

## **Commissioner Lamy and Mexican Trade Minister Blanco conclude EU-Mexico FTA negotiations**

EU Mexico negotiations

Brussels, 24 November 1999

Following over two weeks of intense negotiations between our respective teams and further to the regular contacts Minister Blanco and I have had, we met today in the hope of finalising a deal.

I am pleased to be able to report to you that at the level of chief negotiators we have reached agreement on the terms of a Free-Trade Area between the EU and Mexico.

As you know, the Commission negotiates on behalf of its 15 Member States in the Council of Ministers. And although the Member states have been very closely associated to this process every step of the way, we must now present them with the detailed result of our work. At the end of the day, it is of course the formal Agreement of the Member states that will determine the entry into force of the Free Trade Area. On the Mexican side Herminio will have to do likewise.

Consequently, we hope you will understand that we need to give them first the details of the deal that has been reached today. Of course we believe it is a good deal for both sides. What I can say is that at least in terms of coverage it is the most ambitious FTA ever negotiated by the EU, the first such agreement with a Latin American partner. It covers all the areas of our trade relations :

- an FTA covering industrial and agricultural goods,
- a preferential agreement in services,
- an agreement to open up our respective public procurement markets,
- an agreement covering investments,
- rules on competition and intellectual property,
- an effective dispute settlement system.

We are confident that through this Agreement considerable economic and commercial benefits will be derived by both the EU and Mexico. Our trading relationship which has declined over previous years should improve markedly now that we will both be able to export to each others markets on a level footing with other preferential partners. Economic operators on both sides who have already increased their investments will no doubt see our respective markets all the more attractively with the solid framework an FTA provides.

When this negotiation began back in November of last year, it is safe to say that few people thought the negotiations would be completed in a year. The political impetus of the Cologne European Council and President Zedillo this summer confirmed the strong political will on both sides and the added motivation required for us to reach what has been a very ambitious target.

This is a testament to the professionalism of the many negotiators who have participated in these talks from the Commission and Mexican side. Without that level of professionalism and dedication we would not be in this position today. At this moment, I would like to pay

tribute to the role of Manuel Marín whose political impetus set us on our way and am sure he will welcome the fact that we have managed to steer the negotiations to a successful conclusion.

We should also recall the considerable support that the Member states have lent to this process throughout the negotiation. They have been at the Commission's side throughout and we trust that they will deem the results achieved to be acceptable. The rôle of the European Parliament which was the first to call for an FTA with Mexico has also been crucial and we will of course be informing MEPs of the results achieved at the appropriate time.

In the absence of Commissioner Patten, I wish to recall that this deal covers the trade aspects of the Economic Partnership, Political Co-ordination and Co-operation Agreement signed by Mexico and the EU in 1997. This Global Agreement which provides for free trade, a regular political dialogue and extended co-operation brings a new dimension to and constitutes a qualitative leap in the relationship between EU and Mexico.