



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 21.10.1997
COM(97) 525 final

97/ 0281 (AVC)

Proposal for a

COUNCIL DECISION

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

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. By means of a decision of 25 June 1996, the Council authorised the Commission to open negotiations with Mexico with a view to concluding a new political, economic and trade agreement with Mexico, and approved negotiating directives to that end.
2. The said negotiating directives expressly anticipated that the provisions of the agreement falling within Community competence could be the subject of an interim agreement between the Community and Mexico.
3. Negotiations took place in Brussels on 10, 11 and 12 June 1997, resulting in the draft agreement on both an Economic Partnership, Political Co-ordination and Co-operation Agreement and an Interim Agreement on Trade and Trade-related Aspects.
4. Negotiations also resulted in agreement on the draft Joint Declaration whereby the parties enter into a political undertaking to ensure that the trade and trade-related aspects included only in the draft Economic Partnership, Political Co-ordination and Co-operation Agreement should be negotiated in parallel with those aspects included in the draft Interim Agreement on Trade and Trade-related Aspects.
5. The texts were initialled on 23 July 1997 following a detailed examination by the Council.
6. The Interim Agreement on Trade and Trade-related Aspects is intended to effect advance implementation of the trade and trade-related provisions of the Economic Partnership, Political Co-ordination and Co-operation Agreement that fall within Community competence. This advance implementation will ensure that both sides can commence detailed negotiations with a view to achieving at the earliest possible opportunity, the objective of trade liberalisation established in the Economic Partnership, Political Co-ordination and Co-operation Agreement.
7. The Commission considers that the initialled Agreement conforms to the negotiating directives adopted by the Council.
8. The Commission considers the outcome of the negotiations to be satisfactory to both parties and proposes that the Council should approve the results of the negotiations and should initiate the procedures for the signature of the Interim Agreement on Trade and Trade-related Aspects. The Commission also presents a proposal for a Decision by the Council to conclude the Agreement once it has been signed.
9. The European Parliament will be asked to give its assent to the Agreement prior to its conclusion.
10. The Commission also proposes that the Council should approve the aforementioned Joint Declaration and should authorise the President of the Council to designate the persons empowered to sign it on behalf of the Community

Proposal for a

DECISION OF THE COUNCIL No

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

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,

Having regard to the assent of the European Parliament,

Whereas pending the entry into force of the Economic Partnership, Political Co-ordination and Co-operation Agreement signed in.....on....., the Interim Agreement on trade and trade related matters between the European Community, on the one part, and the United Mexican States, on the other part, signed in.....on....., should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Interim Agreement on trade and trade related matters between the European Community, on the one part, and the United Mexican States, on the other part, together with the declarations made by the Community unilaterally or jointly with other parties, 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 18 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 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 Brussels,

**For the Council
The President**

5

**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**

**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 inon.....;

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 Cooperation Agreement of 1991;

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:

.....

THE UNITED MEXICAN STATES:

.....

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

HAVE AGREED AS FOLLOWS:

7

TITLE I

GENERAL PRINCIPLES

ARTICLE 1 (GA 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 WTO rules.

ARTICLE 3 (GA 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 GATT, and taking account of the sensitive nature of certain products. This decision shall address, 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 phyto sanitary legislation, mutual recognition of conformity assessment, certifications, marks systems, etc.;
- (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, etc.
- (l) restrictions in case of balance of payments difficulties.

TITLE III

PUBLIC PROCUREMENT, COMPETITION, INTELLECTUAL PROPERTY AND OTHER TRADE-RELATED PROVISIONS

ARTICLE 4 (GA Art 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 Council shall decide on the appropriate arrangements and timetable. The decision shall address, in particular, the following matters:
 - a) coverage of the agreed liberalisation;
 - b) non-discriminatory access to the agreed markets;
 - c) threshold values;
 - d) fair and transparent procedures;
 - e) clear challenge procedures;
 - f) use of information technology

ARTICLE 5 (GA Art 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. 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 (GA 12)

Intellectual 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 10 bis 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 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 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 to be 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 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 purposes 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 (GA 48)

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 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 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 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 connected with defence needs, 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 disrupt public order, 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 (GA 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 15

Duration

This Agreement shall be applicable until the entry in to force of Global Agreement signed on

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 16 (GA 58)

Fulfillment 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 examination 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) violation 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 17 (GA 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 18

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 which shall be the depositary for the Agreement.

FINAL ACT

JOINT DECLARATION

JOINT INTERPRETATIVE DECLARATION ON ARTICLE 2

The commitments resulting from Article 2 of this Agreement will not take effect until the decision referred to in Article 3 is adopted.

DECLARATION BY THE EUROPEAN COMMUNITY

DECLARATION BY THE EUROPEAN COMMUNITY ON ARTICLE 5

The Community declares that, until the adoption by the Joint Council of the implementing rules on competition referred to in Art. 5 paragraph 2, it will assess any practice contrary to that Article on the basis of the criteria resulting from the rules contained in Articles 85, 86 and 92 of the Treaty establishing the European Community, and, for products covered by the Treaty establishing the European Coal and Steel Community, by those contained in Articles 65 and 66 of that Treaty and the Community rules on State aids, including secondary legislation.

**JOINT DECLARATION BETWEEN THE EUROPEAN COMMUNITY AND
THEIR MEMBER STATES AND THE UNITED MEXICAN STATES**

With a view to the adequate coverage of the issues contained in Titles III and IV of the Economic Partnership, Political Coordination and Cooperation Agreement signed on[initialled on].....within a comprehensive framework, the European Community and its Member states and the United Mexican States undertake to:

1. Start and if possible, conclude negotiations regarding the arrangements for the liberalisation of trade in services and of capital movements and payments as well as the measures relating to intellectual property provided for in Articles 6, 8, 9 and 12 of that Agreement, in parallel with negotiations on the arrangements and timetable for liberalisation of trade in goods provided for both in Article 5 of that Agreement and in Article 3 of the Interim Agreement on trade and trade-related matters between the European Community and Mexico signed on [initialled on].....
2. Aim at ensuring that, without prejudice to the accomplishment of their respective internal procedures, the results of the negotiation on the liberalisation of services and of capital movements and payments as well as the measures relating to intellectual property, provided for above, may enter into force as soon as possible, thereby achieving the Parties' shared objective of a global trade liberalisation covering both goods and services, in accordance with Article 7 of the Economic Partnership, Political Coordination and Cooperation Agreement.

FINANCIAL STATEMENT

The following financial statement concerning the evaluation of the budgetary expenditures and revenues linked to the implementation of this agreement was approved by the Commission in the context of the transmission to the Council of the draft directives for a New Agreement, on 23 October 1995.

1 TITLE OF OPERATION

Economic partnership and political consultation agreement between the European Community and Mexico.

2 BUDGET HEADINGS INVOLVED

(a) Implementation of the agreement will directly involve the following items:

- B7-3010: Financial and technical cooperation with Latin American developing countries
- B7-3011: Economic cooperation with Latin American developing countries
- B7-5000: Promotion of Community investment in developing countries of Asia, Latin America, the Mediterranean and in South Africa by economic cooperation and trade agreements
- B7-5010: Community contribution towards schemes concerning developing countries carried out by non-governmental organizations
- B7-5020: Commercial and economic cooperation agreements with third countries
- B7-5040: Environment in the developing countries
- B7-5041: Tropical forests
- B7-5046: Health programmes and the fight against HIV/AIDS in developing countries
- B7-5050: Aid for population policies and programmes in developing countries
- B7-5051: Women in development
- B7-5077: Decentralized cooperation in the developing countries
- B7-5080: North-South cooperation schemes in the context of the campaign against drug abuse
- B7-5091: Coordination of development policy, evaluation of the results of Community aid and practical follow-up measures
- B7-5096: Development cooperation inspectorate
- B7-5230: Democratization process in Latin America
- B7-5300: Measures to combat fraud in the cooperation sector

(b) Other items that may be used:

- B4-1000: Thermie II (Community programme of financial support for the promotion of energy technology in Europe)

- B4-1041: European Energy Charter and cooperation with third countries in the energy field
- B6-5211: Completion of the third framework programme (1990 to 1994) - projects concerned by Agreement on the European Economic Area
- B6-5311: Completion of projects not covered by the framework programme and not concerned by Agreement on the European Economic Area

3 LEGAL BASIS

Economic partnership and political consultation agreement between the EU and Mexico

4 DESCRIPTION OF OPERATION

4.1 General objective

Conclusion of economic partnership and political consultation agreement between the EU and Mexico

4.2 Period covered and arrangements for renewal or extension:

The agreement will have no time limit.

5 CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1 Non-compulsory expenditure

5.2 Differentiated appropriations

5.3 Type of revenue involved: not applicable

6 TYPE OF EXPENDITURE OR REVENUE

Expenditure will usually take the form of a 100% grant, though operations may sometimes be co-financed with other donors (Member States).

The recipients will systematically be required to contribute according to their means.

7 FINANCIAL IMPACT

7.1 Method of calculating total cost of operation (definition of unit costs)

Lo

This Agreement establishes a framework for new measures to reflect the changing content and methods of Community cooperation/relations with Mexico in the light both of recent social and economic developments in that country and the developing political dialogue between it and the Union.

The objective is to bring about a qualitative improvement in relations by enhancing the Community's capacity to respond to specific new requests from Mexico on the basis of a new dialogue aimed at establishing a true partnership; it is not to create a specific budget for a new operation.

7.2 Itemised breakdown of cost

EC in ECU million (current prices)

Breakdown	Budget year n	n + 1	n + 2	n + 3	n + 4	n + 5 and subs. yrs	TOTAL
Total							

7.3 Schedule of commitment/payment appropriations

EC in ECU million

	n	n + 1	n + 2	n + 3	n + 4	n + 5 and subs. yrs	TOTAL
Commitment appropriations							
Payment appropriations							
n							
n + 1							
n + 2							
n + 3							
n + 4							
n + 5 and subs. yrs							
TOTAL							

8. Fraud prevention measures; results of measures taken

In order to ensure maximum accountability in the management of budget resources, projects are subject to the following procedures:

- committee for the assessment of restricted invitations to tender (technical assistance);
- system of codirectors (one local and one Community);
- project administration involving cost accounting;

- supervisory missions by desk officers and/or technical and/or financial units;
- ad hoc audits in conjunction with the relevant units of DG VIII;
- inspections by the Court of Auditors and Financial Control.

For projects of above-average duration involving large budgets, there will be annual financial and accounts audits, to be conducted by an internationally recognized firm.

9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

9.1 Specific and quantified objectives; target population

The objectives specific to each project are defined in the financing proposal, which includes an economic and financial analysis of the project and, where certain budget headings (e.g. B7-3010 and B7-3011) are concerned, is approved by the ALA Committee in the case of projects costing more than ECU 1 million. For other projects, the specific objectives are defined in the detailed commitment form accompanying each project.

Target population: indirectly, the whole population of Mexico, but especially:

- the private sector, business circles in Mexico and in Europe, taking due account of the principle of mutual interest;
- the most disadvantaged groups.

9.2 Grounds for the operation

The projects launched will be financed under existing budget items and are therefore underpinned by the financial statements accompanying those items in the PDB.

9.3 Monitoring and evaluation of the operation

10. ADMINISTRATIVE EXPENDITURE (PART A OF THE BUDGET)

10.1 Increase in the number of staff

The actual mobilization of the administrative resources required will depend on the annual Commission decision on the allocation of resources, taking into account any amounts or staff allowed by the budgetary authority.

The following comments on the need for additional resources shall be without prejudice to any decision on this subject by the Commission.

The allocation of any additional resource may be assessed only in the overall context of the priorities which the Commission may be required to decide in the framework and within the limits of the 1996 PDB.

I. Impact on the number of posts

- (a) Relations with Mexico have so far been handled by an A official, who is also in charge of the Cuba desk, assisted by a non-regular A and a non-regular C official. They are unable to cope with the steady increase in political contacts, cooperation programmes and the day-to-day workload of the desk office generated by the stepping-up of relations over the past year.

The objective of the economic partnership and political consultation agreement is to strengthen relations between Mexico and the Union in all areas. The agreement will therefore bring with it qualitative requirements quite distinct from the volume of aid granted.

This agreement has to reflect the Union's will to maintain closer relations not only in the context of cooperation but in the form of deeper political dialogue and trade cooperation geared to the future liberalization of trade.

There must therefore be an increase in staffing, with one new temporary A official, one B official and one C official. Their responsibilities will be as follows:

A official and temporary A official

- * Overall direction, overall consistency of policy, coordination of activities, in-house coordination, dealings with Mexico, information and dissemination, overall administration;
- * technical monitoring of trade relations, supervision of the working parties that will be set up, coordination of trade-related issues with other departments, day-to-day handling of trade questions, preparations for meetings of the joint trade subcommittee, drawing-up of reports, studies and analyses on trade aspects of the future bilateral relations;
- * cooperation: identification, implementation, management, monitoring etc.

B official

- * Support to A officials, particularly data searches, processing of statistics, data processing, administration and accounting.

C official

- * Secretarial back-up.

- (b) This shall be without prejudice to any requirements which may arise in other Directorates-General as a result of strengthening relations with Mexico.

Type of post	Staff to be assigned to the project		of which		duration
	permanent posts	temporary posts	by using existing staff in the DG or service concerned	by recourse to additional staff	
Officials or temporary officials	A1	A1	A1	A1	(3 years)
	B1 C1			B1 C1	
Other staff		2	2		
Total	3	3	3	3	

10.2 Overall financial impact of the additional staff

	Total	Method of calculation
B3 officials	78 794	Gross salary. List of average annual cost of existing posts.
C5 officials	54 028	
Temporary A7 officials	88 436	
Other staff (indicate budget heading)		
Total	221 258	

The figures give the total cost of the additional posts for the entire duration of the project if it is of a fixed duration or for 12 months if it of unlimited duration.

II. Increase in other operational expenditure resulting from the operation: Mission expenses

From the outset of its dealings with the Community, Mexico has expressed its wish to receive technical assistance from the EC in several fields drawing on the Community institutions' technical experience. It has expressly asked to work directly with officials of those institutions.

The Commission has attempted to satisfy their requests by involving various DGs and departments in specific efforts to transfer integration know-how.

Even though the various DGs have expressed their readiness to take part in such activities, the financing of missions has proved very difficult. The Commission has had to refuse a considerable number of requests from Mexico owing to the lack of a specific budget.

These handicaps will be exacerbated if no suitable arrangements are adopted to facilitate these specific activities, especially since the economic partnership and political consultation agreement would extend the scope of this technical assistance.

Since it is impossible to forecast by how much each DG's reserve should be increased, leaving aside the agreements between DGs on the authorization of missions, a further ECU 50 000/year should be budgeted from 1996 just to cover operations in this field, to be initiated and coordinated by departments of the DG handling relations with Mexico.

An estimate of additional funds are therefore estimated for projects to transfer the particular expertise of the Community institutions to Mexico.

The estimated funding is intended for the organization of missions averaging one week for ten officials.

Budget heading (No)	Amount	Method of calculation
A 1300	50 000	See table below
Total	50 000	

Number of missions	Average cost of ticket	Average daily allowance	Total (ECU)	Round total (ECU)
10	3 500	207	49 490	50 000

The figures give the total cost of the project if it is of a fixed duration or the cost for 12 months if it is of unlimited duration.

ISSN 0254-1475

COM(97) 525 final

DOCUMENTS

EN

02 08 10 11

Catalogue number : CB-CO-97-540-EN-C

ISBN 92-78-25977-2

Office for Official Publications of the European Communities

L-2985 Luxembourg

26