

10-23-1996

## European Union, Mexico Fail to Reach Trade Agreement in Initial Talks

LADB Staff

Follow this and additional works at: <https://digitalrepository.unm.edu/sourcemex>

---

### Recommended Citation

LADB Staff. "European Union, Mexico Fail to Reach Trade Agreement in Initial Talks." (1996). <https://digitalrepository.unm.edu/sourcemex/3650>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in SourceMex by an authorized administrator of UNM Digital Repository. For more information, please contact [amywinter@unm.edu](mailto:amywinter@unm.edu).

## European Union, Mexico Fail to Reach Trade Agreement in Initial Talks

*by LADB Staff*

*Category/Department: Mexico*

*Published: 1996-10-23*

In mid-October, representatives from Mexico and the European Union (EU) met in Brussels for the latest round of negotiations on a new commercial and economic accord, but the two sides reported very little progress. According to sources close to the talks, the two sides remain far apart on the time frame to complete negotiations on an accord.

The talks, which had been scheduled for two days on Oct. 14-15, were suspended after one day because of the differences in their positions. The Mexican delegation, led by Trade Secretariat (SECOFI) representative Fernando de Mateo, was insisting that the two sides set target dates and determine specific goals to implement market-opening measures. On the other hand, EU officials led by the EU's Latin America affairs director, Miguel Anacoreta maintained the position that the two sides negotiate a general framework agreement before dealing with specific aspects of an accord.

Once the framework negotiations are concluded, EU members are pushing for the agreement to slowly incorporate negotiations on specific sectors, rather than tackle a broad, all-inclusive accord. According to EU spokesman Josep Koll i Carbo, the 15 members of the bloc are seeking a "reciprocal and progressive liberalization agreement" that is compatible with the rules of the World Trade Organization (WTO). In particular, France has argued against a broad opening of the EU market to imports of agricultural products from Mexico. French officials are concerned that any concessions made to Mexico would have to be offered to other countries, which they claim could throw the EU's agricultural policy into disarray.

EU spokesman Koll i Carbo acknowledged that wide differences between the two sides caused the talks to break down, but he also raised the possibility that negotiations could resume in the near future. "The results of the talks probably cannot be considered favorable," said Koll i Carbo. "If the Mexican delegation wants to proceed with the negotiations, we can start immediately." Koll i Carbo said a resumption of negotiations before the end of the year would be beneficial.

During 1997, the EU is expected to begin trade and economic consultations with central and eastern European countries, which could sidetrack an EU-Mexico agreement. The EU spokesman said an agreement with Mexico could provide several benefits for the EU, such as opening opportunities for member countries to participate in public-works projects in Mexico. In addition, the two sides could strengthen their cooperation in such areas as fisheries and the fight against drug trafficking and money laundering.

Still, Mexican officials said the EU's position falls short of the declaration signed in May of 1995. In that document, the EU and Mexico pledged to negotiate an ambitious agreement that included the relatively free flow of goods and services between Mexico and the 15 EU member countries.

Speaking to reporters two days before the start of negotiations, Mexico's EU ambassador Manuel Armendariz said President Ernesto Zedillo's administration had hoped to use the agreement both to expand exports to the EU and to attract new investments from the European bloc's member nations. "An agreement with specific dates would send clear signals to potential investors," Armendariz said. Using the North American Free Trade Agreement (NAFTA) as an example, Armendariz said the fact that Mexican, US, and Canadian negotiators had set a target of Jan. 1, 1994, for the agreement to go into place had helped attract a surge of foreign investment into Mexico in 1993.

Furthermore, members of the Mexican delegation acknowledged that the administration is expected to continue to push for an expansion and diversification of exports as one of the strategies to help the Mexican economy recover. In 1995, almost 85% of Mexico's total exports were destined for the US and Canada, in large part because of NAFTA. According to statistics released by Mexico's foreign-trade bank (Banco Nacional de Comercio Exterior, BANCOMEXT), US-Mexico trade totaled US\$10 billion in 1995, including US\$3.4 billion in Mexican exports to EU member countries.

In fact, Mexican exports to the EU have been increasing gradually since 1993, when the total reached US\$2.8 billion. The largest EU market for Mexican products last year was Spain, which accounted for 23% of purchases. Germany, Britain, France, the Netherlands, and Italy were also important destinations for Mexican products. Mexico's principal exports to the EU include crude oil, engines, copper, beer, honey, and petrochemicals. Bancomext said an agreement with the EU could help Mexico increase exports of such products as pineapple, citrus, electrical components, tropical plants, garlic, and rugs. According to Mexican diplomatic sources, the EU insisted that political considerations be included in the agreement.

During earlier negotiations, EU representatives said Mexico would have to enact political reforms before the two sides conclude an agreement. EU officials justified their position by pointing out that the EU only negotiates with "democratic governments." EU officials are pursuing this position further by insisting that any accord reached with Mexico contain a clause in which both sides pledge to follow democratic principles and respect human rights. Publicly, representatives of Mexico's negotiating team have made little mention of this EU demand other than to point out that the Zedillo administration is actively pushing for electoral and political reforms. "There should be no doubt about our commitment to democratic reforms," one official said.

According to the weekly news magazine *Proceso*, the EU's stance was influenced by the human rights organizations Amnesty International and Human Rights Watch. In fact, on Oct. 14, the first scheduled day of EU-Mexico talks, Amnesty International held a press conference to release a list of "severe violations" of human rights in Mexico at the end of September and the beginning of October. The two human rights organizations said the Zedillo administration has looked the other way while members of the federal army and paramilitary groups engage in torture and other abuses in places like Guerrero state. Amnesty International's Latin American specialist, Morris Tidball, told *Proceso* that his organization has distributed a record 60 urgent-action alerts regarding abuses in Mexico thus far this year. "We are particularly worried that many of the abuses and threats are being carried out against people who defend human rights," he said. (Sources: *Agence France-Presse*, 10/14/96; *El Universal*, 10/11/96, 10/15/96; 10/16/96; *Excelsior*, 10/16/96 10/17/96; *Proceso*, 10/20/96; *The News*, 10/16/96, 10/21/96; *El Economista*, 10/17/96, 10/18/96, 10/21/96)

-- End --