

## FOREIGN TRADE\*

June 2005

This **Foreign Trade Report** is an executive summary of the main foreign trade reforms in Mexico published in the Federal Official Gazette during March 2005, 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](mailto:adrian@vazqueztercero.com) or to Verónica Vázquez Bravo, [veronica@vazqueztercero.com](mailto:veronica@vazqueztercero.com)

### 1. List of Services Excluded by Mexico from Chapter X of NAFTA

On June 1, the Ministry of Economy (ME) published in the Federal Official Gazette the Agreement whereby amendments are made to the List of Services Excluded by Mexico from Chapter X of the North American Free Trade Agreement, regarding Government Procurement, as published on December 20, 1993.

### 2. Sole application form used by the MH for various procedures conducted

On June 1, the Ministry of Health (MH) published in the Federal Official Gazette the Agreement that informs of the form to be used for the submission of applications before the Ministry of Health through the Federal Commission for Protection against Health Risks (COFEPRIS) in connection with registrations, authorizations for the importation and exportation and export certificate for insecticides, vegetable nutrients and toxic substances, and toxic or hazardous materials, that shall be used as of June 2.

### 3. Conclusion of the safeguard investigation on plywood

On June 2, the ME published in the Federal Official Gazette the Resolution that concludes the safeguard investigation on the importations of plywood, which goods are classified in several items of tariff heading 4412 of the Tariff of the Law on the General Import and Export Taxes (TIGIE), due to the withdrawal of the petition by national producers.

### 4. Decision 4/2004 of the EU-Mexico Joint Council

On June 3, the ME published in the Federal Official Gazette the Agreement that informs of Decisión No, 4/2004 of the EU- México Joint Council whereby Decision 2/2001 of the EU- México Joint Council, and its amendments, is further amended due to the need to incorporate the following European Union countries: Estonia, Latvia, Lithuania, Czech Republic, Slovakia, Poland, Hungary and Malta.

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**5. Resolution on the initiation of scope review for tools from China**

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On June 7, the ME published in the Federal Official Gazette the Resolution on the initiation of the scope review procedure for the Definitive Resolution on the antidumping investigation on importation of tools, which goods are classified in several items of headings 8201 to 8206 of the TIGIE. The company that applied for the coverage believes that a variety of tools are not manufactured in the country. The ME has granted a term of 28 business days for appearance before the investigation of those persons that deem have legal interest therein. Our firm will participate in such investigation on behalf of national producers.

**6. Forms for several applications to be used before the Ministry of Economy**

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On June 10, the ME published in the Federal Official Gazette the Agreement that amends a similar agreement whereby approval is given to the forms that will be used for procedures before the ME, the National Metrology Center, the Council on Mineral Resources, the Trust on Mining Promotion and the Federal Consumer Protection Agency, including, "Request for Approval or Broadening of a *Maquila* for Export Program" and the "Request for Approval or Broadening of a Temporary Importation Program for the manufacturing of export goods (PITEX)".

**7. Amendments to NAFTA Exhibit 401**

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On June 14, the Ministry of Foreign Affairs published in the Federal Official Gazette the Enactment Decree of the Amendments to NAFTA Exhibit 401, which were formalized through an exchange of communications on October 8 and 22, and November 15, 2004, between the Governments of the USA, Canada and Mexico. Such amendments correspond to the following Rules of Origin:

- ✓ Condiments and spices of Chapter 09
- ✓ Carragenine of Chapter 13
- ✓ Mixed condiments and mixed seasonings of Chapter 21
- ✓ Precious metals: Gold, silver, platinum, palladium, and rhodium of Chapter 71
- ✓ Speed controllers of Chapter 85
- ✓ Assemblies of modular circuits of Chapter 85
- ✓ Minor appliances of Chapter 84
- ✓ Speakers of Chapter 85
- ✓ Thermostats of Chapter 90
- ✓ Parts for parts of Chapters 84, 85 and 90
- ✓ Toys of Chapter 85

**8. Decision No. 18 of the Management Commission of the Mexico-Costa Rica Free Trade Agreement**

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On June 20, the ME published in the Federal Official Gazette the Agreement that informs on Decision No. 18 of the Management Commission of the Free Trade Agreement between Mexico and Costa Rica due to the fact that as a result of the Third Amendment to the Harmonized Commodity Description and Coding System, the Management Commission of the Treaty decided to adopt the relevant changes to the Treaty's Rules of Origin, after three years of entry into force of the amendment. Accordingly, Exhibits I and II of this Decision substitute the relevant exhibits I and II of Decision No. 8 executed on June 9, 1998.

## 9. Federal Law on Taxpayers' Rights

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On June 23, the Ministry of Finance published in the Federal Official Gazette the Decree whereby the Federal Law on Taxpayers' Rights is enacted. This will be an instrument that will be managed by the Ministry, and which will govern certain rights and guarantees that were frequently contested before the tax authorities during tax court proceedings. This law directly affects the rights of importers.

Among the rights provided by this Law, we can highlight: the right to not submit documents that are already in the possession of the tax authorities; the right to amend the taxpayer's tax situation as a result of the exercise of the tax authority's authority to review; the right to avoid the finding of new omissions during the period that is the subject of review, unless different facts are evidenced; and, the right of taxpayers to access records and documents contained in a file open in their name, among others. ■