

**EFTA-MEXICO (GOODS)**  
**Summary Fact Sheet**  
**February 2008**

**Table 1: Background Information**

Parties	EFTA States (Iceland, Liechtenstein, Norway and Switzerland), Mexico	
Date of signature	27 November 2000	
Date of entry into force	1 July 2001	
Transition period for full implementation	5 and a half years	
Date of full implementation	1 January 2007	
Website addresses or points of contact	EFTA: <a href="http://www.efta.int/content/free-trade/fta-countries/mexico">http://www.efta.int/content/free-trade/fta-countries/mexico</a> Mexico: <a href="http://www.economia.gob.mx/?P=2118">http://www.economia.gob.mx/?P=2118</a>	
List of related GATT/WTO documents	WT/REG126/N/1 WT/REG126/1, and Corr.1 WT/REG126/1/Add.1 WT/REG126/2 WT/REG126/3 and Corr.1 WT/REG126/3/Add.1 WT/REG126/M/1 and M2 WT/REG126/5 and 126/6	Notification Agreement Agreement – Addendum Terms of Reference Standard Format Standard Format – Addendum Summary Records Questions and Replies

**Table 2: Internal trade liberalization provisions**

Import duties and charges	Article 6 (Customs duties) Article 7 (Import and export restrictions) Annexes III and IV (Exceptions) Annexes III and V (Timetables)
Export duties and charges	Article 7 (Import and export restrictions) Annex VI (Exceptions for Mexico)
Non-tariff measures	Article 7 (Import and export restrictions) Article 8 (National Treatment on Internal Taxation and Regulation) Annex VI (Exceptions for Mexico)
Sector-specific rules	Agricultural products (HS Chapters 1 to 24) are covered in three bilateral agricultural agreements. Annex III (fish and other marine products)
Product exclusions	HS Chapters 25 to 98 are included, except for products listed in Annex I of the WTO Agreement on Agriculture Annexes III and IV (Exceptions) Agricultural products (HS Chapters 1 to 24) are covered in three bilateral agricultural agreements.

**Table 3: Common External Tariff**

Provisions	None
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**Table 4: General trade-related provisions**

Provision	Relevant Article(s)	Additional Information
Rules of Origin	Article 5 and Annex I	Annex I and its Appendices define “originating products” and methods of administrative co-operation between the Parties and is based on Annex II of the Agreement on Rules of Origin of the WTO.
Standards-related measures	Article 10	The Parties affirm their rights and obligations relating to standards, technical regulations and conformity assessment procedures under the WTO Agreement on Technical Barriers to trade. The Agreement further provides for the Parties to co-operate and exchange information and assistance in technical regulations, standards and conformity assessment.
SPS measures	Article 9	The Parties affirm their rights and obligations under the

Provision	Relevant Article(s)	Additional Information
		WTO Agreement on the Application of Sanitary and Phytosanitary Measures.
Safeguard mechanisms (intra-trade)	Articles 14-16	The Agreement provides procedures and conditions for the application of safeguards between the Parties. Each Party may take appropriate measures when an increase in imports of a product of one Party leads to serious injury in the domestic industry of like or directly competitive products or serious disturbances in any sector of the economy or serious difficulties which could bring about serious deterioration in the economic situation of a region of the importing Party. In case of critical shortage, or threat thereof, of (a) foodstuff or other products essential to the exporting Party; (b) essential quantities of domestic material to a domestic processing industry during periods when the domestic price of such materials is held below the world price as part of a governmental stabilisation plan; or (c) in case of re-export to a third country of a product against which the exporting Party maintains export customs duties or export prohibitions or restrictions, and where the situations referred to above give rise, or are likely to give rise to major difficulties for the exporting Party, that Party may adopt export restrictions or export customs duties. In a situation of serious balance of payment difficulties, a Party may adopt restrictions on imports in accordance with the conditions established under the GATT 1994.
Anti-dumping and countervailing measures	Article 13	The Agreement provides for the Parties' rights and obligations in the application of anti-dumping measures in accordance with Article VI of the GATT 1994 and the Agreement on Implementation of Article VI of the GATT 1994. Before the initiation of an investigation, there is a two-day period for consultations.
Subsidies and state aid	Article 11	The Parties confirm their rights and obligations in respect of subsidies and countervailing measures arising from Articles VI and XVI of the GATT 1994 and the WTO Agreement on Subsidies and Countervailing Measures. The Article foresees the exchange of the notifications to the WTO pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the Agreement on Subsidies and Countervailing Measures. The Article furthermore provides for a two-day period of consultations before initiation of an investigation.
Customs-related procedures	Article 5 and Annex I	The basis for co-operation in customs is provided for in Titles V and VI of Annex I and includes communication of stamps and addresses, verification of movement certificates EUR.1 and invoice declarations, dispute settlement, penalties and free zones.
IPR	Article 69 and Annex XXI	The Parties shall grant and ensure adequate, effective and non-discriminatory protection of intellectual property rights, in conformity with international law and the provisions of the Agreement. Article 69 contains provisions regarding the principles of the protection of intellectual property rights, national treatment and MFN treatment.
Government procurement	Chapter V and Annexes XII-XX	Each Party shall provide access to the covered procurement market, considering those procurements above the threshold foreseen in Annex XVI, and at central or federal level and governmental enterprises. The Chapter includes: principles of non-discrimination and national treatment (Article 57), procurement procedures (Article 61), and bid challenge

Provision	Relevant Article(s)	Additional Information
		procedures (Article 62). Other provisions such as the submission of information and technical co-operation are included.
Competition	Chapter IV	The Parties are committed to ensuring that the benefits of the Agreement are not undermined by anticompetitive business conduct. The Chapter establishes a co-operation mechanism between the Parties on competition law enforcement, such as notification, consultation and exchange of information. A clause on consultations is also included.
Investment	Section V of Chapter III	Section V establishes the Parties' commitment to guarantee the right of free transfer with respect to direct investment. The Chapter includes provisions on investment promotion, international commitments on investment and balance-of-payments difficulties. Consistent with their commitments in international investment agreements, the Parties confirm the objective of progressive liberalisation, committing to review the investment legal framework and climate no later than three years after the entry into force of the Agreement.
General exceptions	Articles 17-18	Article 17 allows for the general exceptions listed in GATT Art. XX (General Exceptions), with some minor modifications. However, such prohibitions or restrictions shall not constitute a means of arbitrary or unjustifiable discrimination where the same conditions prevail or a disguised restriction on trade between the Parties. Article 18 relates to security exceptions.
Accession	Articles 82 and 83	Any State may, upon invitation by the Joint Committee, become a Party to the Agreement. The terms and conditions are subject to an agreement between the Parties and the invited State. Any Party may also withdraw from the Agreement by means of a written notification to the Depositary. The withdrawal shall take effect on the first day of the sixth month after the date on which the notification was received by the Depositary.
Dispute resolution	Chapter VIII	The Agreement includes an arbitration procedure for disputes between the Parties relating to the understanding and interpretation of the Agreement. The first step provides for consultations between the Parties. Disputes which have not been settled within 45 days after consultations may be subject to arbitration by means of written notification from one Party to the other. Provisions on the constitution and functioning of the arbitration panel are provided for in the Agreement. The panel is to settle the dispute in accordance with international law, and the decisions of the arbitration panel are binding upon the Parties to the dispute.
Relation with other trade agreements	Articles 9-11, 50 and 61	The Agreement incorporates aspects of WTO Agreements, including SPS and TBT provisions, subsidies and countervailing measures, government procurement, etc.
Transparency	Article 79	The Parties shall publish or otherwise make available their laws, regulations, procedures and administrative rulings and judicial decisions of general application and international agreements which may affect the operation of the Agreement. In addition the Parties must promptly respond to all requests made by other Parties on these matters.
Institutional provisions	Article 70	The Agreement establishes a Joint Committee which is to supervise and administer the Agreement. The Joint Committee can take decisions in cases provided for by the Agreement or make recommendations. The Joint Committee

Provision	Relevant Article(s)	Additional Information
		is to keep under review the removal of further barriers to trade between the parties. The Joint Committee shall normally convene once a year.

**Table 5a: Trade data (EFTA imports and exports from Mexico)**

US\$ million

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Imports</b>	<b>141.1</b>	<b>174.5</b>	<b>184.5</b>	<b>144.4</b>	<b>153.2</b>	<b>208.6</b>	<b>195.5</b>	<b>187.6</b>	<b>183.3</b>	<b>258.2</b>
Agriculture*	29.3	22.3	25.7	20.3	21.1	27.6	29.5	29.3	33.1	40.2
Industrial products	111.8	152.1	158.8	124.1	132.0	181.0	166.0	158.4	150.3	217.9
<b>Exports</b>	<b>537.4</b>	<b>575.1</b>	<b>647.0</b>	<b>768.2</b>	<b>706.8</b>	<b>759.8</b>	<b>932.2</b>	<b>935.4</b>	<b>1,091.2</b>	<b>1,231.6</b>
Agriculture*	3.3	9.4	6.1	7.5	8.0	10.0	14.4	22.7	28.3	27.7
Industrial product	534.0	565.7	640.9	760.7	698.9	749.8	917.8	912.7	1,062.9	1,203.9

\* HS1-24, excluding fish

**Table 5b: Trade coverage (EFTA-Mexico, total exports and imports)**

	Value (US dollars)	Percentage of total
2000	816,379,118	
- Duty free	449,655,466	55%
- Reduced duty	361,289,382	44.3%
- Without concessions	5,434,270	0.7%
2002	821,738,184	
- Duty free	419,184,431	51%
- Reduced duty	390,222,042	47%
- Without concessions	12,331,708	2%