



PRESS RELEASE

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CELCAA welcomes the announced upgrading of the EU-Mexico Free Trade Agreement

CELCAA, the European Umbrella association representing the trade in agricultural commodities, welcomes the announcements made by EU Trade Commissioner Cecilia Malmström and the Mexican Secretary of Economy Ildefonso Guajardo Villarreal in Brussels on 11th May 2015 to upgrade the EU-Mexico Free Trade Agreement.

The European Union is highly competitive in terms of production and trade in agri-food commodities. The EU has many offensive interests, especially in dairy, meat and wine sectors and EU negotiators should seek ambitious tariff liberalization for these goods as well as high level of protection of EU GI's.

CELCAA highlights the need for a reduction in the high tariff levels imposed on European exports of agri-food commodities when exported to Mexico, in particular in the dairy sector where tariffs vary from 60% to 75% for the main exported milk products (cheese and milk powders). In addition, MFN tariff applies still on EU imports of meat products, such as carcasses, half-carcasses and cuts of meat from bovine animals. The EU should obtain market access which is at least equivalent to the access which was offered to the Canada and USA following the conclusions of NAFTA negotiations.

Certain products however, such as egg products, should continue to be considered as 'sensitive' products, for which some protection is still needed. This is necessary to take into account the consequences of high animal welfare standards or environmental protection on EU production costs. Non-Tariff barriers have a significant impact on EU exports to Mexico. CELCAA calls on the EU Commission to tackle all SPS barriers impeding exports of EU products to Mexico, as well as non-SPS measures still in place, which should be made more transparent, or eliminated in order to facilitate trade between the two blocks.

The renewal of the EU – Mexico FTA should pave the way for the review of the current FTAs and new trade agreement, worldwide and across the whole South America- as they apprehend not only tariff reduction but also regulatory cooperation, tackling SPS barriers and other NTBs.

Paul Rooke, President of CELCAA stated: "*The trade community welcomes the announcement made today to renew the trade framework between the EU and Mexico. For a successful outcome of the negotiations, we ask the EU to address the current import limitations impacting EU exports to Mexico, such as tariff peaks on some agricultural products, the unjustifiably long process of approving EU meat establishments for the export of fresh meat to Mexico or approval of dairy plants for exports of dairy products and the lack of protection for Geographical Indications*".

ENDS

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