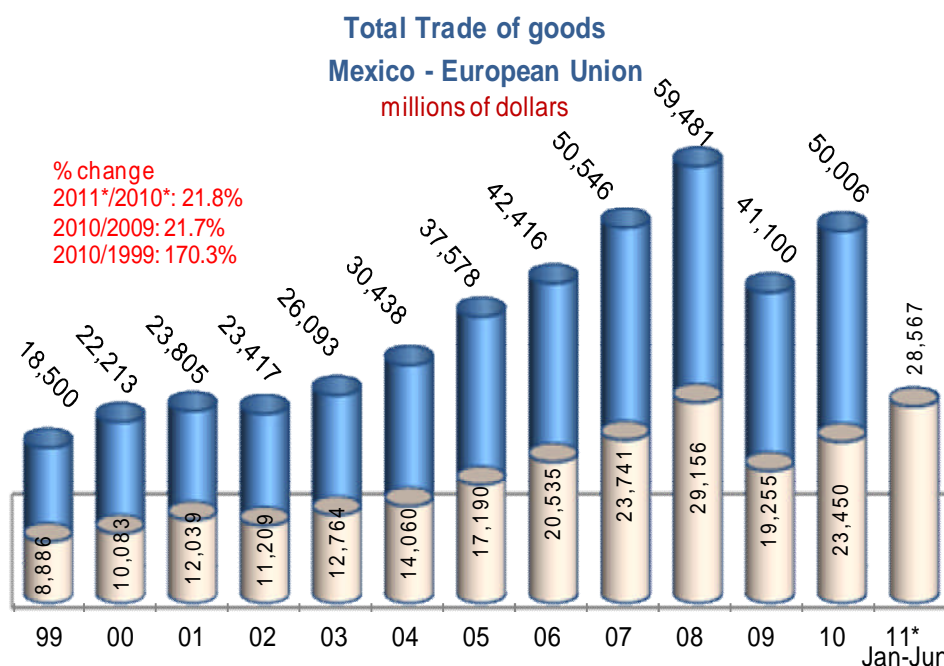
Mexico's Official Gazette Notices

EU Official Journal



The eleventh meeting of the Joint Committee established under the Mexico–European Union (EU) Economic Partnership, Political Coordination and Cooperation Agreement (Global Agreement) was held in Brussels, Belgium on 26 and 27 October 2011.

The meeting reviewed the progress of the three elements of the Global Agreement: political dialogue, cooperation and trade. Additionally, both Parties expressed the high value they attach to the Joint Executive Plan of the **Strategic Partnership** (see [TradeLinks](#) of May 2010), adopted in the framework of the V Mexico – EU Summit, which laid the groundwork to jointly work on a number of bilateral projects of cooperation and to strengthen dialogue and coordination in multilateral fora, outstandingly in the areas of human rights and cooperation in the fields of security, macroeconomic dialogues, regional development, nuclear safety, drugs, higher educational, cultural and triangular cooperation projects on electoral matters.



Source: Ministry of the Economy of Mexico with data from Eurostat and Banco de México

11th meeting of the Joint Committee Mexico – UE

(Continues from page 1)

Regarding the session on **trade**, works were led, on the Mexican Party, by Manuel Luna, Director General for Europe of the Ministry of Economics, and on the side of the EU, by Matthias Jorgensen, Deputy Head of the Unit for Relations with Latin America of the Directorate General for Trade of the European Commission.

Both Parties welcomed the eleventh anniversary of the Mexico-EU Free Trade Agreement (MEUFTA) and highlighted the positive trend of bilateral flows in trade and investment.

In regard to bilateral trade, flows reached 47.1 billion dollars (34.5 billion euros), almost returning to the levels previous to the world economic crisis. This, coupled with the positive investment data, with flows of nearly 99 billion dollars accumulated over the 1999-2010 period from the EU to Mexico, confirms the importance of the MEUFTA for facilitating trade and investment.

The Parties exchanged information on their respective FTA negotiations with third countries, as well as those recently completed, in particular with Latin American countries.

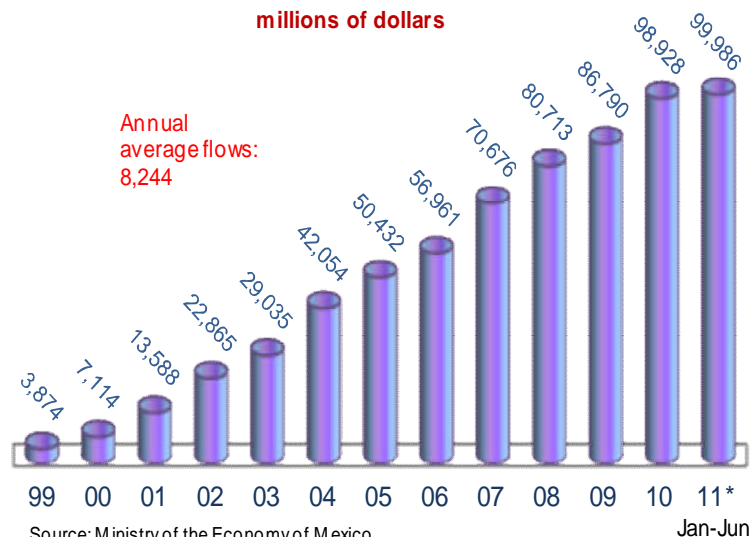
The Parties noted with grave concern the precarious state of the WTO Doha Round negotiations. They reaffirmed their commitment towards an active process of multilateral trade liberalisation that contributes to the recovery and rebalancing of the global economy. They urged WTO members to develop a solid roadmap for advancing the negotiations towards conclusion issue by issue on their own merit, on the basis of "early harvest".

On the issue of sustainable supply of raw materials, the Parties recognized 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.

EU: Foreign Direct Investment in Mexico

Stock (1999-June 2011)

millions of dollars



The Parties reviewed the issues addressed in the special committees established in the framework of the MEUFTA, and encouraged technical experts to continue the work to resolve outstanding problems so as to facilitate trade and increase economic opportunities for operators.

In regard to sanitary and phyto-sanitary (SPS) measures, Mexico and the EU 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, regionalization) between the Parties without jeopardizing the respective levels of SPS protection. Additionally, the Parties welcomed the final approval of the import conditions for pig semen and pig meat.

(Continued on page 3)

Mexico's Total Trade in September (billion US\$)			
	2010	2011	%
Total	51.2	59.5	16.1
Exports	25.3	28.8	13.7
Exports (excluding oil)	22.0	24.4	11.0
Imports	25.9	30.6	18.5

Source: Banco de México

Mexico's Trade with EU and EFTA (million US\$)			
January - September	2010	2011	%
Exports to the EU	10,283.6	14,049.0	36.6
Imports from the EU	23,769.5	28,486.1	19.8
Exports to the EFTA	708.4	1,035.3	46.1
Imports from the EFTA	1,225.3	1,254.6	2.4

Source: Banco de México

11th meeting of the Joint Committee Mexico – UE

(Continued from page 2)

In the field of 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.

Both delegations shared their common interest in deepening the mutual trade liberalization through the provisions of the review clauses of the Mexico-EU FTA 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.

The Parties exchanged views on the correct application of the procedures established by the Mexico-EU 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.

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.

Concerning **economic cooperation**, Mexico and the EU stressed the importance of continuing to strengthen their economic trade and business relations. At this occasion, both Parties expressed their willingness to increase competitiveness and innovation processes of Mexican Small and Medium Size Enterprises (SMEs) in order to facilitate their access to the EU market. To this end, over the next four years the economic competitiveness program “PROCEI” will aim at strengthening innovation and tech-

nology transfer processes, at increasing the Mexican export capacity, in particular through better access to the EU market, and strengthening the information systems through the creation of the EU-Mexico Business Intelligence System. This program will greatly benefit Mexican SMEs by boosting their competitiveness. The Delegations also expressed their satisfaction regarding the successful closure in June of 2011 of the trade facilitation project “PROTLCUEM” co-financed by the Mexican Government and the European Commission.

In regard to the Mexico and EU Fund for Science and Technology Cooperation (Spanish acronym: FONCICYT) both parties agreed that the project has represented an excellent opportunity to boost the collaboration in research and development between the EU and Mexico.

The delegations expressed satisfaction with the initiative from COPARMEX (Mexican Confederation of Employers) to create the Mexican-EU Commission (working group) in Business Europe and the Euro-Mexican Business Foundation and convey their support for these proposals which will contribute to strengthen the bilateral economic relations.

On the other hand, as a follow-up to the **Fourth Forum of High-Level Dialogues between the Civil Society and the Government Institutions of Mexico and the EU**, celebrated on 25 and 26 of October 2010 in Mexico, the Parties produced a joint response to the recommendations presented by organisations from the civil society.

Finally, it was agreed that the next session of the Joint Committee will take place in Mexico, in the second semester of 2012.

For more information related to the bilateral trade relations between Mexico and the EU, please visit:

www.economia.gob.mx

http://eeas.europa.eu/mexico/index_en.htm

Mexico's Economic Indicators	Mexico's Financial Indicators
<p>Inflation rate: 0.67% (October, 2011); 3.20 % (2011, annual)</p> <p>Industrial Production: 3.6% (September 2011 / September 2010) Manufacturing: 4.8%; Construction: 6.5%, Mining: -4.7%</p> <p>Global Index of Economic Activity: 4.52% (Sep 2011 / Sep 2010)</p> <p>Consumer Confidence Index: 90.6 pts. (October 2011) 1.4 percentage points (October 2011 / October 2010)</p> <p>Open unemployment rate: 5.68 % (September, 2011) <i>Source: INEGI</i></p>	<p>Foreign exchange rate: 13.98 peso/dollar (November 22, 2011)</p> <p>International reserves: \$140,375 million dollars (Nov. 11, 2011)</p> <p>Mexican stock market index (IPC): 35,970 (November 22, 2011)</p> <p>Interest rate treasury bonds CETES 28 days: 4.32 % (November 24, 2011)</p> <p style="text-align: right;"><i>Source: Banco de Mexico</i></p>

Mexico's Official Gazette Notices

- **04/10/2011** Agreement that publicizes the Decision No 66 of the Mexico – Colombia FTA Joint Committee, regarding temporary use of non-originating materials to manufacture certain textiles and apparel goods and exporting them under the FTA's preferential treatment, adopted on September 2, 2011.
- **06/10/2011** Final determination of the sunset review and the ex officio revision of the countervailing duty order imposed on imports of certain type of partially hydrogenated fatty acid originating from the USA, regardless of the shipping country (Mexican tariff item 3823.19.99).
- **07/10/2011** Final determination of the sunset review and the ex officio revision of the countervailing duty order imposed on imports of certain type of stearic acid originating from the USA, regardless of the shipping country (Mexican tariff items 3823.11.01 and 3823.19.99).
- **20/10/2011** Agreement that publicizes the quota and its allocation mechanism for sugar imports in 2011 and in January 2012.
- **21/10/2011** Final determination of the antidumping investigation on imports of cotton woven denim originating from China, regardless of the shipping country (Mexican tariff items 5209.42.01, 5209.42.99, 5211.42.01 and 5211.42.99).

EU Official Journal

- **6/10/2011 L261** Council Implementing Regulation (EU) No 990/2011 of 3 October 2011 imposing a definitive anti-dumping duty on imports of bicycles originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EC) No 1225/2009
- **13/10/2011 L268** Council Implementing Regulation (EU) No 1008/2011 of 10 October 2011 imposing a definitive anti-dumping duty on imports of hand pallet trucks and their essential parts originating in the People's Republic of China as extended to imports of hand pallet trucks and their essential parts consigned from Thailand, whether declared as originating in Thailand or not, following an expiry review pursuant to Article 11(2) of Regulation (EC) No 1225/2009
- **14/10/2011 L269** Commission Implementing Decision of 13 October 2011 amending Annex I to Decision 2004/211/EC as regards the entry for Mexico in the list of third countries and parts thereof from which the introduction into the Union of live equidae and semen, ova and embryos of the equine species are authorised (notified under document C(2011) 7168)
- **20/10/2011 L275** Commission Regulation (EU) No 1043/2011 of 19 October 2011 imposing a provisional anti-dumping duty on imports of oxalic acid originating in India and the People's Republic of China
- **29/10/2011 L283** Council Decision of 20 October 2011 on the conclusion of the Agreement on certain aspects of air services between the European Union and the United Mexican States
- **29/10/2011 L283** Commission Implementing Regulation (EU) No 1093/2011 of 28 October 2011 on the application of derogations from the rules of origin laid down in the Protocol on the definition of originating products attached to the Free Trade Agreement between the EU and its Member States and Korea

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