

II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DECISION

of 29 June 1998

concerning the conclusion of the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the United Mexican States, of the other part

(98/504/EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 57(2) last sentence, 66 and 113, in conjunction with the first sentence of Article 228(2) and the second subparagraph of Article 228(3) thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the assent of the European Parliament ⁽²⁾,

Whereas pending the entry into force of the Economic Partnership, Political Coordination and Cooperation Agreement signed in Brussels on 8 December 1997, the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the United Mexican States, of the other part, signed in Brussels on 8 December 1997, should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the United Mexican States, of the other part, together with the declarations made by the Community unilaterally or jointly with the other Party, is hereby approved on behalf of the European Community.

The texts are attached to this Decision.

Article 2

The President of the Council shall give the notification provided for in Article 19 of the Agreement on behalf of the European Community.

Article 3

1. The position to be taken by the Community within the Joint Council and the Joint Committee established by the Agreement, shall be laid down by the Council, on a proposal from the Commission, in accordance with the corresponding provisions of the Treaty establishing the European Community.

2. The President of the Council shall, in accordance with Article 8 of the Agreement, preside over the Joint Council and present the position of the Community. In accordance with Article 10 of the Agreement, a representative of the Commission assisted by representatives of the Member States shall preside over the Joint Committee and present the position of the Community.

Article 4

This Decision shall be published in the *Official Journal of the European Communities*.

Done at Luxembourg, 29 June 1998.

For the Council

The President

R. COOK

⁽¹⁾ OJ C 356, 22. 11. 1997, p. 28.

⁽²⁾ OJ C 167, 1. 6. 1998.

INTERIM AGREEMENT

**on trade and trade-related matters between the European Community, of the one part,
and the United Mexican States, of the other part**

THE EUROPEAN COMMUNITY,
hereinafter referred to as the 'Community',
of the one part, and

THE UNITED MEXICAN STATES,
hereinafter referred to as 'Mexico',
of the other part,

WHEREAS the Economic Partnership, Political Coordination and Cooperation Agreement between the Community and its Member States, of the one part, and Mexico, of the other part, hereinafter referred to as the 'Global Agreement', was signed in Brussels on 8 December 1997;

WHEREAS the Global Agreement is intended to strengthen and widen the relations between the Community and its Member States and Mexico established by the existing 1991 Framework Agreement for Cooperation;

WHEREAS it is in the mutual interest of the Parties to implement as speedily as possible, by means of an Interim Agreement, the provisions of the Global Agreement on trade and trade-related matters;

HAVE DECIDED to conclude this Agreement and to this end have designated as their plenipotentiaries,

THE EUROPEAN COMMUNITY,

Mr Jacques F. Poos,
Deputy Prime Minister,
Minister for Foreign Affairs, Foreign Trade and Cooperation of Luxembourg,
President-in-Office of the Council of the European Union,

Mr Manuel Marín,
Vice-President of the Commission of the European Communities,

THE UNITED MEXICAN STATES,

Mr Herminio Blanco,
Minister for Trade and Industry,

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS:

TITLE I

GENERAL PRINCIPLES

Article 1 (GA Article 1)

Basis of the Agreement

Respect for democratic principles and fundamental human rights, proclaimed by the Universal Declaration of Human Rights, underpins the domestic and external policies of both Parties and constitutes an essential element of this Agreement.

TITLE II

TRADE LIBERALISATION

Article 2

Objective

The objective of this Title is to establish a framework to encourage the development of trade in goods and services, including a bilateral and preferential, progressive and reciprocal liberalisation of trade in goods, taking into account the sensitive nature of certain products and in accordance with the relevant World Trade Organization (WTO) rules.

*Article 3 (GA Article 5)***Trade in goods**

In order to achieve the objective laid down in Article 2, the Joint Council established by Article 7 of the Agreement shall decide on the arrangements and timetable for a bilateral, progressive and reciprocal liberalisation of tariff and non-tariff barriers to trade in goods, in accordance with the relevant WTO rules, in particular Article XXIV of the General Agreement on Tariffs and Trade (GATT), and taking account of the sensitive nature of certain products. This decision shall include, in particular, the following matters:

- (a) coverage and transitional periods;
- (b) customs duties on imports and exports and charges having an equivalent effect;
- (c) quantitative restrictions on imports and exports and measures having equivalent effect;
- (d) national treatment including the prohibition of fiscal discrimination in respect of taxes imposed on goods;
- (e) anti-dumping and countervailing measures;
- (f) safeguard and surveillance measures;
- (g) rules of origin and administrative cooperation;
- (h) customs cooperation;
- (i) customs valuation;
- (j) technical regulations and standards, sanitary and phytosanitary legislation, mutual recognition of conformity assessment, certifications, marks systems, *inter alia*;
- (k) general exceptions justified on grounds of public morality, public policy or public security; the protection of human, animal or plant life or health; the protection of industrial, intellectual and commercial property, *inter alia*;
- (l) restrictions in case of balance of payments difficulties.

TITLE III

PUBLIC PROCUREMENT, COMPETITION, INTELLECTUAL PROPERTY AND OTHER TRADE-RELATED PROVISIONS*Article 4 (GA Article 10)***Public procurement**

1. The Parties shall agree to the gradual and mutual opening of agreed government procurement markets on a reciprocal basis.
2. In order to achieve this objective, the Joint Committee shall decide on the appropriate arrangements

and timetable. The decision shall include, in particular, the following matters:

- (a) coverage of the agreed liberalisation;
- (b) non-discriminatory access to the agreed markets;
- (c) threshold values;
- (d) legal and transparent procedures;
- (e) clear challenge procedures;
- (f) use of information technology.

*Article 5 (GA Article 11)***Competition**

1. The Parties shall agree on the appropriate measures in order to prevent distortions or restrictions of competition that may significantly affect trade between Mexico and the Community. To this end, the Joint Council shall establish mechanisms of cooperation and coordination among their authorities with responsibility for the implementation of competition rules. Such cooperation shall include mutual legal assistance, notification, consultation and exchange of information in order to ensure transparency relating to the enforcement of competition laws and policies.
2. In order to achieve this objective, the Joint Council shall decide in particular, on the following matters:
 - (a) agreements between undertakings, decisions by associations of undertakings and concerted practices between undertakings;
 - (b) the abuse by one or more undertakings of a dominant position;
 - (c) mergers between undertakings;
 - (d) State monopolies of a commercial character;
 - (e) public undertakings and undertakings to which special or exclusive rights have been granted.

*Article 6***Intellectual, industrial and commercial property**

1. Reaffirming the great importance they attach to the protection of intellectual property rights (copyright — including the copyright in computer programmes and databases — and neighbouring rights, the rights related to patents, industrial designs, geographical indications including designation of origins, trademarks, topographies of integrated circuits, as well as protection against unfair competition as referred to in Article 10a of the Paris Convention for the Protection of Industrial Property and protection of undisclosed information), the Parties undertake to establish the appropriate measures with a view to ensuring an adequate and effective protection in accordance with the highest international standards, including effective means to enforce such rights.

2. To this effect, the Joint Council shall decide on a consultation mechanism with a view to reaching mutually satisfactory solutions in the event of difficulties in the protection of intellectual property.

TITLE IV

INSTITUTIONAL, GENERAL AND FINAL PROVISIONS

Article 7 (GA Article 45)

Joint Council

A Joint Council is hereby established which shall supervise the implementation of this Agreement. It shall meet at ministerial level, at regular intervals, and when circumstances require. It shall examine any major issues arising within the framework of this Agreement and any other bilateral or international issues of mutual interest.

Article 8 (GA Article 46)

1. The Joint Council shall consist of the Members of the Council of the European Union and Members of the European Commission, on the one hand, and members of the Government of Mexico, on the other.

2. Members of the Joint Council may arrange to be represented, in accordance with the conditions laid down in its rules of procedure.

3. The Joint Council shall establish its own rules of procedure. It shall meet for the first time within 30 days of the entry into force of this Agreement.

4. The Joint Council shall be presided in turn by a Member of the Council of the European Union and a Member State of the Government of Mexico, in accordance with the provisions to be laid down in its rules of procedure.

Article 9

The Joint Council shall, for the purpose of attaining the objectives of this Agreement, have the power to take decisions in the cases provided therein. The decisions taken shall be binding on the Parties which shall take the measures to implement them. The Joint Council may also make appropriate recommendations.

It shall draw up the decisions and recommendations by agreement between the two Parties.

The application of the decisions provided for in Articles 3, 4(2), 5(2) and 6(2) shall be suspended until the signature of the Global Agreement.

Article 10

Joint Committee

1. The Joint Council shall be assisted in the performance of its duties by a Joint Committee composed of

representatives of the Community, on the one hand, and of representatives of the Government of Mexico, on the other, normally at senior civil servant level.

In its rules of procedure the Joint Council shall determine the duties of the Joint Committee, which shall include the preparation of meetings of the Joint Council and how the Committee shall function.

2. The Joint Council may delegate to the Joint Committee any of its powers. In this event the Joint Committee shall take its decisions in accordance with the conditions laid down in Article 9.

3. The Joint Committee shall generally meet once a year, on a date and with an agenda agreed in advance by the Parties, in Brussels one year and Mexico the next. Special meetings may be convened by mutual agreement. The office of chairman of the Joint Committee shall be held alternately by a representative of each of the Parties.

Article 11 (GA Article 49)

Other special committees

The Joint Council may decide to set up any other special committee or body that can assist it in the performance of its duties.

In its rules of procedure, the Joint Council shall determine the composition and duties of such committees or bodies and how they shall function.

Article 12 (GA Article 50)

Dispute settlement

The Joint Council shall decide on the establishment of a specific trade or trade-related dispute settlement procedure compatible with the relevant WTO provisions in this field.

Article 13 (GA Article 52)

National security clause

No provision of this Agreement shall preclude a Party taking measures:

- (a) which it considers necessary to prevent disclosures of information which are contrary to the essential interests of its security;
- (b) relating to the production of, or trade in, arms, munitions or war material or to research, development or production necessary to guarantee its defence, provided these measures do not adversely affect the conditions of competition regarding products which are not intended for specifically military purposes;

- (c) which it considers essential to its security in the event of serious domestic disturbances liable to jeopardise public order, of war or serious international tensions that might erupt into armed conflict or to fulfil obligations it has entered into for the maintenance of peace and international security.

Article 14

The Final Act contains a Joint and a Unilateral Declaration made at the signature of this Agreement.

Article 15 (GA Article 56)

Territorial application

This Agreement shall apply to the territory in which the Treaty establishing the European Community is applied under the conditions laid down in that Treaty, on the one hand, and to the territory of the United Mexican States, on the other.

Article 16

Duration

This Agreement shall be applicable until the entry into force of the Global Agreement signed on 8 December 1997.

Each of the Parties may denounce the Agreement by notifying the other Party. The Agreement shall cease to apply six months after the date of such notification.

Article 17 (GA Article 58)

Fulfilment of obligations

1. The Parties shall adopt any general or specific measure required for them to fulfil their obligations under this Agreement and shall ensure that they comply with the objectives laid down in the Agreement.

If either Party considers that the other Party has failed to fulfil an obligation under this Agreement, it may take appropriate measures. Before doing so, except in cases of special urgency, it must supply the Joint Council with all the relevant information required for a thorough exam-

ination of the situation, within 30 days, with a view to seeking a solution acceptable to the Parties.

In this selection of measures, priority must be given to those measures which least disturb the functioning of this Agreement. These measures shall be notified immediately to the Joint Council and shall be the subject of consultations in that Council, if the other Party so requests.

2. The Parties agree that the term 'cases of special urgency' in paragraph 1 of this Article means a case of material breach of the Agreement by one of the Parties. A material breach of the Agreement consists of:

- (a) repudiation of the Agreement not sanctioned by the general rules of international law;
- (b) breach of the essential elements of the Agreement referred to in Article 1.

3. The Parties agree that the 'appropriate measures' referred to in this Article are measures taken in accordance with international law. If a Party takes a measure in a case of special urgency as provided for under this Article, the other Party may ask that an urgent meeting be called to bring the Parties together within 15 days.

Article 18 (GA Article 59)

Authentic text

This Agreement is drawn up in duplicate in the Danish, Dutch, English, Finnish, French, German, Greek, Italian, Portuguese, Spanish and Swedish languages, each of these texts being equally authentic.

Article 19

Entry into force

1. This Agreement shall be approved by the Parties in accordance with their own procedures.

2. This Agreement shall enter into force on the first day of the month following the date on which the Parties notify each other of the completion of the procedures necessary for this purpose.

3. Notification shall be sent to the Secretary-General of the Council of the European Union who shall be the depositary for the Agreement.

Hecho en Bruselas, el ocho de diciembre de mil novecientos noventa y siete.

Udfærdiget i Bruxelles den ottende december nitten hundrede og syvoghalvfems.

Geschehen zu Brüssel am achten Dezember neunzehnhundertsiebenundneunzig.

Έγινε στις Βρυξέλλες, στις οκτώ Δεκεμβρίου χίλια εννιακόσια ενενήντα επτά.

Done at Brussels on the eighth day of December in the year one thousand nine hundred and ninety-seven.

Fait à Bruxelles, le huit décembre mil neuf cent quatre-vingt-dix-sept.

Fatto a Bruxelles, addì otto dicembre millenovecentonovantasette.

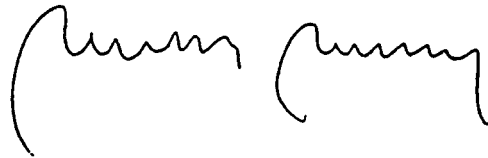
Gedaan te Brussel, de achtste december negentienhonderd zevenennegentig.

Feito em Bruxelas, em oito de Dezembro de mil novecentos e noventa e sete.

Tehty Brysselissä kahdeksantena päivänä joulukuuta vuonna tuhatyhdeksänsataayhdeksänkymmentäseitsemän.

Som skedde i Bryssel den åttonde december nittonhundranittiosju.

Por la Comunidad Europea
For Det Europæiske Fællesskab
Für die Europäische Gemeinschaft
Για την Ευρωπαϊκή Κοινότητα
For the European Community
Pour la Communauté européenne
Per la Comunità europea
Voor de Europese Gemeenschap
Pela Comunidade Europeia
Euroopan yhteisön puolesta
För Europeiska gemenskapen



Por los Estados Unidos Mexicanos



Information on the entry into force of the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the United Mexican States, of the other part

As the Parties exchanged their instruments of ratification on 30 June 1998, the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and the United Mexican States, of the other part, enters into force on 1 July 1998, pursuant to Article 19 of that Agreement.
