

FOREIGN TRADE *

October 2004

This **Foreign Trade Report** is an executive summary of the main foreign trade reforms in Mexico published in the Federal Official Gazette in October 2004, which also contains general foreign trade news that will impact Mexican foreign trade. For further information on the topics addressed in this paper or for any questions arising from it, please write to Adrián Vázquez Benitez, adrian@vazqueztercero.com or to Verónica Vázquez Bravo, veronica@vazqueztercero.com.

1. Final Review of the Agreement on Textiles and Clothing of the WTO Council for Trade in Goods (Goods Council)

On October 1, the Goods Council started its third and final review of the application of the Agreement on Textiles and Clothing (ATC), by virtue of which all the remaining provisions on contingencies in the sector will be removed as of January 1, 2005.

In this regard, India submitted a communication from a group of developing countries that are textile exporters, where they expressed their disappointment for the introduction of certain measures introduced by the European Community, Turkey and the United States, as well as for the denial of the anticipated use of contingents in 2004. On the other hand, Turkey and Tunisia highlighted the social and economic importance of the sector as a source of income, employment and poverty alleviation, and also expressed their concern about the "sustainability of economic and social development after the expiry of the ATC".

Mauritius submitted a proposal on behalf of several countries so the WTO Secretariat carries out a survey in order to identify problems in connection with the adjustment and the costs that could derive from the gradual elimination of the ATC.

Finally, it was agreed to extend for six months the term to withdraw the concessions pursuant to paragraph 3 of Article XXVIII; to send to the General Council the requests for exemption in connection with the introduction of changes to the 2002 Harmonized System made by Argentina and Israel, and lastly, to perform a survey on the effects of measures regarding investments in connection with trade (MIT) and the consequences of their elimination.

2. Elimination of anti-dumping duties to urea imports

On October 26 the Ministry of the Economy (SE) published in the Federal Official Gazette the final determination on the sunset review of anti-dumping duties imposed on urea imports, which good is currently included under tariff classification 3102.10.01 of the Tariff of the General Import and Export Tax Law originating from Ukraine, and it was concluded to eliminate the final anti-dumping duties imposed as of July 5,

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2000 because of absence on the likelihood of injury. Our Firm took part in this case representing a number of fertilizer importers and distributors.

3. Notice of initiation of anti-dumping investigation on refrigeration tubes and wires

On October 28, the SE published in the Federal Official Gazette the Notice of initiation of anti-dumping investigation on refrigeration tubes and wires, which goods are currently included under tariff classification 8418.99.99 of the Tariff of the General Import and Export Tax Law, originating from the Federative Republic of Brazil, setting as period of investigation from January 1 to December 31, 2003. ■