

**Trade Policy Review Body
5 and 7 October 2022**

TRADE POLICY REVIEW

MEXICO

MINUTES OF THE MEETING

Chairperson: H.E. Dr Athaliah Lesiba Molokomme (Botswana)

CONTENTS

1 INTRODUCTORY REMARKS BY THE CHAIRPERSON	2
2 OPENING STATEMENT BY THE REPRESENTATIVE OF MEXICO	4
3 STATEMENT BY THE DISCUSSANT	8
4 STATEMENTS BY MEMBERS	11
5 REPLIES BY THE REPRESENTATIVE OF MEXICO AND ADDITIONAL COMMENTS.....	53
6 CONCLUDING REMARKS BY THE CHAIRPERSON	63

1 INTRODUCTORY REMARKS BY THE CHAIRPERSON

1.1. The seventh Trade Policy Review of Mexico was held on 5 and 7 October 2022. Following the Rules and Procedures of the TPRDB, H.E. Dr Athaliah Lesiba Molokomme (Botswana), in her capacity as Chair of the Dispute Settlement Body (DSB), chaired the meeting on behalf of the current Chairperson of the Trade Policy Review Body (TPRB), H.E. Mr Ángel Villalobos Rodríguez (Mexico).

1.2. The Chairperson welcomed the delegation of Mexico, headed by H.E. Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade in the Secretariat of Economy; H.E. Ambassador Ángel Villalobos Rodríguez, Permanent Representative of Mexico to the WTO; the rest of the delegation; and the discussant, H.E. Ms Clare Kelly (New Zealand). The Chairperson was pleased that, in addition to physical presence, the meeting also benefited from the Interprefy online connection, allowing for a wider participation of the Membership.

1.3. The Chairperson called Members' attention to the presence of the participants of the Introductory Trade Policy Course for LDCs, who were very interested in attending this review meeting.

1.4. The Chairperson recalled the purpose of TPRs and the main elements of procedures for the meeting. The Report by Mexico is contained in document WT/TPR/G/429, and that of the WTO Secretariat in document WT/TPR/S/429.

1.5. Questions by the following delegations were submitted in writing before the deadline: the Kingdom of Saudi Arabia; Singapore; Colombia; Canada; Hong Kong, China; Japan; the Dominican Republic; the United States; Israel; Costa Rica; the European Union; Argentina; the Philippines; Australia; Ukraine; Chile; Iceland; Chinese Taipei; Brazil; Switzerland; the Republic of Korea; New Zealand; the United Kingdom; Guatemala; and China. The following delegations submitted written questions after the deadline: Türkiye; Ecuador; Malaysia; Viet Nam; India; Uruguay; El Salvador; the Republic of Moldova; and the Bolivarian Republic of Venezuela.

1.6. At the time of the previous Review, Members had commended Mexico for its economic growth despite challenges caused by rising financial market volatility and the collapse of oil prices. According to the Secretariat's Report prepared for the current Review, Mexico had experienced a severe downturn starting in mid 2018, followed by a slight contraction in real GDP in 2019.

1.7. In 2020, the Mexican economy was also severely affected by the COVID-19 pandemic. However, support measures adopted to deal with the pandemic had helped economic activities recover, as preliminary GDP figures for 2021 and 2022 show GDP growth exceeding pre-pandemic levels.

1.8. During the past Review in 2017, Members had encouraged Mexico to diversify trade. However, the Reports still show that Mexican trade is still highly dependent on a single market. Exports also remained predominantly dominated by manufactured goods. In that regard, it would be interesting to hear about Mexico's efforts to diversify its trading partners and export products.

1.9. In 2017, Members commended Mexico's commitment to free trade and the multilateral trading system. Members also had praised Mexico for adopting trade facilitation measures. These efforts continued during the current review period.

1.10. During the previous Review, Members had expressed some concerns regarding the use of non-tariff barriers, in particular trade remedies.

1.11. The Chairperson was pleased to note that Mexico had reduced recourse to these measures during the 2017-21 period. At the same time, it was also noted that the average applied MFN tariff rose somewhat since the previous Review.

1.12. On sectoral policies, as in 2017, Members had inquired about support programmes in the agriculture sector. It was noted in the Secretariat Report that Mexico's agricultural policy aims at achieving food self-sufficiency. Members would be interested in hearing about the effectiveness of the policies adopted during the review period in attaining this objective.

1.13. Regarding the energy sector, in their advance written questions, Members raised concerns about measures implemented to reverse competition in sectors that were liberalized in 2013.

1.14. Other issues raised in the Members' advance written questions included the foreign investment regime, SPS and TBT measures; the competition regime; the scope of the public procurement regime; the new IPR legislation; and the telecommunications sector.

1.15. In total, Mexico received more than 800 advance written questions from 34 delegations, out of which 25 were sent within the established deadline. Prior to this meeting, Mexico provided written replies to questions submitted within the deadline, as well as some additional ones. The Chairperson looked forward to hearing Mexico's updates on these issues during the two-day meeting.

1.16. The meeting was a good opportunity for Members to discuss in greater detail issues of interest to them and of systemic importance to the multilateral trading system. It was also an opportune moment for Mexico to update the Membership on the impact of the pandemic on its economy and the responses to cope with the economic emergency. The Chairperson looked forward to a fruitful discussion.

1.17. The Chairperson closed her introductory remarks by wishing Mexico a very successful seventh Trade Policy Review.

2 OPENING STATEMENT BY THE REPRESENTATIVE OF MEXICO (H.E. MS LUZ MARÍA DE LA MORA SÁNCHEZ)

2.1. Thank you, Chair. It is an honour to lead the delegation participating in this seventh Trade Policy Review of Mexico.

2.2. I express my sincerest thanks to the Ambassador of Botswana, Athaliah Molokomme, for chairing this meeting and for her valuable comments; to the Ambassador of New Zealand, Clare Kelly, who knows Mexico very well and is honouring us today with her participation as discussant; to the Trade Policies Review Division for its comprehensive and professional report; and to all Members for their interest in my country's trade policies, as demonstrated by the 766 questions that we have received to date, which relate to, *inter alia*, opening-up strategy, operational aspects of trade and investment policies, intellectual property, agriculture and services.

2.3. The period covered by this seventh Trade Policy Review of Mexico was characterized by a gloomy global economic environment. Growing trade tensions and a lack of political will to strengthen the multilateral trading system contributed to an environment of uncertainty and a weakening of economic activity, which was significantly exacerbated by the effects of the fight against the COVID-19 pandemic.

2.4. The ongoing uneven recovery in various regions is now being affected by global inflation. The combination of excessive demand for loose fiscal and monetary policies and disruptions to energy and agri-food industry supply chains, caused in part by the aggression by the Russian Federation against Ukraine, has led to a rise in prices that has not been seen for decades.

2.5. Efforts to restore price stability are involving the use of policies that will reduce economic activity, with consequences for investment, trade, employment and well-being.

2.6. Against this backdrop, in 2020, the Mexican economy was hit by the effects of the pandemic and recorded a significant fall in GDP of 8.2%. This was followed by growth of 4.8% in 2021, largely underpinned by a rapid recovery of our foreign trade, which is highly integrated into the economy of the United States and value chains and is already exceeding pre-pandemic levels. This revival of the economy is also explained by the more subdued recovery of services sectors such as tourism and transport.

2.7. The application of policies and programmes for liquidity provision and bank creditworthiness, mainly aimed at micro, small and medium-sized enterprises, also contributed to the ongoing recovery. The prudent management of fiscal and monetary policy has helped preserve financial and foreign exchange stability, as well as access to international capital markets.

2.8. It should be mentioned that, in order to maintain the flow of vaccines and medical products during the pandemic, Mexico facilitated trade and coordinated action with counterparts in specific sectors to ensure the prompt revival of supply chains, which certainly contributed to the revitalization of the economy.

2.9. Mexico launched its outward-oriented growth strategy in the 1980s. Since then, it has actively participated in multilateral trade and has built a network of regional and bilateral agreements that have enabled it to strongly integrate into international trade and investment markets.

2.10. Mexico's annual international trade in goods now exceeds USD 1 billion and the country is among the top 10 economies for attracting foreign direct investment (FDI). The move from being a primarily oil-exporting economy to being one of the main exporters of manufactured goods cannot be explained without taking into account the opening-up process and the attraction of FDI, which has contributed to the development of the manufacturing export platform and the modernization of certain service sectors.

2.11. Mexico has focused its trade policy strategies on three pillars: diversification, innovation and inclusion. The export sector and the attraction of FDI are key for economic growth and development, the creation of more and better jobs, access to new technologies and production processes, and a broad offer of competitively-priced goods and services for consumers, producers and suppliers alike.

2.12. During the review period, the negotiating agenda was advanced to expand and deepen the network of trade agreements and treaties, thereby helping to deepen integration into international markets and value chains, promote diversification and inclusiveness and foster sustainable economic development.

2.13. The Mexico-United States-Canada Agreement, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, the Trade Continuity Agreement with the United Kingdom, the modernized Mexico-European Union Free Trade Agreement (in the process of being signed) and the Singapore-Pacific Alliance Free Trade Agreement are modern and ambitious agreements that will foster greater integration in the world's most dynamic regions.

2.14. The ongoing negotiations with the United Kingdom, the European Free Trade Association, Ecuador, the Republic of Korea and the candidate Pacific Alliance Associate States, in addition to the modernization of our agreement with Israel, are expected to result in the strengthening of our network of state-of-the-art treaties for the benefit of enterprises, particularly MSMEs, and other sectors of the economy that have not traditionally been involved in foreign trade, such as women, indigenous communities and the general population.

2.15. Turning to operational aspects of trade and certain sectors, since our last Trade Policy Review, developments relating to trade in goods include the adoption of the sixth amendment to the Harmonized System and the update of the tariff schedule in the Law on General Import and Export Taxes (TIGIE). These developments resulted in a restructuring of our nomenclature, which now has 7,895 tariff lines, while the applied MFN tariffs, which are at zero for 48% of all tariff lines, remain unchanged. In May 2022, the Government implemented the "Package to combat inflation and high living costs" (PACIC), through which it provides temporary exemptions (until November 2022) from import tariffs for products classified under 73 tariff lines that form part of the basic food basket, with a view to tackling the increase in prices.

2.16. Manufacturing is the main component of Mexico's foreign trade, with imports and exports accounting for over 85% of total merchandise trade. Mexico has also established itself as a net exporter of agricultural products thanks to its competitive offer of fruit, vegetables and beverages.

2.17. The importance of the agricultural sector for the country goes beyond its contribution to GDP and trade (in 2021 it contributed 3.8% of GDP and accounted for 8.6% of total exports), since a significant part of the rural population depends on agricultural activity. Accordingly, the Mexican National Development Plan 2019-24 seeks to "save the countryside" through a policy offering support to increase production, competitiveness and sustainability, while also promoting greater inclusion and incomes for vulnerable and marginalized populations, particularly in priority crops such as maize and beans.

2.18. In trade in services, it is worth mentioning the enactment of the Law Regulating Financial Technology Institutions, known as the "Fintech Law". This is the first legislation of its kind in Latin America and it provides legal certainty to users of the platforms of this type of financial service.

2.19. Mexico has also taken a number of measures in this important sector in order to strengthen "financial inclusion", such as the reform of the Law Regulating Financial Groups, which established the National Council for Financial Inclusion. Furthermore, in March of this year, the Inter-Institutional Committee for Gender Equality in Financial Institutions was established as a body for promoting greater inclusion of women in the financial sector and in the Mexican economy.

2.20. In the telecommunications sector, the National Digital Strategy 2021-24 was established to enable the efficient and inclusive use and development of information and communication technologies (ICT), including broadband and internet services to enhance the country's development.

2.21. In the services sector, the tourism sector is a major generator of jobs and foreign exchange. In order to safeguard the viability of its development, it is important to promote sustainability, leading to greater consideration of ecosystems and the improvement of measures for tackling climate change.

2.22. In this regard, the Sectoral Programme for Tourism 2020-24, the priority objectives of which include encouraging sustainable tourism, promotes projects that drive the development of tourism and contribute to reducing negative environmental impacts, with coordination among various levels of government, entrepreneurs and society as a whole.

2.23. With regard to FDI, the review period saw Mexico exceed its historical average in terms of resources attracted, although during the pandemic there was a significant reduction in flows attracted in 2020. This contraction was lower than the percentage reduction in global flows, while, in 2021, flows returned to annual levels of over USD 30,000 million.

2.24. The combination of a broad network of investment agreements and investment-friendly legislation has enabled Mexico to attract significant FDI flows that supplement domestic investment, thereby contributing to economic growth and development, employment and innovation.

2.25. In addition to the 12 trade agreements containing chapters on investment, Mexico has a network of 30 bilateral investment agreements and has initiated a modernization process for some of them.

2.26. Mexico's legal framework for FDI is highly open; few activities are reserved for the State and for nationals, and the percentages and criteria for the few activities that do involve limitations or requirements for foreigners are transparent. I would like to highlight that, during the review period, the permitted percentage share of foreign investment in domestic air transport, international air taxi and specialized air transport activities increased from 25% to 49%.

2.27. It should be noted that, in 2021, in collaboration with UNCTAD, the InvestinMx digital platform was designed to present to investors the procedures and requirements for possible investment in a simple and structured manner.

2.28. Mexico considers that effective international integration requires a flexible interface between its regulations and foreign commitments. During the review period, laws were established and action taken to that end, including:

2.29. The Law on Quality Infrastructure, issued in July 2020, modernizes the legal framework for standardization in order to adequately reflect Mexico's commitments under existing international treaties, as well as international best practices, in line with the recommendations and good practices of the United Nations system in terms of inclusive and sustainable industrial development.

2.30. In the area of intellectual property, the Federal Law on Intellectual Property Protection was enacted in order to strengthen the intellectual property system and fulfil the commitments made under the international agreements signed by Mexico. Our country promotes intellectual property protection, which encourages innovation, technological progress and investment.

2.31. The National Trade Facilitation Committee was established pursuant to the commitments contained in the Trade Facilitation Agreement, in order to facilitate coordination among Federal Government departments and bodies in the design, implementation and evaluation of programmes and measures that expedite trade, as well as to implement and apply the provisions of this Agreement.

2.32. At the multilateral level, Mexico's level of integration into global trade and investment flows means that the effective functioning of the multilateral trading system is essential for the country. The country's extensive network of agreements falls under the WTO umbrella and major issues can only be resolved with the collective will of its Members. Mexico is an active participant in the work of this Organization and stands ready to contribute to strengthening this system.

2.33. The Organization's poor performance reduces the inherent benefits of trade, limiting potential growth in investment, employment and living standards.

2.34. Mexico therefore welcomes the outcome of MC12, which surpassed even the most optimistic scenario envisaged, as well as the fact that it ended with a multilateral agreement on fisheries subsidies that will form part of the WTO covered agreements. This gives renewed credibility to the WTO, which should help push forward the agenda.

2.35. Among the agreements reached by Ministers, Mexico considers that the work on WTO Reform will be key for reinvigorating the pillars of the WTO and ensuring that the multilateral trading system fulfils its mandate in full.

2.36. In particular, it is worth highlighting the commitment of Ministers to ensuring that the system is fully functional and accessible for all by 2024, thereby addressing the crisis relating to the dispute settlement pillar. Mexico, as a significant user of this mechanism, has collaborated and actively participated in: (i) the joint proposal for launching the Appellate Body selection process, together with 126 other Members; and (ii) the negotiation of the Multi-Party Interim Appeal Arbitration Arrangement (MPIA), to provide a temporary solution to the deadlock in the Appellate Body.

2.37. Mexico is mindful of the need to promote discussions that address new trade challenges and therefore participates constructively in the joint initiatives relating to e-commerce, investment facilitation, domestic regulation of services and MSMEs, in addition to the trade and environmental sustainability initiative.

2.38. To that end, Mexico is seeking to improve and increase the transparency of measures that foster trade in services, support the participation of MSMEs in world trade, create a business environment that is more efficient, predictable and conducive to investment, and to join efforts that contribute to the transition to a green economy and to attaining the Sustainable Development Goals.

2.39. Against this backdrop, Mexico is aware that the severe effects of plastic pollution require common and urgent action to extend and harmonize current efforts. I therefore consider that today is a good time to announce the incorporation of Mexico into the Informal Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade. Mexico shares the objective of achieving concrete, pragmatic and effective outcomes for the benefit of the environment.

2.40. I must also highlight, as part of the MC12 outcomes, the recent and clear recognition by Ministers of women's economic empowerment and the contribution of MSMEs to inclusive and sustainable growth, both of which are priorities on Mexico's agenda. Accordingly, in order to contribute to international cooperation on trade and gender, Mexico joined the Inclusive Trade Action Group (ITAG) and the Global Trade and Gender Arrangement (GTAGA) in 2021. In the same year, it also joined the "SheTrades Outlook" initiative of the International Trade Centre. Furthermore, Mexico is an active participant in the Pacific Alliance's Gender Technical Group and the WTO Informal Working Group on Trade and Gender.

2.41. Mexico remains committed to promoting the participation of MSMEs in international trade. Since the last Review, the Government has implemented various measures to support and train Mexican MSMEs for greater and improved integration into the digital economy and international markets through the development of business skills, virtual business round tables and the use of digital tools and platforms. Likewise, Mexico actively supports the work of the Informal Working Group on MSMEs within the WTO.

2.42. Against a backdrop of unilateral and protectionist initiatives, Mexico recognizes the importance of trade as a central tool for economic growth and development, and reaffirms its commitment to an open, functional and transparent multilateral trading system.

2.43. We will continue to push forward proposals that will enable the WTO to adequately address the current realities and challenges of international trade, while actively participating in the discussions aimed at the much-needed reform of the WTO. We will also do so in the outstanding negotiations on fisheries subsidies, the extension of the exemption for COVID-19 vaccines and the moratorium on electronic transmissions, as well as in the discussions to bring about a possible negotiation of agricultural disciplines.

2.44. Lastly, I reiterate our gratitude for the opportunity to present Mexico's trade policy priorities and developments. I also thank Members for their active participation in this exercise that undoubtedly promotes transparency, the inter-agency coherence of the country under review and compliance with the obligations and rules of this Organization, in addition to the improved functioning of the multilateral trading system.

3 STATEMENT BY THE DISCUSSANT

3.1. I would like to begin by extending a warm welcome to the delegation of Mexico, led by the Undersecretary for Foreign Trade, Luz María de la Mora Sánchez; and to the very distinguished Ambassador Villalobos and his team from the Permanent Mission to the WTO.

3.2. Mexico is a major world economy and a staunch supporter of multilateralism and the WTO, in addition to being strongly committed to bilateral and regional trade and economic integration initiatives. At the personal level, it was a privilege for me to serve as the Ambassador of New Zealand to Mexico between 2013 and 2017, and I am delighted to be discussant at the country's seventh Trade Policy Review.

3.3. Trade policy reviews would not be possible without the detailed work of delegations and the Secretariat. I would like to thank both Mexico and the Secretariat for their comprehensive Reports, which enable Members to form a wider and deeper understanding of Mexico's trade and economic policies.

3.4. I would like to focus my comments today around three broad themes, which I hope will form a sound basis for our discussion.

3.5. Firstly, I would like to comment briefly on Mexico's economic performance during the period under review.

3.6. The global economy has had to grapple with the shocks and strains of the COVID-19 pandemic during the review period. For Mexico, these have been years of severe economic challenge, which have impeded its economic growth. During Mexico's previous TPR period, 2012-2017, GDP expanded at an annual average rate of 2.5%. Members noted the contribution to this result of a combination of sound macroeconomic management, ambitious structural reform and initiatives to diversify trade, as well as significant inward foreign investment. Growth began to slow thereafter and in 2020, GDP sharply contracted by 8.2%, as the impacts of the pandemic on production, consumption and employment spread through the economy. All sectors were hit hard, but the services industries were most affected, contracting from 60.1% share of GDP share to 58.4% in 2021. A growth surge of 4.8% during 2021 has enabled Mexico to maintain its growth trajectory on the positive side of the ledger, for the review period as a whole.

3.7. The Mexican government's response to the pandemic focused on three principal elements; maintaining overall macroeconomic stability, support for the beleaguered health sector to contain and treat the pandemic, and support measures for Mexican households and businesses. The OECD's Economic Survey of Mexico published in February 2022 has commended the actions taken by Mexico to safeguard macroeconomic stability throughout the pandemic, by maintaining a solid macroeconomic policy base, underpinned by innovative debt management, sound monetary policy and a flexible exchange rate regime.

3.8. Other support measures introduced by Mexico to mitigate the adverse economic effects of the pandemic were not targeted specifically towards particular industries, but instead focused predominantly on Mexican families and small business, MSMEs in particular. An array of schemes and programmes were established, including to increase overall liquidity in the economy, provide new digital tools for small businesses, extend credit and defer loans, enable small businesses to retain employees, and support access to business premises and family housing.

3.9. Mexico's trajectory to economic recovery by the end of the review period is promising, despite the ongoing challenges of the pandemic, and the high inflationary pressures to which most of the world's economics are currently exposed. In addition to its macroeconomic stability, trade and investment growth is steady, with trade growth exceeding pre-pandemic levels by 2021 and inwards investment flows now approaching those levels, with Mexico continuing to feature amongst the world's top 10 investment destinations, according to UNCTAD's World Investment Report of 2022. The services sector is recovering more slowly from its battering by the pandemic, but within it, the critical tourism industry is again making strong gains.

3.10. As the second theme of my comments, I'd like to reflect on Mexico's key trade policy priorities during the period of the review.

3.11. Mexico traditionally views trade as a key driver of its economy and this has continued to be the case throughout the review period. Mexico's contribution to world trade is grounded in the WTO. It is a founding Member of the Organization and attaches considerable importance to a well-functioning rules-based international trading system. Its commitment to the promotion and advancement of the Organization is evidenced by its active and high-value contribution to all aspects of the Organization's work, including providing Chairpersons for regular and negotiating bodies over the years, and its participation in JSIs to examine new issues. During the review period, Mexico established its National Trade Facilitation Committee, which oversees implementation of the TFA. Mexico is not a member of the Government Procurement Agreement, nor of the Information Technology Agreement. It might wish to reflect on this, given its commitment to supporting the system and its experience of negotiations on these issues at the bilateral and regional level, which could be shared with the WTO membership.

3.12. The strategic objectives for Mexico's trade policy agenda are set out in the National Development Plan for 2019-2024 and the Sectoral Programme for the Economy for 2020-2024. They are, broadly, to promote foreign trade, defend Mexico's trade interests and negotiate, implement and administer trade agreements. The opportunity that participating in trade creates for stimulating innovation, productivity and competitiveness within Mexican enterprises is well-recognized.

3.13. Within those policy parameters, two issues appear to be particular preoccupations. One focuses outward, on diversification of markets, and one inward, on inclusion, or ensuring that the benefits of participation in international trade are available to communities, sectors and regions which have not traditionally enjoyed them. In this respect Mexico has much in common with New Zealand and several other Members which have embarked on parallel journeys over the same period.

3.14. Mexico is enormously committed to regional trade initiatives and its key markets remain highly concentrated within the Americas. The entry into force of the T-MEC/CUSMA/USMCA during 2020 is a major development of the review period. The upgrades and expansions of other regional partnerships and agreements, such as with Ecuador and Argentina, and the Pacific Alliance are also significant. Equally, the steps taken by Mexico to integrate more closely with the Asia-Pacific region through the conclusion of CPTPP, and entry into force for eight of its members, are an important declaration of intent on diversification, and on embedding Mexico within the supplies chains of that dynamic region. It is further worth noting that during the review period Mexico upgraded its agreement with the EU, launched negotiations with the United Kingdom and the Republic of Korea and as a Pacific Alliance member, concluded negotiations with Singapore. This is an impressive set of achievements during a time of considerable pressure for Mexico's state sector officials.

3.15. A final feature of Mexico's trade policy during the review period I would like to note is the commendable emphasis placed by the Government of Mexico on gender inclusion and the participation of MSMEs in international trade. Domestic inclusion efforts are buttressed by Mexico's active participation in regional fora and within the WTO's Informal Working Groups on Trade and Gender, and MSMEs. New Zealand has welcomed Mexico's decision to affiliate itself with the Inclusive Trade Action Group and the Global Trade and Gender Arrangement.

3.16. Finally, I'd like to turn to issues highlighted at this year's TPR.

3.17. With approximately 800 questions submitted by Members, it's safe to say that there is considerable interest amongst delegations in engaging with Mexico's seventh Trade Policy Review. I will attempt to pick out some useful examples of issues raised.

3.18. Given the global context, it is unsurprising that questions on the economic environment focus on programmes developed to fight the COVID-19 pandemic. The Federal Law on Republican Austerity is another policy of interest.

3.19. In respect of the trade and investment regime, questions cover export diversification and RTA rules of origin, particularly under T-MEC. Mexico's intentions with respect to ITA accession are another theme, as is the functioning of Mexico's rules for government procurement. There is interest in reforms and restrictions in the foreign investment regime.

3.20. There are a range of questions on measures affecting imports. The relationship between the creation of the National Customs Agency (ANAM) and procedures and requirements for determining the value of imported goods, as well as continued requirements to use customs brokers, is of interest. Further information is sought on the criteria for the economic analysis to determine the necessity to impose an import restriction. SPS measures are another area of focus.

3.21. On Sectoral Policies, the agriculture sector and support programmes and incentives provided to it are an enduring interest from the last review period. Further information is sought, for example, on the priorities of the National Development Plan in respect of "food self-sufficiency" and definitions of "sustainable production practices". Clean energy strategies and the sustainability of PEMEX are another sector of interest, as is Mexico's reforms to its Mining Law (April 2022), including the nationalization of lithium and the creation of a state-run lithium agency. Questions have been submitted on services sector policies in financial services, telecommunications, air and maritime transport and port services and in respect of tourism, on access to FONATUR's investment financing.

3.22. These are of course only a snapshot of the questions submitted, and I now look forward to a fruitful and constructive exchange amongst the membership.

3.23. I would like therefore to bring my comments to a close, by thanking the delegation of Mexico, Undersecretary de la Mora and Ambassador Villalobos for the opportunity to act as discussant today. I congratulate Mexico on its extensive and valuable contribution to the WTO and the rules-based trading system at large. I wish Mexico a successful and constructive seventh Trade Policy Review.

4 STATEMENTS BY MEMBERS

KINGDOM OF SAUDI ARABIA

4.1. At the outset, I would like to extend a very warm welcome to the delegation of Mexico headed by H.E. Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade of Mexico.

4.2. The Kingdom of Saudi Arabia also wishes to thank the Government of Mexico and the Secretariat of the WTO for their detailed Reports. We also thank the discussant H.E. Ms Clare Kelly Ambassador and Permanent Representative of New Zealand to the WTO for her introductory remarks.

4.3. The Secretariat Report highlights that after being badly affected by COVID-19 pandemic, in 2021, the Mexican economy rebounded, with GDP growth of around 4.8%, thanks in large part to the measures adopted to deal with the pandemic, which were aimed primarily at assisting the hardest-hit families and businesses.

4.4. We would like to commend Mexico for promoting export diversification and women's empowerment, actively participating in the WTO negotiations and discussions on new trade-related topics, creating the Mexican National Customs Agency (ANAM) in 2021, continuing to implement measures to facilitate trade, such as electronic customs clearance (paperless customs), the use of consolidated customs forms and the improvement of the Single Window for Mexican Foreign Trade, and wider opening its economy as three new treaties have entered into force for Mexico since 2017.

4.5. We congratulate Mexico for the significant reduction in the number of tariff lines during the review period, continuing to implement export promotion programmes, through which it offers tariff and tax concessions, particularly to the manufacturing sector which accounted for more than 85% of total exports, strengthening the industrial property rights regime by issuing the Federal Law on Industrial Property Protection in 2020.

4.6. The Kingdom of Saudi Arabia enjoys friendly relationship with Mexico. In March 2022, the Kingdom of Saudi Arabia and Mexico held a Saudi-Mexican business forum in Riyadh to enhance trade, economic and investment cooperation especially in light of the strong relationship between the two friendly countries.

4.7. From bilateral front, trade exchange between the Kingdom of Saudi Arabia and Mexico reached about SAR 3.6 billion in 2021. Vehicles, electrical equipment, machinery appliances are the most exported products from Mexico to the Kingdom of Saudi Arabia while plastics, glass and glassware, aluminium are the most imported products by Mexico from the Kingdom of Saudi Arabia.

4.8. We submitted a few questions to the delegation of Mexico, and we thank them for the responses received which are currently been reviewed at the capital, and we will accordingly follow-up if necessary.

4.9. Before I conclude, I would like to thank H.E. Mr Ángel Villalobos Rodríguez, Ambassador and Permanent Representative of Mexico to the WTO and his distinguished team for the excellent cooperation between our two missions here in Geneva which serves our mutual interests and commend him for his leading role as a chair for the TPRB this year.

4.10. In closing, the Kingdom of Saudi Arabia wishes the delegation of Mexico a very successful Trade Policy Review.

SINGAPORE

4.11. Let me begin by extending a very warm welcome to Undersecretary for Foreign Trade, Luz María de la Mora Sanchez, and the delegation from Mexico. Singapore would like to express our appreciation to Mexico for its comprehensive Government Report and statement and thank Ambassador Athaliah Molokomme (Botswana) for chairing this meeting. We are also grateful to Discussant Ambassador Clare Kelly (New Zealand) for her insightful remarks and the Secretariat for its comprehensive Report. Allow me to make three points.

4.12. First, Singapore and Mexico enjoy substantive trade and economic relations. As one of the 15 largest economies in the world and the second largest economy in Latin America, Mexico is an important trading partner of Singapore. Mexico was Singapore's third largest trading partner in Latin America and the Caribbean in 2021. Our bilateral trade has grown by 70% over the last decade to reach USD 5.5 billion in 2021, while trade in services amounted to USD 2.2 billion in 2020. Both Singapore and Mexico recognize the benefits of strengthening free trade and have signed numerous regional trade agreements, such as the CPTPP, and Singapore-Pacific Alliance Free Trade Agreement. Upon its entry into force, Singapore will become the first Associated State of the Pacific Alliance. This will enable Singapore and Mexico to tap into the economic potential of ASEAN and the Pacific Alliance countries. Singapore looks forward to continue deepening and broadening our trade and economic relations with Mexico.

4.13. Second, we commend Mexico's concerted efforts to bring about post-pandemic economic recovery. According to the Secretariat's Report, Mexico's GDP shrunk by 8.2% in 2020 but rebounded in 2021 with a GDP growth of close to 4.8%. This can be attributed to government measures which provided support to families and businesses, especially small and medium enterprises. Additionally, as part of Mexico's forward-looking policy to embrace digitalization through its National Digital Strategy 2021-2024, these measures included the expansion of digitization of services for administrative procedures for imports and agri-food exports to ensure that trade remained uninterrupted. E-governance and digital inclusion are also key features of the strategy and will help to create a more conducive business eco-system. Singapore shares a similar interest in promoting access to, and the use of digital resources and we look forward to expanding our collaboration in this area.

4.14. At the same time, there is room for further liberalisation of Mexico's Foreign Direct Investment regime. For example, there have not been any changes to FDI caps since 2017. In this regard, Singapore had posed a question regarding Mexico's foreign investment regime, and we thank Mexico for its response.

4.15. Third, as fellow founding Members of the WTO, Singapore and Mexico share a strong commitment to strengthen the rules-based multilateral trading system. We are pleased that Mexico is an active participant in the various Joint Statement Initiatives at the WTO, including the JSIs on MSMEs, e-commerce, investment facilitation, and services domestic regulation. We are further encouraged that Mexico established the National Trade Facilitation Committee in January 2021 to implement the Agreement on Trade Facilitation which it ratified in 2016. We would also encourage Mexico to participate in the Government Procurement Agreement (GPA) and the Information Technology Agreement (ITA).

4.16. In closing, Singapore looks forward to continue working closely with Ambassador Ángel Villalobos Rodríguez and the Permanent Mission of Mexico in Geneva to further strengthen the WTO. In fact, Ambassador Villalobos' willingness to take on the TPR Chair underscores Mexico's commitment to supporting the WTO. I wish Mexico every success for its seventh TPR.

COLOMBIA

4.17. We warmly welcome the delegation of Mexico, led by the Undersecretary for Foreign Trade, Luz María de la Mora Sánchez, as well as its entire team from the capital and in Geneva.

4.18. We appreciate the comprehensive analysis and feedback provided by Ambassador Clare Kelly of New Zealand as discussant. The relevant elements outlined have helped to significantly enrich this discussion. We also recognize the hard work of the Secretariat and the Mexican authorities in the preparation of the reports.

4.19. Colombia and Mexico are sister countries. Historically, both territories were home to indigenous cultures and followed parallel paths after 1492, both during the conquest and in the independence process. On 10 October 1821, a few days after Mexico achieved independence, Colombia became the first country in the world to recognize this event. Strong fraternal ties exist between the two nations at the cultural, economic and institutional levels alike.

4.20. Mexico is a country of great importance to Colombia and the WTO. Mexico is the 11th largest global exporter and the leading exporter in Latin America. Its network of 13 FTAs with 50 countries

connects the Mexican economy to more than 1.3 billion consumers. In 1994, Colombia and Venezuela signed a trade agreement with Mexico known as the Group of Three (G-3) Agreement, which entered into force in January 1995. In August 2009, Colombia and Mexico concluded work for the adaptation of the Agreement, which was adjusted to new trade realities. June 2010 saw the signing of the Amending Protocol, which entered into force in August 2011. The two nations are part of the Pacific Alliance.

4.21. In terms of the bilateral relationship, the trade balance with Mexico traditionally shows a deficit for Colombia. Over the period January-July 2022, the main products exported from Colombia were: coke and semi-coke of coal (19%), coal (11%), palm oil (7%) and polymers of propylene (5%).

4.22. In terms of imports, the main products imported from Mexico to Colombia were: televisions (11%), automobiles (8%), trucks (4%), tractors (4%) and computers (4%).

4.23. In short, Colombia exports to Mexico a large quantity of primary products and imports from Mexico a significant quantity of industrial goods.

4.24. As regards FDI, Colombia's investment in Mexico is growing and its cumulative value since 1994 is USD 4,684 million. The cumulative value of Mexico's FDI in Colombia since 1994 is USD 7,158 million.

4.25. The tourism sector is also very important and is performing strongly, with outstanding growth rates. Mexico is the second largest source of tourists visiting Colombia, while Colombia is the third largest source of tourists visiting Aztec territory.

4.26. Given that over three quarters of Mexican exports go to the United States, Mexico should consider Colombia as an opportunity for diversification, since, taking neighbourly relations and common links into account, the country offers an excellent opportunity for Mexico to expand its trade relations, and *vice versa*. Trade flows will certainly increase under the existing Free Trade Agreements.

4.27. For this TPR, Colombia thanks Mexico for the replies to our questions on, *inter alia*, its strategy for the promotion and diversification of agricultural exports, incentives for various production sectors, industrial subsidies and domestic agricultural support. Colombia submitted a large number of questions to Mexico, but this is simply a sign of how important the country is to us. Mexico is in many respects a role model for Colombia, in addition to one of the representatives of Latin America in the G20.

4.28. I would like to conclude by thanking the Undersecretary, the Mexican delegation from the capital, Ambassador Ángel Villalobos Rodríguez and the entire team from the Mexican Mission to the WTO, our relations with which are based on the strongest of friendships and joint work. We wish them a successful Trade Policy Review.

CANADA

4.29. I would like to extend a very warm welcome to the Mexican delegation here today and thank them and the WTO Secretariat for the preparatory work they have done for this Trade Policy Review.

4.30. Canada and Mexico share a close, vibrant and multifaceted relationship – and one that is anchored in trade. Three facts that the membership might not be aware of:

- i. Mexico is Canada's third largest single-country merchandise trading partner;
- ii. there are over 60 Canadian car part companies operating in Mexico, with over 130 plants in 14 states, employing approximately 30,000 Mexicans; and
- iii. not only are Canada and Mexico partners in the trilateral North American Trade Agreement that in Canada call CUSMA and that in Mexico they call T-MEC, we also share membership in the Comprehensive and Progressive Agreement for Trans Pacific Partnership, at the OECD, at the G20 – and of course here at the WTO.

4.31. This third "fun fact", while perhaps not qualifying as an "unknown" to many and certainly not to those in this room, I think it warrants underscoring, because our active and sustained collaboration in these numerous multilateral fora is evidence of Canada and Mexico's shared commitment to multilateralism and specifically to the multilateral trading system. Canada welcomes this continued partnership with Mexico and we welcome our collaboration at various junctures and in various fora to provide, the facts around why trade matters and how it has delivered for many around the world. I have personal fond memories of traversing the southeast US with my Mexican colleague, Javier Díaz de León, when I was Canada's Consul General to the region, talking loudly and proudly about the importance of trade, of integrated supply chains and of a rules-based trading system to hold everything together, globally. It is a pleasure to now be in Geneva and to have the opportunity to work with Mexico to do the same here – with an emphasis on the global and perhaps with a renewed sense of urgency.

4.32. Our partnership at the WTO is just as important as in others, if not more, even. And our strong collaboration in all the Joint Statement Initiatives and on emerging issues such as the TESSD, demonstrates our close alignment in ensuring that the WTO remains relevant and responsive to the 21st century trading environment.

4.33. I would also take the opportunity to express Canada's appreciation to Mexico for its commitment to fulfilling its notification obligations in this house, and its participation in the Multi-party Interim Appeal Arbitration Arrangement, which is currently the best means for Members to safeguard their rights to binding dispute settlement with access to appellate review.

4.34. It is because of the close relationship that Canada and Mexico have, that I am confident that the two countries will continue to work together to resolve matters that can further undermine the Mexican investment climate, including recent domestic measures within the agriculture, energy and mining sectors. Canada is an important investor in Mexico and all investors need a stable and predictable business environment in order to compete on a level playing field. Canadian investors are no different in this regard.

4.35. Again, a warm welcome to the Mexican delegation and we look forward to a productive discussion on all aspects of Mexico's trade policy.

HONG KONG, CHINA

4.36. I would like to start by welcoming the delegation of Mexico led by Undersecretary for Foreign Trade Ms Luz María de la Mora Sánchez,. I would also like to thank Ambassador Clare Kelly of New Zealand for her comments as discussant, and the Secretariat for the comprehensive Report.

4.37. Hong Kong, China greatly values our bilateral relations with Mexico, who is our largest trading partner in Latin America. During the review period, our bilateral merchandise trade grew steadily at an annualized rate of 7.7%, reaching USD 6.1 billion in 2021. It is particularly encouraging to note that, despite the uncertainties in the global trading environment during the past two years, our bilateral trade has increased by 32.8%.

4.38. We are also pleased that the Investment Promotion and Protection Agreement between Hong Kong, China and Mexico entered into force last year, which should encourage further growth and collaboration between our two economies.

4.39. Here in Geneva, Mexico is our close working partner who shares the same commitment to the rules-based multilateral trading system. We appreciate Mexico's role in spearheading a joint proposal widely supported by over 120 WTO Members (including Hong Kong, China) to urge early appointment of members of the Appellate Body. We also appreciate Mexico's active participation in various Joint Statement Initiatives and look forward to working even more closely with Mexico on issues of mutual interests.

4.40. We have the following observations on Mexico's trade policy regime.

4.41. First, Mexico has introduced various customs and trade facilitation measures during the review period, such as setting up a National Trade Facilitation Committee, introducing an electronic customs clearance system, and easing the import procedures for COVID-19 related products. However, we

note that importers are now required to appoint a customs broker, a customs agency or a legal representative (who must hold Mexican nationality) to handle customs clearance, whereas engaging such services was optional during the previous review period and importers could carry out customs clearance formalities direct. Since the recovery in global trade is still fragile, we urge Mexico to exercise restraint when introducing more trade-restrictive measures.

4.42. Second, tariff. We are pleased to note that Mexico has bound all of its tariff lines and maintained *ad valorem* rates for 99.4% of its tariff lines. However, tariffs remained comparatively high for several products. For agricultural products, while the average tariff dropped from 14.3% to 13.2% during the review period, the duties on sugar, confectionery and dairy products stood at 30%. For non-agriculture products, the average tariff rose from 4.6% to 5.9% during the review period, with clothing and footwear being subject to average tariffs of 21.4% to 30%. We would urge Mexico to review and lower its applied MFN rates for further trade liberalisation.

4.43. Third, technical regulations and standards. During the review period, Mexico published 174 technical regulations which were mandatory for both domestic and imported products. In accordance with Mexican law, such technical regulations should be based on international standards, but we note that not all of them (only 20 out of these 174 regulations) could meet this requirement. As such, we would urge Mexico to adopt international standards as far as possible to minimize unnecessary obstacles to trade.

4.44. Finally, services. Notwithstanding the impact of the pandemic, the services sector remained a major contributor to Mexico's economy, accounting for 58.4% of its GDP in 2021. We appreciate Mexico's efforts to increase competition and promote foreign investment in different services sectors, including financial services and transport services. We would encourage Mexico to continue liberalization of its services trade regime for foreign investment, for instance, by reviewing any restrictive market-access condition, and removing or reducing the existing limitations on foreign ownership.

4.45. All in all, we congratulate Mexico on its success in tackling the economic challenges arising from the pandemic, as reflected in the re-bounce of its trade and investment sectors, with some actually exceeded their pre-pandemic levels. We thank Mexico for the written replies to our questions and wish Mexico a successful and fruitful Trade Policy Review.

JAPAN

4.46. Japan would like to welcome the delegation of Mexico, headed by H.E. Luz María de la Mora Sánchez, Undersecretary for Foreign Trade, as well as H.E. Ambassador Ángel Villalobos Rodríguez, Permanent Representative of Mexico to the WTO—whose dedicated work as Chair of the TPRB we very much appreciate. Japan would also like to thank the WTO Secretariat and the Government of Mexico for their Reports submitted for this review process, and the discussant, Ms Clare Kelly, Ambassador of New Zealand for her insightful remarks.

4.47. In this review period, we acknowledge that the COVID-19 pandemic has had adverse impacts on Mexico's economy. However, in 2021, its GDP growth rate rebounded to 4.8%, boosted by its fiscal policy targeted at MSMEs, which were significantly impacted by the pandemic. The manufacturing sector accounts for over 80% of Mexico's exports, and its inward direct investment (IDI) is also concentrated in the manufacturing sector. We commend Mexico's achievement of the largest growth in this sector in Latin America. We also look forward to Mexico's future efforts to diversify its industries, including in the telecommunications sector, which is expected to grow rapidly, in order to promote more stable growth in the Mexican economy.

4.48. Regarding Mexico's trade relations, today, Japan would like to highlight three points.

4.49. First, we are pleased to note that Mexico and Japan, with a history of more than 400 years of exchange and over 130 years of diplomatic relations, are working closely together in the international arena as strategic global partners who share fundamental values. Since the Japan-Mexico EPA came into effect in 2005, bilateral economic relations have highly developed and trade volume has significantly increased, and the amount of trade volume between our two countries has more than doubled in the past 15 years. At the same time, the number of Japanese companies operating in Mexico has more than quadrupled and is now the largest in Latin America at

nearly 1,300 companies. In such an upward context, the maintenance and further improvement of the business environment of these enterprises are of vital importance.

4.50. Nevertheless, there are problematic situations in Mexico's energy sector, such as delays in granting or renewing permits and licences. Therefore, we request that further efforts be made towards achieving legal stability in this sector, so as not to damage the investments of Japanese companies operating in Mexico, and to enable them to continue their business activities. This issue is currently the subject of dispute settlement procedures with the United States and Canada under the USMCA, and we request that the issue be resolved in a manner that will benefit the entire power sector.

4.51. In addition, under the Japan-Mexico EPA, the Committee for the Improvement of the Business Environment was held on 2 February 2022. At the Committee, Japan raised the following six issues, which are of particular interest to Japanese companies: (i) taxation and customs clearance (especially requests related to the value-added tax refund system); (ii) intellectual property and standards certification (especially priority review and equivalent recognition for pharmaceutical registration); (iii) public security; (iv) labour (especially requests to start negotiations on the Social Security Agreement as soon as possible); (v) logistics and infrastructure; and (vi) tourism. Given the number of outstanding issues, we would like to continue engaging in discussions with Mexico with a view to resolving all those issues and further strengthening relations between our two countries.

4.52. Moving on to my second main point, we are pleased to engage in collaboration with Mexico to expand the free, fair, and open economic area in the Asia-Pacific region. We look forward to working together with Mexico through APEC and the CPTPP, to ensure that the Asia-Pacific economic and trade system continues to function and develop in a transparent and market economy-based manner.

4.53. According to the Government Report, Mexico considers the CPTPP a key pillar of its trade policy. We look forward to the role Mexico will play in the steady implementation of the high standards and spirit of the CPTPP.

4.54. With respect to the USMCA, Japan will continue to monitor its potential impact on the business environment for foreign companies operating in Mexico. We are particularly interested in developments in the USMCA's dispute settlement mechanism, among other issues such as the rules of origin on automobiles and energy policy as mentioned earlier. Therefore, we will continue to request that Mexico share relevant information on its implementation of the USMCA, with a view to maintaining its transparency and predictability.

4.55. In spite of the aforementioned challenges, we highly appreciate Mexico's efforts to actively promote trade liberalization. We look forward to the thorough implementation by Mexico of its RTAs, which will serve to complement the multilateral trading system.

4.56. Coming now to my third and final point, we welcome Mexico's active engagement in the negotiations at the WTO. In particular, we value its participation and contribution to the Joint Statement Initiatives (JSIs). Japan believes that such negotiations by willing and committed Members are critical for maintaining and strengthening the multilateral trading system centred on the WTO. With this in mind, we highly appreciate Mexico's leading the launch of the Trade4MSMEs platform. In this vein, we also appreciate Mexico's inclusion of MSMEs-related information in its Report, in accordance with the recommendation from the working group. We believe this information enhances transparency and provides examples of good practice.

4.57. In addition, as described in the Secretariat's Report, Mexico has fulfilled the notification obligation under the WTO agreement in various sectors since the last review in 2017. We commend Mexico for its proactive contribution to greater transparency.

4.58. In conclusion, we hope that Mexico's presence in the WTO will be further enhanced by advancing its policies in favour of free trade. Japan would like to continue cooperating with Mexico as a valued strategic global partner.

4.59. Finally, we wish the delegation of Mexico a very successful and fruitful Trade Policy Review.

DOMINICAN REPUBLIC

4.60. Please allow me to praise Mexico for producing an in-depth assessment of its trade policies and practices. One of the WTO's most important functions is to promote transparency –crucial for supporting a fair and efficient global trading system. The trade policy review process also grants countries the opportunity to contemplate their changing economic policy and development challenges.

4.61. As the rest of the world, Mexico confronted challenging developments during the period under review: the economy's output fell by around 8% in 2020, according to the IMF's latest Country Report (No. 2021/240). Still, the current account of the balance of payments registered a positive value in 2020 -with exports of manufactures (about one third of GDP) remaining stable as a share of total output.

4.62. Many challenges lie ahead for Mexico and the global economy. Preserving macroeconomic stability is fundamental; to that end, the Bank of Mexico more than doubled its reference monetary policy interest rate (the target for the overnight interbank funding rate) during the past 15 months, from 4.25% in June 2021 to 9.25% at the end of September 2022.

4.63. Let me to conclude by stating that Mexico's 2022 Trade Policy Review will be a valuable reference for its policymakers and for the international community in the face of an unusually complex economic environment.

UNITED STATES

4.64. First of all, I would like to extend a warm welcome to the distinguished delegation of the Government of Mexico and our congratulations for the prompt completion of its seventh Trade Policy Review.

4.65. Together with Canada, the United States and Mexico recommitted to our longstanding economic and trade partnership through our new trade agreement, the United States-Mexico-Canada Agreement (USMCA), which entered into force in July 2020. The USMCA maintains the zero tariffs between the United States and Mexico under the original North American Free Trade Agreement, and modernizes our trading relationship through important new commitments, including those covering digital trade, cross border trade in services and financial services, good regulatory practices, and state-owned enterprises. The USMCA also includes state-of-the art commitments for labour and environmental protections.

4.66. Mexico's trade regime is of deep interest and importance to the United States given our shared border and significant trade. In 2021, Mexico was the United States' second largest trading partner, with two-way trade in goods and services totalling USD 718.8 billion.

4.67. Since its last TPR, Mexico has taken steps to implement the USMCA's advanced commitments through the enactment of new laws, including the 2020 Quality Infrastructure Law, which updates Mexico's regime for standards, technical regulations, and conformity assessment to implement the provisions related to technical barriers to trade and elements of good regulatory practices.

4.68. In addition, in 2020, Mexico made important changes in passing a new Industrial Property Law, and amendments to its Federal Copyright Law and Federal Criminal Code. These reforms included improvements in laws addressing protection against the circumvention of technological protection measures and rights management information, Internet-service provider liability, satellite and cable signal theft and penalties for aiding or abetting these activities, unauthorized camcording of movies, and transparency and due process regarding geographical indications.

4.69. Mexico also continues to implement its 2019 labour law reform, transferring the authority to adjudicate labour disputes to new labour courts in Mexico's judicial branch and the responsibility for registering unions and collective bargaining agreements to a new, independent, and specialized Federal Center for Conciliation and Labor Registration. The United States continues to support Mexico in its efforts to fully implement this reform, so that workers in both Mexico and the United States are better able to organize freely and support the union of their choice.

4.70. At the same time, despite our progress after two years of implementing the USMCA, the number and scope of concerns we hear from US stakeholders about Mexico, many directly implicating important USMCA obligations, has not stopped and remains concerning.

4.71. Mexico's energy policy has gained international attention, and is negatively impacting Mexico's investment climate. We urge Mexico to take steps to address well-documented concerns with regard to certain measures favouring its state-owned electrical utility and oil and gas companies over private investors. These measures are damaging Mexico's well-earned reputation as a safe haven for international investment, and are damaging confidence in our integrated economies broadly and Mexico's efforts to meet its Paris commitments.

4.72. In addition, we have serious concerns about efforts to weaken the political autonomy of independent regulators in Mexico, as well as efforts to undermine the impartiality of regulatory bodies, including through changes to the practices of oversight bodies such as the National Commission for Regulatory Improvement (CONAMER) and with specific regulatory agencies. The United States and Mexico share important obligations on good regulatory practices in the USMCA, and we urge Mexico to ensure that regulatory agencies maintain transparent processes and allow notice and comment periods for planned regulatory actions, and for regulators to evaluate comments received.

4.73. We also highlight the United States and Mexico's shared obligation to maintain science- and risk-based regulatory processes, and urge Mexico to address what are now longstanding concerns about unwarranted delays for applications for agricultural biotechnology products and decisions that appear to not be based on scientific risk assessment.

4.74. Moreover, while Mexico has undertaken efforts to simplify customs procedures, there continues to be room for Mexico to make additional improvements, including with respect to implementing its USMCA obligation to not limit the number of ports where a broker can operate, as well as improving consolidation of express shipments, and transparency regarding new requirements for a "Complement" to existing electronic invoice requirements on transportation services.

4.75. In the area of intellectual property protection and enforcement, despite positive achievements, the United States notes that there remain concerns, including with respect to enforcement against counterfeiting and piracy, enforcement of IP rights in the digital environment, dedication of government resources to IP enforcement, pre-established damages for copyright infringement and trademark counterfeiting, and transparency and due process regarding geographical indications.

4.76. In conclusion, the United States commends Mexico for its commitment to the TPR process. We look forward to continuing to engage with Mexico to further strengthen our trade relationship and more fully implement our new agreement by addressing the serious concerns we have highlighted here.

COSTA RICA

4.77. I am delighted to welcome the delegation of Mexico, led by the distinguished Undersecretary for Foreign Trade, Ms Luz María de la Mora; Ambassador Ángel Villalobos and the other members of the delegation; and the distinguished Ambassador of New Zealand to the WTO and discussant at this review, Ms Clare Kelly, in addition to all those in attendance today. We thank the Secretariat for its comprehensive and clear report.

4.78. It is a great pleasure for me to participate in this Trade Policy Review, the first since my recent return to Geneva. I would like to begin by highlighting that Mexico has historically been a partner and strategic ally for Costa Rica.

4.79. Since our diplomatic relations began more than 180 years ago, we have been working to strengthen the brotherly ties that unite us. We share common foreign trade-related objectives within the multilateral framework, at the regional level and as part of our bilateral agenda, aimed at facilitating trade between our countries. Our trade and investment has seen significant developments, particularly since the entry into force of the Free Trade Agreement in 1995, with Mexico being the first bilateral partner with which we signed a trade agreement.

4.80. Since then, our bilateral trade has increased more than ninefold and in 2021 we were the second destination for Mexican exports to Central America. Moreover, it should be highlighted that, over the past decade, Mexico has been the third largest source of foreign investment in Costa Rica.

4.81. The strengthening of trade relations at the regional level has also intensified over time through the convergence process for the trade agreements that Mexico had in place with Central America, resulting in 2011 in a trade instrument adapted to modern rules and the productive realities of the region.

4.82. At the multilateral level, we recognize Mexico's commitment and active participation in the joint initiatives on matters such as services domestic regulation, e-commerce and investment facilitation. We also emphasize the common interest in issues such as agriculture and joint initiatives on women's economic empowerment and MSMEs.

4.83. We highlight Mexico's leadership in the discussions on the revival of the Appellate Body, as well as in the reform of the WTO dispute settlement mechanism, both of which are topics of great interest to Costa Rica.

4.84. I cannot fail to mention Mexico's valuable presence in the discussions on trade and environmental sustainability.

4.85. Turning to today's Trade Policy Review, I would like to make some brief remarks.

4.86. Against the backdrop of the international environment faced by world trade in recent years, we highlight Mexico's strong resilience to the impact of the COVID-19 pandemic. Despite the contraction of its imports and exports, Mexico achieved a surplus of 2.4% of GDP in the current account of its balance-of-payments.

4.87. Costa Rica shares with Mexico the importance of improving the transparency of the regular work of the WTO, and, along these lines, thanks Mexico for its latest notification on domestic support. Mexico is among the main Members with the highest WTO subsidy entitlements, so Costa Rica welcomes its responsible positioning in agricultural negotiations and the constructive spirit that it has shown over the last two years. We will continue to work with Mexico to seek joint solutions that enable us to move forward on this issue at the WTO.

4.88. Both countries recognize the importance of trade facilitation and, in this connection, we urge Mexico to continue working on the implementation of measures that contribute to improving the transit of goods, such as the optimization of the Single Window for Mexican Foreign Trade. In Costa Rica's view, it is essential to strengthen these measures that encourage greater trade.

4.89. In the same vein, we are convinced that promoting a more open foreign investment regime will contribute to incentivizing competition, resulting in greater benefits for consumers.

4.90. With regard to the environmental agenda, we acknowledge the incorporation of disciplines in the new trade agreements, known as the CPTPP and T-MEC. However, we consider that in order to comply with the commitments of the Paris Agreement and combat the global problem that is climate change, there is still work to be done to gradually reduce dependence on fossil fuels.

4.91. We would like to reiterate today what we stated at Mexico's previous Trade Policy Review. There is more that unites us than divides us and, despite our rivalry in football, we are sister countries with a shared history and desire for a prosperous future.

4.92. Congratulations to Mexico and the Secretariat for the excellent work they have carried out for this transparency exercise, as well as to the discussant, Ambassador Kelly, for her very valuable intervention.

EUROPEAN UNION

4.93. On behalf of the European Union, I would like to welcome Mexico's delegation, led by Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade and the discussant, Ambassador H.E. Ms Clare Kelly (New Zealand) for her introductory words.

4.94. Let me start by highlighting that in the EU we qualify our partnership with Mexico as "strategic", meaning that we are committed to working together across many overarching areas of policy, ranging from economics to trade, social, and political cooperation.

4.95. Mexico is the country that led the central and South American economies to openness in the 1990s. It is the first country - in Latin America - with which the European Union concluded a Global Free Trade Agreement, in force since 2000. Both the EU and Mexico are extremely open economies, which have succeeded in resisting protectionist policies and promoted initiatives to eliminate barriers to trade. The EU is fully committed to conclude and sign swiftly the modernization of the EU-Mexico Global Agreement; this will provide a comprehensive and up-to-date framework for our relations.

4.96. At the same time, we recognize that Mexico faces a significant number of challenges. These include the need to reduce income inequality internally, and to balance its dependence on the US market externally with the discovery of new export markets. Mexico has the ambition to be a reliable manufacturing hub supplying both the North and South American markets. Equally, Mexico's OECD membership is a reflection of its ambitions to become a higher income knowledge-driven economy, which the EU very much supports.

4.97. Despite the impact of the pandemic, EU-Mexico trade is doing well; the EU is Mexico's third largest trading partner and second in terms of Mexican exports. It is important to note also that a large share of Mexican imports from the EU are used in the Mexican production value-chain and boost Mexican exports. Mexico's trade to GDP ratio for 2021 was a very high 82% - a 5% increase from 2020.

4.98. European companies have historically been significant investors in the Mexican economy, and since 2000 over 40% of foreign direct investment in Mexico has come from the European continent. Indeed, accumulated FDI stocks from the EU from 2000 to 2021 amount to close to USD 200 billion, which ranks the EU as the second investor in Mexico.

4.99. The international community is facing major geopolitical challenges, above all resulting from the Russian Federation's brutal aggression in Ukraine, which continues to challenge the rules-based international order. We have welcomed Mexico's position at the UN Security Council and the UN General Assembly, and encourage Mexico to adopt measures such as dual-use export controls.

4.100. Mexico is an active participant in the work of the WTO and is committed to the multilateral trading system. The EU welcomes Mexico's support for WTO reform, and its participation in the Multiparty Interim Appeal Arbitration Arrangement (MPIA). We also commend Mexico for its participation the Joint Statement Initiatives on Services Domestic Regulation, E-commerce and Investment Facilitation, as well as in the Trade and Environmental Sustainability Structured Discussions (TESSD).

4.101. We would be remiss if we did not encourage Mexico to join important agreements of which it is not yet a Member, like the Information Technology and Government Procurement Agreement.

4.102. The EU would also like to raise some concerns as regards some aspects of Mexico's trade and investment policy. As a general remark, while Mexican legislation is advanced as regards the various aspects of its trade policy, the EU must note shortcomings in the implementation of existing legislation, sometimes due to an unclear or uncertain nature of the scope of applicable regulations.

4.103. More specifically, the EU is concerned about the deterioration of the investment climate, in particular increasing legal uncertainty and some apparent disregard of international obligations. Some actions taken, particularly in Mexico's energy sector, are to the detriment of trade and investment, not only in this sector but also across all economic sectors. A return to a more inward-looking policy would be fraught in our view with difficulties and setbacks.

4.104. A level-playing field is essential in attracting investment, and to generate political stability and ensure predictability for investors. Discrimination in favour of State-owned enterprises has become an unfortunate daily reality faced by EU investors.

4.105. Furthermore, more efforts are needed as regards effective and unified application of customs procedures. In particular, EU operators are concerned with the highly burdensome and costly import procedures that often impose disproportional requirements and high quantity of documents. Similarly, the EU has significant TBT concerns regarding applicable rules on required certification and standards, which are often unclear, costly and disproportionate, in particular for spare parts and medical devices. The problems seem also to be particularly frequent in relation to sanitary and phytosanitary import authorizations and procedures.

4.106. The EU has addressed to Mexico a series of questions seeking clarifications on its intellectual property rules and procedures. The EU would see scope for improvements as regards IPR enforcement and protection of geographical indications. Lastly, the EU would encourage Mexico to continue its efforts and to progress further in opening up its markets to foreign enterprises in particular in the area of government procurement as well as services.

4.107. On behalf of the EU, I look forward to a constructive exchange of views during this review and I wish Mexico's delegation the utmost success during its Trade Policy Review.

ARGENTINA

4.108. We would like to join other Members in welcoming the delegation of Mexico, led by H.E. Luz María de la Mora Sánchez, Undersecretary for Foreign Trade.

4.109. We thank Mexico and the Secretariat for the reports prepared, as well as H.E. Ambassador Clare Kelly for her comments. These elements have provided us with the information to deepen our understanding of Mexico's trade practices and economic environment.

4.110. Mexico is a leading trading partner of Argentina with whom we maintain excellent political relations and a prosperous trading relationship. In the last year, bilateral trade has grown significantly, both in goods and services.

4.111. The main Argentine exports to Mexico are animal or vegetable fats and oils; motor vehicles, parts and accessories thereof; cereals; beverages; and machinery and mechanical appliances. Mexico, for its part, exports the following to Argentina: motor vehicles, parts and accessories thereof; machinery and mechanical appliances; electrical goods and parts thereof; iron and steel; and essential oils and resinoids.

4.112. In terms of services, Argentina's exports are concentrated primarily in knowledge-based services, while Mexico also provides us with knowledge-based services and tourism or travel services.

4.113. Bilateral merchandise trade grew significantly between 2020 and 2021. However, it is still far from reaching its potential. This is why we recognize the existing potential in the two countries' various productive sectors to increase trade, strengthening regional supply chains. Argentina aims to increase and diversify agricultural trade with Mexico and is committed to moving forward in that direction through the relevant sanitary negotiations, with a view to establishing itself as regular supplier of a greater range of food.

4.114. We would like to mention in particular the visit of President Alberto Fernández to Mexico in 2021 and the presidential declaration signed on that visit, as well as the consensus reached in March 2022 at the meeting of the binational Strategic Partnership Council, during which a roadmap was outlined for 2022.

4.115. We are confident that these efforts will be consolidated through the expansion and deepening of the bilateral Economic Complementarity Agreement.

4.116. With regard to Mexico's economic environment, as the country report indicates, we recognize the challenges posed by the pandemic and welcome the fact that the country's macroeconomic stability has allowed for a rapid and sustainable recovery. In this regard, we highlight the measures taken to support MSMEs, as well as the efforts to diversify exports. We also emphasize the importance of the measures related to customs procedures and trade facilitation. We welcome the

information submitted by Mexico in its report regarding the promotion of the participation of women in the economy.

4.117. Argentina greatly appreciates Mexico's contributions to the rules-based multilateral trading system and its active participation in the activities and bodies of the WTO. Like Mexico, Argentina stresses the importance of having a fully-functioning and operational dispute settlement system as a binding mechanism that provides guarantees that current and future provisions will be respected.

4.118. We wish to take this opportunity to reiterate our intention to work together with Mexico and all other Members in the process of reforming the Organization in order to strengthen its ability to address current and future challenges in international trade, with a view to creating a fairer multilateral trading system that meets the needs of developing countries.

4.119. Lastly, as part of this Trade Policy Review, we have submitted a series of questions to Mexico on its import regime, including, *inter alia*, rules of origin, tariff preferences, the investment regime and customs procedures. We thank Mexico in advance for the replies, which will be duly examined by our authorities in Buenos Aires.

4.120. While reiterating our gratitude for this new opportunity to exchange comments on Mexico's trade practices, we would like to draw attention once again to the importance of this exercise in transparency from every point of view, and to wish the Mexican authorities a successful conclusion to this Review.

PHILIPPINES

4.121. The Philippines warmly welcomes and congratulates the delegation of Mexico led by Ms Luz María de la Mora Sánchez Undersecretary for Foreign Trade, and Ambassador Ángel Villalobos Rodríguez of the Permanent Mission of Mexico to the WTO on their seventh Trade Policy Review. We also thank Ambassador Clare Kelly of New Zealand for her insightful comments as discussant, and the WTO Secretariat for its comprehensive Report.

4.122. The Philippines enjoys a longstanding relationship with Mexico since the Manila-Acapulco Galleon Trade in the 16th century. The Galleon Trade has been regarded as the second manifestation of globalization through the maritime routes after the famed Silk Road. The transpacific Galleon Trade contributed to the development of trade and exchange of culture across continents. Through the years, we have witnessed the growing breadth and depth of Philippines-Mexico bilateral cooperation.

4.123. In 2021, Mexico ranked as the Philippines' 25th trading partner in the world with total bilateral trade amounting to USD 927.25 million. Among the Philippine top exports to Mexico are digital monolithic integrated circuits (ICs), storage units, semiconductors, and static converters while top imports from Mexico include self-propelled railway or tramway coaches, processing units, LAN apparatus, pigments, and machine parts and accessories.

4.124. Since the last trade policy review in 2017, Mexico added three new regional trade agreements (RTAs) to its network, which currently consists of 23 RTAs, and has several ongoing negotiations of new agreements and modernization of existing ones. We are also happy to note that since 2017, five double taxation agreements, including the Philippines, have entered into force.

4.125. Further, we note that as Mexico aims to establish itself as a new gateway for multimodal traffic between Asia and the US east coast, it has increased the openness of its air transport sector. We are glad to note that with this goal of expanded air connectivity, greater foreign participation is allowed by Mexico and that among the new air services agreements it has signed is one with the Philippines.

4.126. Mexico is a firm supporter of the multilateral trading system and an active Member of the WTO, including its chairmanship in key bodies of the WTO and its dynamic participation in discussions on joint initiatives such as the micro, small, and medium-sized enterprises, e-commerce, services domestic regulation, investment facilitation, trade and gender, and trade and environment. Its active participation in the JSI on MSMEs, brought a successful realization of the Trade4MSMEs platform.

4.127. The Philippines notes the significant developments in the economic policies of Mexico, and we appreciate the opportunity to learn more about these policies through this Trade Policy Review. Our delegation has submitted advance written questions and we thank the delegation of Mexico for its timely responses.

4.128. In closing, the Philippines looks forward to further enhancing the mutually beneficial economic relations with Mexico in the bilateral, regional, and multilateral fora.

AUSTRALIA

4.129. A warm welcome to H.E. Ms Luz María de la Mora Sánchez, thank you Ambassador Kelly for your thoughtful remarks and, of course, welcome to Ambassador Ángel Villalobos and your delegation here today.

4.130. Mexico is a big contributor to the global trading system and to the WTO. We note that Mexico is a valuable contributor to rule-making here at the WTO, and as others have said, is an active and constructive participant in all four Joint Statement Initiatives. We want to thank Mexico for its strong commitment to the authority of international law here; and to a fully functioning dispute settlement system, including in its role as a party to the Multi-party Interim Appeal Arbitration Mechanism.

4.131. We welcome Mexico's strong commitment to the conclusion of the Fisheries Subsidies Agreement at the MC12, and we encourage Mexico to undertake its domestic processes to ratify it as soon as possible.

4.132. We welcome also the opportunity to strengthen cooperation with Mexico on furthering multilateral agricultural trade reform, particularly in relation to distortionary subsidies, and in this respect, Mexico could do better, we are calling on Mexico to submit outstanding notifications, for instance, in relation to its transparency obligations and one particular area where we have not seen a notification since 2016.

4.133. We acknowledge the severe impact of the COVID-19 pandemic on Mexico's economy. We were pleased to see that in 2021 Mexico's economy rebounded with GDP growth of around 4.8%. We commend the Mexican Government for the macroeconomic measures that it adopted to address the pandemic's impact, included targeting assistance payments designed to ease pressures on small and medium-sized business.

4.134. Looking at our own relationship, it is a healthy one. Mexico, as described, is the largest trading partner in Latin America, two-way goods and services trade was more than AUD 3 billion in 2020, and during the review period the Australian investment in Mexico increased substantially. As both of our countries look to diversify markets, there are opportunities to deepen investment and commercial ties in key growth sectors, such as resources and energy, defence, advanced manufacturing, education, and research.

4.135. Now we are pleased to see that Mexico is continuing to lower tariffs on agricultural products. Mexico is now Australia's largest agricultural export market in Latin America. Meat exports have increased from around AUD 10 million to around AUD 16 million to the end of 2021 driven by a growing interest in Australian beef from high-end Mexican restaurants. Last year, Mexico also became Australia's largest export market for malt and barley. So, just concentrating on those two products, beef, malt, and barley the potential to expand the bilateral relations through more steak and beer, is evident and we look forward to talking in more detail about that.

4.136. Australia notes the Mexican Government's ambition to achieve energy sovereignty through reforms to the electricity and the resources sector. Like others who have spoken today on this issue, we would welcome the opportunity to discuss these reforms further, including the impact that they could have on Australian businesses operating in Mexico.

4.137. We have submitted a number of questions as have others and we look forward to Mexico's responses. We wish Mexico well in this Trade Policy Review and to continue to cooperate with you here at the WTO.

UKRAINE

4.138. Ukraine would like to extend a warm welcome to the delegation of Mexico on its seventh Trade Policy Review, led by Luz María de la Mora Sánchez, Undersecretary for Foreign Trade in the Secretariat of Economy.

4.139. I would also like to thank the WTO Secretariat and the Government of Mexico for their respective Reports and express appreciation to H.E. Ms Clare Kelly, Permanent Representative of the New Zealand, for her remarks as the discussant.

4.140. Ukraine is pleased to discuss developments in Mexico's trade policies and practices. Both Mexico and Ukraine have focused on opening new markets and further integration into regional and global value chains, struggling to promote trade and to attract investments for economic development and well-being of our people.

4.141. In this context, we applaud Mexico's macroeconomic strength and maintaining strong trading position, despite the adverse impact of the COVID-19 pandemic and drastic effects of the Russian Federation's unprovoked and unjustified aggression against Ukraine.

4.142. Notwithstanding geographical distance, the disastrous repercussion of the Russian Federation's war against Ukraine is felt throughout the world, far beyond Ukraine's borders, including in Mexico. It has led to an increase in food and fuel prices, as well as to greater economic uncertainty and lower global growth expectations. The war continues to cause huge human suffering and economic losses, to destroy trade, supply chains and to undermine international trade.

4.143. Mexico is the second most important trading partner of Ukraine among the countries of Latin America and the Caribbean. Prior to the war, our mutual trade considerably grew. In 2021, Ukrainian-Mexican trade in goods and services increased by 79.5% compared to 2020 and amounted to USD 527.2 million.

4.144. However, due to the war, in the first half of this year, the volume of our bilateral trade in goods has fallen almost twice (by 48.9% compared to the same period of 2021) and amounted to USD 97.7 million. Exports amounted to USD 27 million and decreased by 47%, imports fell by 49.7% to USD 70.7 million.

4.145. Ukraine considers Mexico as an important economic and trading partner in region. We are sure that our mutual interest is to expand our trade in goods and services and to improve the balance of bilateral trade by creating better conditions for trade, promoting business development, stimulating investments and attaining prosperity. We are looking forward to eliminating trade barriers and opening up our markets on mutually beneficial basis.

4.146. We note that Mexico has placed emphasis on the need of further integration into international markets and it is seeking new markets from which to import goods that guarantee supply on the domestic market. We invite Mexico to consider Ukraine in this regard and to support its integration into supply chains. We have raised question concerning possible collaboration in this area and we are ready to start joint work in order to find possible mechanisms for such integration.

4.147. Ukraine considers trade liberalization, including through the abolition of duties for Ukrainian exports, as of extreme importance for recovery of our economy after the Russian-brought destructions and support for future economic growth.

4.148. Currently, Mexico imposes five anti-dumping measures regarding products originating in Ukraine. Considering that the export potential of Ukrainian producers could not threaten to cause any material injury to the Mexican domestic industry due to emergency circumstances in Ukraine, we posed the question concerning possible revocation or review of above-mentioned measures on an expedited basis according to Mexican domestic legislation.

4.149. At the same time, Ukraine would like to express its appreciation for the decision of Mexico to exempt 73 food and other basic products (including chicken, maize and wheat flour, eggs, etc.) from import duties for one year since May 2022, in order to address rising prices. We believe that it will create additional export opportunities.

4.150. We are also interested in signing the Agreement on Promotion and Reciprocal Protection of Investments between Ukraine and Mexico. There are great opportunities for further development of bilateral cooperation in mining; agriculture; transportation and communication; space and aviation; pharmaceutical; and energy industries. We are sure that such agreement will help both States to increase their bilateral trade turnover significantly. The participation of Mexican investments in important economic projects in Ukraine would be more than welcome.

4.151. We are convinced that regardless the war, we can continue strengthening our trade and economic relationship.

4.152. Given the importance of this TPR exercise, Ukraine raised other questions to Mexico, in particular, concerning its tax and investment regime; automatic licensing; establishment of the New Comprehensive Rural Financing System; regulation and development of Mexico's telecommunication sector, etc.

4.153. Ukraine welcomes Mexico's commitment to the rules-based multilateral trading system and its active participation in the WTO and we wish the delegation of Mexico a very successful Trade Policy Review.

CHILE

4.154. Chile welcomes the delegation of the Republic of Mexico, led by the Mexican Undersecretary for Foreign Trade, Ms Luz María de la Mora Sánchez, and congratulates this country for the work undertaken since its last Review.

4.155. We also welcome our friend Ambassador Ángel Villalobos and his team from the Mission to the WTO. We recognize the important work carried out by both the Secretariat and Mexico in preparing the respective reports and congratulate the discussant, Ambassador Clare Kelly of New Zealand.

4.156. Chile and Mexico are two economies open to the world that share a common vision in their integration strategies. We are both promoters of free trade, and continuously pursue coordination on major issues on the international agenda.

4.157. Economic and trade relations between Chile and Mexico are governed by a Free Trade Agreement that entered into force in July 1999. In addition, December 2006 saw the entry into force of the Strategic Partnership Agreement, strengthening ties not only at the trade level but also through political dialogue and cooperation.

4.158. Since the entry into force in 2015 of the Pacific Alliance Framework Agreement, the bilateral relationship has been focused on the decisions taken within this bloc. In particular, we would like to highlight that Chile and Mexico have been participating in the Committee on Global Value Chains since 2018, and we hope that this body will help to build strategic alliances between enterprises and reciprocal direct investment as drivers of the development of production chains.

4.159. With 98.3% of the tariff universe being exempt from the payment of tariffs and the rest covered by agreements for the reduction of tariffs within established time frames, trade in 2021 amounted to USD 3,922 million, showing average annual growth of 4% since 2016.

4.160. According to figures from December 2020, the Mexican market is the seventh largest destination in the world for Chilean direct investment. There are approximately 50 Chilean companies in the Mexican market, with investments amounting to just over USD 2 billion.

4.161. At the sectoral level, the services sector remains the main destination for Chilean capital, with a cumulative amount of USD 1,462 million. The main services provided are transport, port logistics, storage and communications and financial intermediation services. The industry sector occupies second position, with a value of USD 560 million and a share of 27.3%.

4.162. In addition, in recent years, Mexico has become an important destination for many Chilean start-ups linked to information technologies and it is increasingly the main market for emerging Chilean artists.

4.163. At the multilateral level, and particularly within this Organization, Mexico is a constructive partner whose views we share on a number of matters.

4.164. In particular, we would like to highlight Mexico's contribution on MSMEs and women in trade, and we appreciate the section dedicated to these matters in the report prepared by the Government.

4.165. For this Review, Chile has submitted questions concerning, *inter alia*, the process for the incorporation of standards into the country's domestic legal system, and, in particular, the process for the incorporation into the legal system of decisions taken by bodies administering agreements; its experience with the application of the broadened implementing regulations in trade agreements; and the aspects relating to the integration and participation of Mexican companies in global and regional value chains.

4.166. We have also submitted questions on Mexico's actions and experience in improving the inclusion and participation of MSMEs and women in the country's economy and international trade.

4.167. Our delegation is grateful for the replies, which are now being analysed by our teams in Santiago.

4.168. Lastly, we wish Mexico a successful seventh Trade Policy Review.

ICELAND

4.169. It is with pleasure that Iceland welcomes the distinguished delegation of Mexico to their seventh Trade Policy Review, led by Undersecretary, H.E. Luz María de la Mora Sánchez. We also express appreciation to the WTO Secretariat as well as Mexico for the Reports prepared, as well as to the discussant, H.E. Ambassador Clare Kelly, for the excellent framing of the issues for our discussion today.

4.170. First, let me mention the free trade agreement between Mexico and the four EFTA States, Iceland, Liechtenstein, Norway, and Switzerland that entered into force in 2001. The Free Trade Agreement has served our countries well however there is time to look forward. Therefore, we welcome ongoing discussions to modernize the current free trade agreement and we look forward to concluding that process.

4.171. Iceland welcomes Mexico's active participation and strong commitment to the smooth functioning of the multilateral trading systems.

4.172. As other Members Mexico has felt the negative economic impact of the COVID-19 pandemic but has, as reported in the Trade Policy Report, rebounded with 4.8% GDP growth in 2021 - mainly due to measures taken to mitigate the COVID-19 impact.

4.173. As one of the co-chairs of the Informal Working Group on Trade and Gender, Iceland appreciates Mexico's constructive participation and the good cooperation our countries have on trade and gender.

4.174. This work is particularly important in the current global environment. COVID-19 related challenges continue to be felt and have been recognized to unevenly impact societies and populations. The economic and trade impacts of the pandemic have had a disproportionately adverse impact on women. This is a pattern that sadly also applies to other crisis arising from ongoing geopolitical conflicts.

4.175. At the MC12 the Ministers acknowledged for the first time the importance of addressing women's economic empowerment at the WTO – and recognizing the positive benefits that it will have on our economies.

4.176. This fact is well recognized by Mexico, and we welcome Mexico's approach in their foreign trade strategy by acknowledging the important role women play when it comes to fostering growth and reducing poverty.

4.177. The sharing of best practices of respective experiences relating to policies and rulemaking on advancing women's economic empowerment is an important element of the work of the Informal Working Group on Trade and Gender.

4.178. In the spirit of supporting relevant data gathering in this field, Iceland has submitted in advance written questions on the participation of women in the economy of Mexico. We welcome the replies as the answers will be useful in gathering best practices in the promotion of gender-equality within trade.

4.179. Finally, Iceland once again appreciates Mexico's firm support to the multilateral trading system and its active engagement in the WTO. We wish the delegations of Mexico every success for their Trade Policy Review.

THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

4.180. On behalf of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, I would like to welcome the delegation of Mexico, led by Ms Luz María de la Mora Sánchez, to its seventh Trade Policy Review. I would also like to express my appreciation to Mexico for its comprehensive Government Report, and thank the discussant, Ambassador Ms Clare Kelly of New Zealand, for her insightful discussion, and the WTO Secretariat for its excellent Report.

4.181. Mexico plays an important role in world trade and global economy. Its economy maintained stable and resilient even during the COVID-19 outbreak. Although the economy was badly affected by the pandemic in 2020, Mexico was able to weather the pandemic comparatively well, with GDP growth of around 4.8% in 2021. We therefore commend Mexico's measures adopted to deal with the pandemic and to support its people and business.

4.182. Mexico continues to be a strong supporter of the multilateral trading system. For example, concerning its transparency obligations, Mexico has submitted various notifications to the WTO in compliance with various Agreements. These demonstrate its recognition of the crucial importance of transparency. On its participation in the WTO negotiations, Mexico has been active in many fronts, including in fisheries subsidies negotiations. It has also taken steps to engage in all WTO's plurilateral Joint Statement Initiatives, such as MSMEs, e-commerce, investment facilitation, services domestic regulation, and environmental sustainability. We applaud its active engagements in these initiatives. We have noticed that Mexico is not yet a signatory to the Agreement on Government Procurement (GPA), nor a party to the Information Technology Agreement (ITA). The GPA provides a useful tool for optimizing value for money, good governance, and trade objectives in the government procurement sector. The ITA has triggered rapid growth in trade in information and communication technology (ICT) industry products and services, with developing countries' share of global ICT exports more than doubling since 1996. Expanding the ITA will further benefit developing countries by lowering the cost of ICTs that are critical inputs to making their manufacturing and services sectors more competitive; fostering innovation; and thus playing a major role in growth. We look forward to seeing Mexico becoming a Party to the GPA and the ITA in the not-too-distant future.

4.183. Bilaterally, we are Mexico's important investment and trading partner in Asia. We are Mexico's fourth Asian investor and ninth largest trading partner in 2021. Our businesses have started up approximately 300 companies in Mexico, including important enterprises like Foxconn, Inventec, Wistron, ASUS, and Delta. ICT industry is one of the most important items in our bilateral trade relationship. While Mexico continues to pursue its National Development Plan 2019-24, our own expertise and experience in ICT industry can surely serve as a basis for a mutually beneficial partnership and help Mexico to achieve its policy goal. We look forward to further strengthening our bilateral economic cooperation in the future.

4.184. We have raised some written questions and would like to thank Mexico in advance for its replies.

4.185. Finally, we wish Mexico a productive and successful Trade Policy Review.

BRAZIL

4.186. Let me welcome the delegation of Mexico on its seventh Trade Policy Review. I thank both the Mexican Government and the WTO Secretariat for their Reports, as well as the discussant, Ambassador Clare Kelly, for her introductory remarks.

4.187. I would also like to acknowledge Ambassador Ángel Villalobos, our friend, who is a very important presence within the WTO. It is an honour for Mexico to have a professional of this quality in Geneva.

4.188. Mexico plays an important role in WTO, not only as a key voice within our region, but also as an active and constructive Member in trade negotiations.

4.189. Mexico counts with an extensive network of trade agreements and in recent years has sought to further increase it by exploring trade negotiations with other partners, such as the Republic of Korea and Ecuador.

4.190. Recently, new aspects have been added to Mexico's trade policy as a result of the package against inflation and famine (PACIC) implemented by the Federal Government to contain inflationary pressures. The core of this package lies at the unilateral reduction or removal of tariffs on various agricultural products. Brazil would be very interested in listening the views of the Mexican delegation on the results achieved so far.

4.191. Finance and trade are central pillars of bilateral relations between Brazil and Mexico. They show the strong complementarity between our economies.

4.192. The mutual stock of investments is high and currently amounts to USD 30 billion.

4.193. Our trade flow is equally substantial and surpassed USD 10 billion in 2021, in spite of the hardship caused by the COVID-19 pandemic.

4.194. There is a lot of potential to be further explored. The challenge we face is both to expand and to deepen our bilateral trade. Our trade exchanges are primarily regulated by the 2002 Economic Complementation Agreement 53 – ACE-53. This agreement consists of preferential tariffs covering only 13% of tariffs.

4.195. In this connection, we thank the reply by the Mexican Government to our proposal of parameters aimed at broadening the scope of ACE-53. Promoting more trade with Brazil will not only increase economic development, but also further diversify Mexico's network of trading partners.

4.196. There is also room for improvement under the current framework. Several measures of Mexico's trade policy affect Brazilian exports, such as various non-tariff barriers set up by regulatory practices, including delay in the concession of sanitary certificates; and the perpetuation of anti-dumping measures for decades.

4.197. In the last years, the regulatory agenda of the Mexican Government features new rules that raises concerns in terms of protectionism. Several industrial sectors are regulated by very rigorous requirements or are subject to sudden changes without due transparency.

4.198. Agriculture is an area requiring concrete improvements in order for bilateral trade to further advance. Pork meat is an outstanding case as regards the delay faced by Brazilian exporters to access the Mexican market.

4.199. Mexico's National Service of Food Health, Safety and Quality (SENASICA) does not allow imports of pork meat from Brazil notwithstanding the technical analysis provided by international agencies such as the World Organization for Animal Health (WOAH).

4.200. As regards safeguards, anti-dumping measures have been renewed for years without due consideration by the concerned authorities of arguments presented by interested parties in final and mid-term reviews. For instance, anti-dumping measures against Brazilian exports of rebar steel are in force since 1995; and anti-dumping measures against Brazilian exports of bond paper since 2013.

4.201. Brazil has submitted a number of questions in this trade policy review. We thank Mexico for their written replies, which were forwarded to our capital for examination and follow-up.

4.202. Let me conclude by wishing the delegation of Mexico a very successful Trade Policy Review.

SWITZERLAND

4.203. I would like to join others by extending a warm welcome to Mexico's delegation led by Ms Luz María de la Mora Sánchez, I would also like to thank Ambassador Clare Kelly (New Zealand) for her valuable observations as a discussant, and the Secretariat for its substantive contribution to this review.

4.204. As in other parts of the world, Mexico's economy has been seriously affected by the COVID-19 pandemic, both in social and economic terms.

4.205. However, the substantial economic rebound we have witnessed in 2021 confirms that the Mexican economy is built on a sound macroeconomic policy framework. The value of this framework for both social and economic stability can in our view not be overstated.

4.206. This is also true with regard to the general framework governing Mexico's foreign trade. Mexico's strategy to promote open foreign trade relations and its network of preferential trade agreement with many WTO Members has certainly contributed to a quick and positive recovery of exports and imports in 2021 after the sharp decline due to the pandemic in 2020.

4.207. Switzerland's and Mexico's economies share one important commonality: both countries are deeply integrated into global value chains. Also, but not only with their neighbours. This diversity of trade relations contributes to the resilience of our economies particularly in times of crisis.

4.208. Switzerland and Mexico also share quite a long experience in implementing and continuously expanding their preferential trade relations. We have been pioneers in that regard: the EFTA-Mexico Free Trade Agreement signed in 2000 is among the first comprehensive free trade agreements concluded at that time.

4.209. Following the entry into force of the EFTA-Mexico Free Trade Agreement in 2001, the development of imports and exports between our countries has been strongly positive. With a volume of bilateral trade flows between Mexico and Switzerland between CHF 2.2 billion and CHF 2.8 billion in the last two years. Today, Mexico is Switzerland's second most important market in Latin America.

4.210. Many Swiss companies have a long-time presence in the country and we understand that improving the legal and administrative environment could further unlock business potential and increase the competitiveness of the Mexican economy.

4.211. We also believe that ensuring the best possible framework conditions for trade and investment is crucial for overcoming temporary disruptions of supply chains and qualitative economic growth in the long term.

4.212. In the context of this policy review, Switzerland has submitted a number of questions in writing, in particular regarding the general framework conditions in Mexico, its trade policy formulation and objectives, and in the field of import and exports prohibitions, restrictions and licensing.

4.213. We thank Mexico for considering those issues in its, of which we have taken good note. Additional clarifications and explanations in the area of trade restrictions would however be appreciated and we stand ready to clarify the issue or questions raised, if necessary.

4.214. In conclusion, Switzerland is committed to continuing to work with Mexico in addressing today's numerous challenges. In that sense, a modernization of the EFTA-Mexico Agreement will be an important step in developing mutually beneficial relations and strengthening the resilience of our economies by expanding trade and investments.

4.215. We wish Mexico constructive and fruitful exchanges within this trade policy review.

REPUBLIC OF KOREA

4.216. I would like to join other speakers in welcoming H.E. Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade and her delegation to the seventh Trade Policy Review of Mexico. I also thank Ambassador Clare Kelly for her role as a discussant and the Secretariat for its detailed Report.

4.217. This year marks the 60th anniversary of Korea-Mexico diplomatic ties, and bilateral relations have been cemented in various areas to date. The Republic of Korea and Mexico are also closely cooperating in the cross-regional group MIKTA whose aim includes responding collectively to global issues such as human rights, environment, and development. It is particularly noteworthy that the economic relations between the Republic of Korea and Mexico have deepened since the 1990s with the trade volume increasing five-fold in the past 20 years. The trade volume in goods exceeded USD 20 billion since 2018. Now, the Republic of Korea is Mexico's fourth largest trading partner and Mexico is Korea's largest trading partner in Latin America. This is a remarkable performance that has been achieved without any institutional framework such as a bilateral free trade agreement (FTA).

4.218. My delegation believes that our two countries will continue to strengthen our economic ties with a view to achieving mutual prosperity. Once the Korea-Mexico FTA is signed, it will further contribute to expanding bilateral economic cooperation in the future. In this regard, my delegation welcomes the announcement in March this year to resume negotiations for the Korea-Mexico FTA.

4.219. The Republic of Korea commends that Mexico, the 15th largest economy in the world, remains open to trade and has continued its efforts to further integrate into international trade. Under its commitment to a rules-based multilateral trading system and as a founding Member of the WTO, Mexico has been an active participant in negotiations and discussions on not only regular activities but also joint initiatives including investment facilitation, e-commerce, and service domestic regulation. However, Mexico is not a party to the Agreement on Government Procurement (GPA) and the Information Technology Agreement (ITA). My delegation encourages Mexico to consider joining these Agreements that will promote competition and free trade in relevant areas.

4.220. My delegation also takes note that, despite an unfavourable international economic environment over the review period, Mexico's exchange rate and international reserves stayed stable and trade and investment flows grew steadily except for the period affected by the pandemic. It is also commendable that Mexico continued to implement measures to facilitate trade by adopting electronic customs clearance, using consolidated customs forms and improving the Single Window for Mexican Foreign Trade.

4.221. Against this positive backdrop, it is noticeable that specific trade concerns and questions about NOM (Norma Oficial Mexicana), Official Mexican Standards, have been raised in TBT and SPS committee meetings. The purpose of NOM to protect human health and the environment should be respected, but in some cases such requirements change frequently or reasonable time is not given before their entry into force, which causes administrative difficulties for exporters to Mexico. The Republic of Korea would like to encourage Mexico to pay more attention to this issue.

4.222. My delegation presented through advance questions a specific concern of the Republic of Korea, which is related to import duties on steel products. And we appreciate the response provided by Mexico. The imposition and extension of such duties on steel products for several years have had considerable impacts on relevant markets, including Korean steel exporters and customers in Mexico. My delegation looks forward to Mexico's efforts to review its tariff plan on imported steel products in favour of an open and free market.

4.223. As many other delegations said today, my delegation once again appreciates Mexico's steadfast support for the rules-based multilateral trading system and its active participation. The Republic of Korea believes that Mexico will continue to contribute to facilitating free trade and strengthening the multilateral trading system. My Government also looks forward to continuing its close cooperation with Mexico in the collective efforts to strengthen and facilitate the global trade environment.

4.224. I wish the delegation of Mexico every success in its Trade Policy Review.

NEW ZEALAND

4.225. New Zealand welcomes this opportunity to comment on the Trade Policy Review of Mexico. I would like to thank the Government of Mexico and the Secretariat for their work in preparing us for the Review. Let me also welcome the delegation from Mexico led by Undersecretary de la Mora.

4.226. New Zealand welcomes the chance to comment on Mexico's trade policy settings – both as an important bilateral partner, and as a strong advocate of the rules-based international order including through our shared membership of the Ottawa and Cairns Groups. We welcome its active participation in efforts to strengthen and revitalize the WTO through its involvement in a range of important initiatives, including the Multiparty Interim Appeal Arbitration Arrangement (MPIA), and Joint Statement Initiative negotiations on e-commerce, services domestic regulation and investment facilitation for development, and joint statements on MSMEs, and women's economic empowerment. Mexico has also been an important partner in the Trade and Environmental Sustainability Structured Discussions (TESSD).

4.227. We commend Mexico's advocacy for trade liberalisation, and specifically its implementation of one of the largest Free Trade Agreements globally, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). As stated in the Reports from both the Secretariat and Mexican Government, FTAs are ensuring Mexico is a key stakeholder in the Asia-Pacific's value chains, a process which New Zealand is keen to support.

4.228. New Zealand particularly applauds Mexico's work in enhancing the inclusion and participation of women in the domestic economy and international trade, including by joining the Inclusive Trade Action Group (ITAG) and the Global Trade and Gender Arrangement (GTAGA). CPTPP's enhanced digital trade provisions create opportunities for Mexican women entrepreneurs. In addition, CPTPP includes a range of measures that address the challenges faced by women entrepreneurs when exporting and provide a higher level of certainty and increased openness. New Zealand encourages Mexico to continue the strengthening of its policies in women's economic empowerment and we look forward to cooperating further to advance this shared interest in our relationship.

4.229. We would welcome Mexico's participation in the Indigenous Peoples Economic and Trade Cooperation Arrangement (IPETCA), a first-of-its-kind, ground-breaking initiative that builds on New Zealand's Trade for All inclusion agenda. Beyond these opportunities, New Zealand continues to seek associated State status with the Pacific Alliance in order to broaden our regional collaboration with Mexico.

4.230. We again thank both the Mexican Government and the Secretariat for their work in preparing this review; and welcome the opportunity to commend Mexico for its role in the multilateral trading system and for its on-going support for mechanisms that ensure prosperity for all communities.

UNITED KINGDOM

4.231. Let me speak, for the first time at a TPR, on behalf of His Majesty's Government. I would like to welcome the Mexican delegation led by the Undersecretary for Foreign Trade, Luz María de la Mora. I would also like to thank the Federal Government of Mexico and the WTO for their reports. Let me also thank the Chair and our distinguished discussant, Clare Kelly, for kindly facilitating this Trade Policy Review providing us such an insightful basis for our discussions.

4.232. In our written questions for this review, we were keen to gain a deeper understanding of Mexico's regulatory framework in areas including intellectual property, domestic regulating bodies and agencies, the government procurement regime, trade in services, and SPS measures. This broad range of questions covering a panoply of themes is an indication of the range of opportunities available to Mexican and UK business from our accelerating bilateral trade.

4.233. This review includes a period of acute economic instability globally. We are therefore pleased to welcome the positive steps which the Mexican Federal Government has taken to mitigate these shocks, notably through the expansion of digitization services for administrative procedures for imports and agri-food exports.

4.234. It is encouraging that in periods of economic stress, actions such as these demonstrate that opportunities can be found, notably digital solutions, which can accelerate best practice and improve the free trading environment. This also builds on previous efforts to reform customs procedures, as identified during Mexico's last TPR, in 2017.

4.235. In that TPR, the then Chair outlined in her concluding remarks Member's concerns that Mexico's trade was highly dependent on a single market, noting that there was a need to diversify. During this review period, Mexico has enacted some of the suggestions made to address this, including strengthening economic ties with different trading partners.

4.236. To this same end, the UK was pleased to sign a Trade Continuity Agreement (TCA) with Mexico which came into force on 1 June last year. We look forward to delivering our Factual Presentation to the Committee on Regional Trade Agreements in November this year.

4.237. To realise the full potential of our trading relationship, Mexico and the UK launched negotiations in London on 20 May this year to secure a more modern and comprehensive bilateral FTA. As Mexico highlighted in its Report, we have agreed on the modernization of rules relating to investment and intellectual property, and the inclusion of innovative provisions relating to SMEs, gender and innovation, among others. We look forward to bringing this agreement to fruition in due course and to our businesses making full use of the opportunities that the FTA should offer.

4.238. As others have noted, Mexico has also signed agreements with the United States, Canada, and the EU, and has signed the entry-into-force of the CPTPP. As the Secretariat recognizes in its Report, these and other preferential trade agreements demonstrate the importance that regionalism plays in Mexico's trade relations.

4.239. In 2017, Members also encouraged Mexico to join plurilateral agreements, notably the GPA. We would welcome Mexico's indication of progress with regards to this key plurilateral agreement.

4.240. Let me welcome Mexico's support for the Inclusive Trade Action Group ITAG and Global Trade and Gender Arrangement (GTAGA), as well as its engagement in the WTO Informal Working Group on Trade and Gender. All these important initiatives help to increase women's economic empowerment through enhanced trade opportunities, an objective we share with Mexico.

4.241. Through our Embassy in Mexico City, the UK has been pleased to work with Mexico on developing a methodology to measure the wage gap in Mexico and help to identify a remedy. This is an on-going and important work, and we encourage Mexico to continue to advance the necessary actions in order to reap the full reward of Mexico's ambitions.

4.242. Regarding transparency, the UK notes that less than 200 measures have been recorded by Mexico in the WTO's Trade Monitoring Database, a low notification level in both relative and absolute terms. The median G20 member notifies around 400 measures. Notifications and transparency obligations are a cornerstone of the ongoing success of the WTO, and we therefore encourage Mexico to continue its efforts to ensure maximum levels of transparency regarding notifications.

4.243. Furthermore, recent data demonstrates that of 257 policy intervention measures in force, 69% (that is 177) are trade restrictive rather than trade-facilitating. As such, the UK encourages Mexico to pursue balanced trade policies.

4.244. As the Secretariat's Report identifies, Mexico is working to open-up untapped potential within its economy. Export diversification and the spreading of regional exporting opportunities have significant potential to achieve this, expanding the benefits of free trade at a global level and contributing to an improved, strengthened international trading system. The UK looks forward to working with our Mexican partners to help make the most of these opportunities.

4.245. The United Kingdom thanks Mexico for their fruitful engagement in this important transparency exercise and we wish them a successful seventh Trade Policy Review.

GUATEMALA

4.246. On behalf of Guatemala, I would like to extend a warm welcome to the delegation of Mexico, led by Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade, as well as to the team in Geneva led by Mr Ángel Villalobos Rodríguez, Ambassador and Permanent Representative of Mexico to the WTO.

4.247. We would also like to highlight the work carried out by the Secretariat in preparing this Trade Policy Review, as well as the analysis that Ms Clare Kelly, Ambassador and Permanent Representative of New Zealand to the WTO, has been good enough to share with us today in her capacity as discussant.

4.248. Guatemala and Mexico share a very similar history: that of multicultural and multi-ethnic countries with great ancestral heritages perpetuated and passed on from generation to generation.

4.249. For Guatemala, Mexico is an important trading partner in the Latin American region. We share common interests and ideals on several fronts in this Organization, and we are convinced that both countries will continue to build trust and work tirelessly to expand our strategic alliances, both here and in other regional forums.

4.250. In terms of the bilateral relationship between Guatemala and Mexico, 6 September marked 174 years of diplomatic relations between us.

4.251. Mexico and Guatemala have a strong economic relationship and it is worth mentioning that, in 2021, Mexico ranked as Guatemala's fifth largest trading partner for exports and third for imports.

4.252. The main products imported by Guatemala from Mexico are, *inter alia*, beer made from malt, electricity and copper or aluminium wires.

4.253. The main products exported by Guatemala to Mexico are, *inter alia*, crude palm oil, natural rubber latex, whether or not pre-vulcanized, and food preparations.

4.254. In terms of this Review, it is important to underscore, as several previous speakers have done, the positive economic performance observed in Mexico since its previous Trade Policy Review.

4.255. During the period covered this time, as indicated in the report, Mexico has implemented an investment policy in all economic sector that has helped to boost national competitiveness and exports.

4.256. It is important to highlight the various trade facilitation measures taken by Mexico, such as the upgrading of the Single Window for Mexican Foreign Trade, the implementation of electronic customs clearance and the establishment of its National Trade Facilitation Committee.

4.257. Another element to highlight is the Sectoral Programme for Tourism 2020-24, which seeks to foster the development of the country's tourism activities by encouraging the diversification of tourism markets both domestically and internationally.

4.258. With regard to intellectual property, we highlight the advantages provided by the new law on this matter, which promotes innovation and trademarks as sources of economic development, as well as enforcement mechanisms to ensure the protection of intellectual property rights.

4.259. In conclusion, Guatemala hopes that in implementing its economic and trade policies, Mexico will reap further success in terms of its economic growth and development, and trusts that our two countries will continue to strengthen their commercial and neighbourly ties.

4.260. We appreciate the replies to our questions, which we shall send to our capital for analysis.

4.261. Guatemala acknowledges the efforts made by Mexico during the period under review in this report and wishes the Mexican delegation a successful conclusion to its Trade Policy Review

CHINA

4.262. I would like to extend my warm welcome to the delegation of Mexico led by H.E. Undersecretary, Luz María de la Mora Sánchez and appreciate the Government of Mexico for the preparation for this review. I would also like to express my gratitude to the discussant, H.E. Ambassador Ms Clare Kelly for her insightful remarks. Let me also thank the Secretariat for their hard work.

4.263. First of all, China commends Mexico's efforts to implement its social economic strategy during the review period, including actively responding to the impact of external shocks on the economy, developing international trade relations, increasing foreign investment attractiveness, supporting the multilateral trading system, as well as effectively participating in regional integration processes.

4.264. We are pleased to note that in 2021 the Mexican economy rebounded robustly, with GDP growth reached around 4.8% and the total volume of trade reached over USD 1 trillion, both export and import volumes have exceeded pre-pandemic levels. This was achieved against the background that the economy of Mexico was severely hit by the international economic shocks since the mid-2018. Nevertheless, Mexico has responded rapidly and effectively while adopting various macroeconomic policies to promote economic recovery and to deal with the impact of pandemic.

4.265. We are also delighted to see that Mexico constantly provides facilitation to promote trade and investment, which are identified as two of the most important engines for the economic and social development. For example, since 2021 the Government has been working on the design of investment facilitation tools to attract FDI. China also applauds Mexico's efforts to the digital social transformation through increasing the internet coverage in the country and setting up the Technical Committee on 5G Deployment to create a forum among different stakeholders with the aim of moving towards the development and deployment of 5G in the country.

4.266. China appreciates Mexico's firm commitment to the rules-based multilateral trading system and its substantive contribution to the WTO. As one of the 123 proponents of the joint proposal regarding launching the selection processes for AB members, China appreciates Mexico's spearhead role and great efforts to the reactivation of the Appellate Body. We commend Mexico's actively participating in the Joint Initiatives in the areas of investment facilitation, e-commerce and services domestic regulation and great contribution to the success of the WTO MC12. We also want to express our sincere thanks to Ambassador Ángel Villalobos Rodríguez's leadership to this Organization as the current Chair of Trade Policy Review Body.

4.267. This year marks the 50th anniversary of the establishment of diplomatic relations between China and Mexico. Especially since the establishment of the comprehensive strategic partnership between the two countries in 2013, the development of bilateral relations has entered into fast lanes and mutually beneficial economic and trade cooperation has yielded fruitful results. Mexico is China's second largest trading partner in Latin America, and China is Mexico's second largest trading partner in the world. In 2021, the bilateral trade volume between China and Mexico will hit a new record high, with a year-on-year growth of 41.9%, reaching USD 86.6 billion.

4.268. The good performance of trade well reflected strong trade potential between China and Mexico, which we believe could be further unleashed by strengthening our bilateral and multicultural cooperation. China is willing to work closely with Mexico to promote bilateral trade growth, enhance trade and investment facilitation, strengthen cooperation in emerging and key areas, deepen cooperation and coordination under the multilateral framework. Meanwhile, we urge Mexico to refrain from excessively using the trade remedy measures and abandon the surrogate country approach when calculating anti-dumping measures against Chinese exports. It is firmly believed that with the joint effort from both sides, the China and Mexico comprehensive strategic partnership will be further strengthened.

4.269. For this review, China has submitted questions to Mexico, we appreciate the written replies and look forward to the answers for the subsequent questions. We will review all of them carefully.

4.270. Finally, I would wish the TPR of Mexico a complete success.

TÜRKIYE

4.271. We welcome the delegation of Mexico headed by Luz María de la Mora Sánchez, Undersecretary for Foreign Trade of the Secretariat of Economy.

4.272. We thank the Secretariat and the Government of Mexico for their detailed Reports as well as discussant Ambassador Clare Kelly of New Zealand for her invaluable remarks.

4.273. We also thank Mexico for the answers provided to our questions.

4.274. During the review period, the Mexican economy suffered from the adverse effects of international economic instability caused by supply chain shortages, COVID-19 pandemic, and depressed investment. This resulted in low growth in the country.

4.275. However, it is good to see that the Mexican economy is recovering with 4.8% growth in 2021 after contracting by 8.2% in 2020.

4.276. To enable a sustained recovery over the medium-term and to deal with the pre-crisis challenges for growth and inclusion, we support Mexico's efforts to promote greater participation of women and MSMEs in the economy.

4.277. We commend for Mexico's active participation in negotiations, discussions, and work of the WTO regular bodies. We are also pleased to work with Mexico in Joint Initiatives of e-commerce, investment facilitation, services domestic regulation, MSMEs, and TESSD.

4.278. As a reflection of strategic partnership between our countries, Mexico is our third biggest trade partner in Latin America.

4.279. Despite the pandemic, our bilateral trade volume reached to USD 1.8 billion in 2021. There is much more room for growth and it has already reached to USD 1.1 billion in the first six months of 2022.

4.280. Direct flights by Turkish Airlines are beneficial for both our economic cooperation and promotion of tourism.

4.281. We also have Agreement of Mutual Promotion and Protection of Investments since 2015.

4.282. Turkish companies are increasingly investing in Mexico in critical, largescale, and politically important projects. Our companies are ready to do more in Mexico, particularly in the fields of construction, energy and infrastructure, among others.

4.283. However, there are still practical steps we can take to increase our bilateral trade volume. We are planning to have the next meeting of Joint Economic Commission before the end of the year.

4.284. We are also discussing with Mexican authorities the resumption of negotiations on a possible FTA with Mexico.

4.285. We see a promising potential in cooperation in tourism. We consider that working together on concrete projects will support the growth in tourism sectors in both Türkiye and Mexico.

4.286. In conclusion, we would like to take this opportunity to thank Ambassador Rodríguez and his able team for the excellent preparation for this review, as well as their constructive contributions to WTO activities.

4.287. We wish Mexico a successful Trade Policy Review.

ECUADOR

4.288. First of all, we would like to welcome Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade and head of the Mexican delegation at this seventh Trade Policy Review of her country.

We also welcome the Mexican authorities in attendance at this meeting, in particular my dear colleague and friend Ambassador Ángel Villalobos, Permanent Representative of Mexico to the WTO.

4.289. Ecuador has taken note of the information provided by the Government of Mexico on its policies aimed at strengthening its economy and trade, promoting competitiveness and creating conditions conducive to sustainable growth and development. We hope that these policies will be successfully implemented to serve the interests of the Mexican people and Government.

4.290. Mexico is clearly a major player in regional and global trade, as evidenced by its bilateral relations with numerous countries, including Ecuador, its involvement in trade agreements and mechanisms, and its participation in the multilateral trading system. Its trade policy decisions will therefore always have an impact on international trade.

4.291. Ecuador recognizes Mexico's commitment to free trade, the mobility of capital and integrated production, which are characteristics of a strong market economy with benefits that serve its society. Measures such as the significant reduction of its tariff lines, the opening up of its services and investment sectors and the implementation of policies for the diversification of its markets are key aspects of its trade profile.

4.292. While Mexico enjoys robust trade with its counterparts, in line with its international regulatory commitments, we note that it maintains some trade practices such as the establishment of tariff quotas, non-automatic licensing and non-tariff regulations including technical regulations and sanitary and phytosanitary measures that, in certain cases, affect imports and impede effective access to the Mexican market. However, we are confident that the proper management of such trade practices accompanied by initiatives and programmes aimed at the diversification of its economy, the promotion of foreign investment and reduced dependence on oil revenues will have a positive impact on Mexico's relationship with its trading partners.

4.293. Trade between Ecuador and Mexico is mutually beneficial for both parties. In 2021, it exceeded USD 161 million, without taking into account hydrocarbons and their derivatives, which reflects an increase of 81% compared to 2020. This figure is a demonstration of the recovery of bilateral trade ties, a key factor for economic revival following the COVID-19 crisis.

4.294. In 2021, foreign direct investment from Mexico to Ecuador amounted to USD 37 million, most of which went to the construction sector, thereby contributing to the creation of jobs in Ecuadorian society.

4.295. For Ecuador, Mexico is one of the main markets for a number of agricultural and industrial products, such as, *inter alia*, vegetable extracts and oils, cocoa, food products, leather articles, canned fish, articles of textile fibres and fruit juices and preserves. For this reason, we pay particular attention to the regulations that Mexico applies in its agricultural and manufacturing sectors, including in respect of sanitary and phytosanitary matters and technical regulations.

4.296. With regard to imports, Ecuador mainly purchases medicines, household appliances, light motor vehicles, polymers and industrial machinery from Mexico.

4.297. My delegation would like to take the opportunity to highlight that the negotiation process is under way for the Productive Integration Agreement between Mexico and Ecuador, which began in 2019 and has been mentioned by the Undersecretary in her presentation, as well as by the discussant in her statements this morning. We express our hope for a successful conclusion of this Agreement, which will foster greater space for deepening trade and investment relations between our two countries. At the same time, the Productive Integration Agreement will supplement Ecuador's series of understandings with the Pacific Alliance member countries, paving the way for the incorporation of our country as a full member of the mechanism and facilitating the growth of trade within the Pacific Alliance and with the Alliance's counterparts in world trade.

4.298. As part of this Trade Policy Review, Ecuador has submitted written questions that mainly relate to the risk analysis for phytosanitary and animal health requirements, procedures for trade facilitation, the application of customs duties and access to official sources of trade data. We thank Mexico in advance for its replies, which we look forward to receiving.

4.299. I would like to conclude this statement by wishing Mexico a successful and fruitful conclusion to this seventh Trade Policy Review.

MALAYSIA

4.300. Allow me to warmly welcome Ms Luz María de La Mora Sánchez, Undersecretary for Foreign Trade of the Ministry of Economy, and her delegations, both who are physically present here in Geneva under the leadership of Ambassador Villalobos Rodríguez, as well as those participating virtually from Mexico City to its seventh Trade Policy Review. We would also like to express our appreciation to the Mexican Government and the WTO Secretariat for the comprehensive review Reports and to Ambassador Clare Kelly of New Zealand for her invaluable remarks and assessment of Mexico's trade policy development since its last review in 2017.

4.301. Malaysia welcomes the opportunity to participate in Mexico's seventh Trade Policy Review.

4.302. Malaysia would like to commend Mexico for its continued efforts to facilitate international trade against the backdrop of economic uncertainty. We acknowledge Mexico's participation in various free trade arrangements and regional integration efforts that promotes access to the Mexican market and attract investment.

4.303. At the multilateral front, Malaysia appreciates Mexico's diligent and constructive role in many WTO initiatives that Malaysia has also taken part in, particularly Mexico's contributions to the Informal Work Programme for MSMEs that led to the creation of the "Trade4MSMEs" platform.

4.304. At the bilateral level, Malaysia and Mexico enjoy an increasingly robust economic relationship. In 2021, Mexico was Malaysia's second largest trading partner, largest export destination and the third largest import source in Latin America. Total trade in 2021 increased significantly by 37.5% to USD 3.4 billion, from USD 2.4 billion in 2020. In the same period, Malaysia's exports to Mexico increased by 37.9% to USD 2.8 billion.

4.305. Malaysia and Mexico are also key partners at the regional level, by virtue of our shared membership in the Asia Pacific Economic Cooperation (APEC) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

4.306. For this current review, Malaysia had submitted written questions on areas such as digital economy, services, FDI, government procurement, and intellectual property rights.

4.307. We would like to take this opportunity to thank the delegation of Mexico for responding to our questions and we shall examine the responses with great interest.

4.308. With that, we wish the delegation of Mexico a productive and successful seventh Trade Policy Review.

VIET NAM

4.309. On behalf of Viet Nam's delegation, I wish to extend our warm welcome to the distinguished delegation from Mexico led by H.E. Luz María de la Mora Sánchez, Undersecretary for Foreign Trade to its seventh Trade Policy Review. I would like to thank the Government of Mexico and the WTO Secretariat for the preparation of comprehensive Reports for this review. My thanks also go to the discussant, Ambassador H.E. Ms Clare Kelly of New Zealand for her insightful observations and introduction.

4.310. Since its last Trade Policy Review, we are pleased to note that the Mexican economy rebounded after a severe downturn starting in mid-2018. We share the same view with Mexico that, strengthening the network of trade and investment treaties and agreements is among the best pathways to prosperity and welcome Mexico's strong commitment to the multilateral trading system. We highly appreciate Mexico's active participation in areas concerning WTO reform, the reactivation of the Appellate Body, MSMEs, Trade and Gender, E-commerce, among other things.

4.311. For our trade relations, we are pleased to be Mexico's 12th biggest trading partners in recent years. In 2021, bilateral trade recorded a year-on-year increase of 37.5% to over USD 5 billion.

Mexico's major exports to Viet Nam include machinery, vehicles, electrical and electronic equipment. Viet Nam's major export items to Mexico are telephone of all types and components, computers and electronic products and components, footwear, and seafood products.

4.312. Viet Nam and Mexico have been parties of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Given the fact that the CPTPP is a high-standard and "new generation" agreement, with the commitments made to each other in this Agreement, bilateral trade between Viet Nam and Mexico is expected to expand strongly and sustainably in the coming time, bringing about practical benefits for both countries and the people.

4.313. In conclusion, I would like to take this opportunity to thank H.E. Mr Ángel Villalobos Rodríguez and his team at the Mission for the preparation of this review as well as their constructive and active contribution and engagement in WTO activities, especially Ambassador Villalobos Rodríguez for his able leadership in his capacity as Chair of this Trade Policy Review Body. I wish Mexico a successful seventh Trade Policy Review.

INDIA

4.314. Let me begin by extending a warm welcome to the delegation of Mexico led by H.E. Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade. India is pleased to be part of the seventh Trade Policy Review of Mexico today. My delegation would further like to commend the Government of Mexico, the delegation in Geneva led by H.E. Mr Ángel Villalobos Rodríguez and the WTO Secretariat for their comprehensive Reports. I would also like to thank the discussant, H.E. Ms Clare Kelly (New Zealand) for her insightful remarks.

4.315. India and Mexico shared an active, diversified, and expanding bilateral relationship. The status of this relationship was elevated from a privileged partnership to strategic partnership during Indian Prime Minister's visit to Mexico 2016. Ties of friendship and solidarity continue to grow stronger between our countries, even during the pandemic. Mexico was the first country in Latin America to receive vaccines from India in February 2021. India's External Affairs Minister visit to Mexico later in September 2021 followed by Mexico's Foreign Minister visit to India in March 2022 have further bolstered our relations.

4.316. Economic and commercial relations are an important pillar of this relationship. There are regular meetings of bilateral interactive mechanisms which include a Joint Commission and a High-level Group on Trade, Investment, and Economic Cooperation; as well as consultations between the two foreign ministries. There also exist between us several bilateral agreements, including investments protection and promotion, double taxation avoidance, extradition, administrative assistance in customs matters, air services, and cooperation in many other sectors.

4.317. Mexico has emerged as the third most important trade partner of India in the entire Americas after US and Brazil. The global trade and economic crisis deeply affected the trade between India and Mexico in 2020. The year 2021 showed clear signs of recovery in the trade exchange, as the total trade ascended to USD 10.11 billion.

4.318. Indian companies see Mexico as a major investment destination, and several Indian companies have invested in Mexico in the recent years. The three strongest performing areas for Indian investments in Mexico are information technology, pharmaceuticals, and automotive sector.

4.319. After the Secretariat Report, the Mexican economy started facing severe downturns since mid-2018 which was exacerbated by the COVID-19 pandemic and caused the GDP to shrink by 8.2%. However, in 2021 the economy has rebounded with a GDP growth of around 4.8% thanks in large part to the measures adopted to deal with the pandemic. The challenges for the Mexican economy remain addressing income inequalities, reducing poverty, increasing labour productivity, and diversifying the economy.

4.320. We take note of Mexico's export promotion and agricultural support programmes as well as some recent export bans administered by the Government to meet the national priorities and needs, to increase productivity and competitiveness in these sectors, as well as to improve their self-sufficiency.

4.321. As a part of this TPR exercise, my delegation has submitted several questions on various schemes, policies, and measures of the Mexican Government in areas like goods, services, agriculture, intellectual property, trade facilitation, etc. Our capital will be perusing the responses to these questions. I wish to state here that certain non-tariff measures by Mexico especially in the areas of textiles, pharmaceuticals, and steel, remain irritants in realizing the full potential of our bilateral trade relationships and we request Mexico to review these measures.

4.322. Finally, we note the commitment of Mexico to the multilateral trading system, both India and Mexico have shared interest in a strong and effective multilateral trading system, and we look forward to working with the Government of Mexico towards achieving the shared objective. We remain committed to working closely with Mexico in further expanding our economic ties for mutual benefit and we wish the delegation of Mexico a productive and successful TPR.

URUGUAY

4.323. Uruguay wishes to extend a warm welcome to the delegation of Mexico, led by the Undersecretary for Foreign Trade, Ms Luz María de la Mora Sánchez, and thank her for her presentation on the occasion of Mexico's seventh Trade Policy Review. We also thank the Secretariat for its comprehensive report and the discussant, Ms Clare Kelly, Ambassador of New Zealand, for her excellent presentation.

4.324. Our countries maintain important ties of friendship that are reflected in the fact that the first bilateral free trade agreement signed by Uruguay was with Mexico in 2004. We also have an agreement in force in the automotive sector, and both govern the significant trade flows between our countries.

4.325. In 2011, we signed a strategic partnership agreement aimed at strengthening the bilateral relationship through the establishment of a strategic partnership covering political, economic, trade and cooperation matters. This agreement establishes a Commission on Economic, Trade and Investment Affairs, which reports directly to the FTA Administrative Commission.

4.326. In recent years, the trade balance has shown a surplus for Uruguay thanks to exports from the PEPSICO free zone, the main exporter to Mexico. If we disregard the goods from free zones, the main product exported by Uruguay is rice, followed by cheese, wood by-products and leather. Our country mostly imports medium-technology manufactured products, primarily motor vehicles, from Mexico.

4.327. Uruguay and Mexico agree that the WTO plays a central role in the rules-based multilateral trading system, and we share the need to ensure that it remains relevant in the future and can rise to any occasion. We are working together in implementing the "Geneva Package" of commitments made at MC12, particularly in defending the mandate of Article 20 of the Agreement on Agriculture; the revival of the Appellate Body; the implementation of the agreement to prevent subsidies for illegal, unreported and unregulated fishing; and on all matters related to the fight against the COVID-19 pandemic.

4.328. Mexico is part of the Informal Working Group on MSMEs, and we see in this seventh Review that it has incorporated most of the recommendations agreed upon by the Group. This issue is consistently mentioned in every trade policy described in both the Government and Secretariat reports. I would like to highlight the support for digital training as part of the post-pandemic recovery, the multidisciplinary support for the MSMEs of indigenous peoples, the micro-credit system for entrepreneurs in rural areas and the trade facilitation measures related to customs procedures. In this regard, I thank Mexico for its leading role in coordinating the implementation of the Trade4MSMES platform.

4.329. I would like to acknowledge and express my appreciation for the hard work of Ambassador Ángel Villalobos Rodríguez and his team in coordinating positions and constantly maintaining a constructive approach when addressing the matters that interest us.

4.330. During this review process, we have submitted questions on matters relating to market access for agricultural products. Our Governments are working to implement sanitary authorizations

for rice and dairy plants, as well as on market access for new products of plant origin such as rapeseed, mandarins and their by-products, and blueberries.

4.331. To conclude, we would like to reiterate our appreciation for this latest opportunity to discuss Mexico's trade practices. We hope to continue collaborating with Mexico on every level, bilaterally and here at the WTO

EL SALVADOR

4.332. On behalf of the Government of El Salvador, I would like to join the delegations that have preceded me in welcoming the distinguished delegation of the Government of Mexico, led by the Undersecretary for Foreign Trade, Ms Luz María de la Mora Sánchez, as well as Ambassador Villalobos, in his capacity as Permanent Representative of Mexico to the WTO, and all the officials joining us from the capital and the Mission here in Geneva.

4.333. I also thank Ambassador Kelly and the Secretariat for the excellent report submitted.

4.334. This seventh Trade Policy Review enables us to ascertain the difficulties that all Member countries of this Organization, including Mexico, have faced in the wake of the pandemic, and those we are currently facing due to other geopolitical developments with a direct impact on our economies.

4.335. Like all of us, Mexico implemented a series of measures to mitigate the adverse effects of the pandemic, which were largely focused on assisting the most affected families and businesses, particularly small and medium-sized enterprises.

4.336. COVID-19 had negative fiscal and monetary consequences. Similarly, in terms of international trade, Mexico suffered a sharp contraction in exports and imports of goods and services in 2020, a phase it has managed to overcome thanks to the recovery experienced by the country.

4.337. During the period under review, Mexico has consolidated its commitment to strengthening and improving the efficiency of its export platform, with a view to further diversifying markets and exportable supply, increasing the competitiveness of the domestic productive sector and integrating more efficiently into regional and global value chains.

4.338. In terms of multilateral relations, Mexico participates actively in WTO deliberations on diverse topics, which are part of its three trade agenda strategies: strengthening the multilateral trading system, reactivation of the Appellate Body and revival of the negotiating arm. We would like to highlight the leadership of Ambassador Villalobos, who has chaired several WTO bodies, including the Trade Policy Review Body.

4.339. Mexico places great emphasis on the importance of the WTO as the forum for agreeing disciplines and commitments aimed at reducing international barriers to trade, which we welcome. The country is particularly active on several negotiating fronts and in joint initiatives on investment facilitation, e-commerce, services domestic regulation and structured discussions on the environment and sustainability.

4.340. It also participates in the joint initiative on MSMEs, as part of which it has led the coordination of the Trade4MSMEs platform. At the same time, Mexico supports and is calling for the increased participation and inclusion of women in international trade. It is therefore actively participating in the WTO Informal Working Group on Trade and Gender.

4.341. Also noteworthy is Mexico's extensive network of trade agreements, which includes the Central American region.

4.342. At the bilateral level, Mexico continues to be an important trading partner for El Salvador. The value of Salvadoran exports to Mexico between August 2021 and August 2022 increased by 33%. Taking the whole year into consideration, Salvadoran exports to Mexico in 2021 were USD 140 million, equivalent to 2% of total world exports, ranking Mexico sixth as a destination for El Salvador's exports, after the United States and some Central American countries.

4.343. Decidedly, throughout 164 years of diplomatic relations, El Salvador and Mexico have made considerable progress in building a solid friendship, reflected in numerous signs of solidarity and collaboration in the political, diplomatic, economic, trade, migratory and cooperation areas at the bilateral, regional and multilateral levels.

4.344. It only remains for me to wish Mexico every success in this review.

REPUBLIC OF MOLDOVA

4.345. Let me begin by extending a very warm welcome to the head of the delegation Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade, to the Ambassador H.E. Mr Ángel Villalobos Rodríguez and the entire delegation from Mexico. I would also like to express my appreciation to Mexico for its comprehensive Government Report and statement and thank the Chair Ambassador of Botswana H.E. Ms Athaliah Lesiba Molokomme, and to the discussant Ambassador H.E. Ms Clare Kelly (New Zealand), as well as the Secretariat for their important insights. I will briefly address several points.

4.346. The Republic of Moldova strongly commends Mexico for its active participation in regular activities of the WTO. Being among the founding Members of this Organization, it is actively involved in negotiations and discussions on new trade related topics as well, setting commendable example for Member countries. It is also commendable Mexico's high degree of integration in international trade, and the importance it attaches to the smooth functioning of the rules-based multilateral trading system created within WTO that contributes to inclusive and sustainable development of our economies.

4.347. In this context we extend our thanks to Mexico, particularly for their persistence and continuity while leading the initiative on the revitalization of the Appellate Body within the DSB which was supported and by our country.

4.348. Furthermore, the Republic of Moldova commends Mexico's good transparency record and would encourage it to continue its efforts.

4.349. On another note, the Secretariat Report mentions that as a result of Article IV consultations in 2021, the International Monetary Fund (IMF) noted that the Mexican economy is rebounding from its deepest recession in decades, driven by strong US growth and the pandemic-related re-opening of sectors. IMF Executive Directors commended the authorities for maintaining economic stability during the pandemic, underpinned by strong macroeconomic policies and institutional frameworks. However, they emphasized that while the economy continues to recover, there is a need to safeguard the recovery and promote stronger, more inclusive, and greener growth. The merit in additional fiscal support targeting health and education, social safety nets and quality public investment, along with enhanced spending efficiency, and reform of the business strategy and governance of State-owned companies was also underlined. Mexico is also urged to implement a medium-term tax reform as the economy strengthens, which would help finance needed social and public investment spending and put the public-debt-to-GDP ratio on a firm downward trajectory.

4.350. In this context, the Republic of Moldova encourages the Government of Mexico to continue its reform agenda to address issues affecting the business and investment environment to ensure the benefits of its economy continue to be broadly shared among its citizens.

4.351. From a bilateral perspective, this year the Republic of Moldova marks 30 years of diplomatic relations with Mexico. Additionally, the Republic of Moldova welcomes the recent increase in our bilateral trade with Mexico. While still modest, we look forward to continued growth in this area. I would like to highlight a couple of domains where improvements would be of particular interest to the Republic of Moldova, namely efforts to increase our bilateral trade, particularly in our top exported products which are electrical machinery and equipment; cereals; oil seeds and oleaginous fruits; edible fruit and nuts; and of course, wine, spirits and vinegar; also, furniture; and articles of apparel and clothing accessories.

4.352. Concluding, the Republic of Moldova welcomes Mexico's commitment to the rules-based multilateral trading system and its very active and admirable participation in the Joint Statements Initiatives (JSI) on e-commerce, investment facilitation for development, services domestic

regulation, and active leading participation and in micro, small and medium sized enterprises, as well as all other informal groups. We also look forward to working closely with Ambassador Villalobos and his team to strengthen the WTO. I wish Mexico utmost successful and productive TPR.

PLURINATIONAL STATE OF BOLIVIA

4.353. The Plurinational State of Bolivia welcomes Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade; Ambassador Ángel Villalobos Rodríguez; and their entire distinguished delegation from the capital and in Geneva. We are grateful for the very exhaustive presentation of Mexico's seventh Trade Policy Review and for the information shared with all WTO Members. We also thank the Secretariat for its report and the Ambassador of New Zealand for her important contributions.

4.354. The historical ties of fraternity, solidarity and support that unite our peoples and Governments have enabled us to consolidate our political relationship and revitalize the trade, economic and investment promotion agenda. We hope to move forward on this objective and strengthen our trade relations under the Mexico-Bolivia Economic Complementarity Agreement (ACE-66), in force since 2010, as a tool for harnessing the potential of the economic and trade relationship between the two countries to stimulate expansion and diversification and promote trade facilitation.

4.355. Against this backdrop, the Presidents of our countries expressed their interest in deepening the bilateral relationship, by reactivating the mechanisms for dialogue not only on economic and trade matters, but also on consular and migration, technical, scientific and cultural matters and cooperation against drug trafficking and drug addiction.

4.356. Mexico is a strategic partner for Bolivia, and we therefore reiterate the mutual interest in exploring areas of complementarity in production chains, as well as in promoting cooperation projects in sectors of interest such as lithium, for the benefit of both countries.

4.357. In this constructive spirit, Bolivia has submitted a number of questions to the distinguished delegation of Mexico, which specifically concern customs regimes, the simplification of procedures and the promotion of trade, with a view to gaining a better understanding of its good practices in that area. We look forward to Mexico's responses.

4.358. We hope to continue working together on the issues on which we agree and that today are fundamental within our Organization: the reform of the WTO, the functioning of the Appellate Body (on which we thank Mexico for its leadership), agricultural trade reform, effective responses to the pandemic and identifying collective responses to the climate emergency. Accordingly, we welcome Mexico's announcement that it will join the informal dialogue on plastics, with a view to strengthening a transparent, inclusive and rules-based trading system.

4.359. We would like to take this opportunity to thank Mexico for the solidarity shown towards Bolivia during the coup d'état in 2019, and for its commitment and support to Bolivia in the fight against the COVID-19 pandemic, provided through the shipment of essential medical inputs for our country, in the mutual interest of prioritizing peoples' welfare, social inclusion and sustainable development.

4.360. Lastly, we reiterate our gratitude for the information submitted by the delegation of Mexico and acknowledge the progress made in its trade policy despite the difficulties caused by the pandemic. We wish them a successful seventh Trade Policy Review.

JAMAICA

4.361. Jamaica is delighted to participate in the seventh Trade Policy Review of Mexico and joins others in extending a warm welcome to the delegation headed by H.E. Luz María de la Mora Sánchez, Undersecretary for Foreign Trade, Ministry of Economy. We would like to thank you Chair for the excellent arrangements for the meeting, and commend our discussant, H.E. Clare Kelly of New Zealand for sharing her perspectives for today's review exercise. We also appreciate the comprehensive Reports prepared by the Government of Mexico and the Secretariat.

4.362. Jamaica and Mexico have a mutually beneficial bilateral relationship including cooperation in culture, trade and investment, tourism as well as health. Jamaica also has a strong bilateral and intra-regional institutional relationship with Mexico within the context of CARICOM, Organization of American States (OAS) and the Association of Caribbean States (ACS). We look forward to our continued dialogue to further strengthen the relations between our two countries.

4.363. According to the World Bank, Mexico, with its rich cultural history and natural resources, ranks 15th among the world's largest economies and is the second largest in Latin America. The World Bank's report reveals that there is still much more potential for growth when compared to similar countries.

4.364. Mexico did not escape the damaging effects of the COVID-19 pandemic. However, the Government's quick action in implementing sound socioeconomic policies, based on responsible debt management, a monetary policy focused on ensuring low and stable inflation as well as a flexible exchange rate, allowed for the country to rebound positively in 2021. We commend the Mexican Government's commitment to facilitating trade, including the maintenance of the flow of vaccines and medicals products during the pandemic, as well as the action taken to ensure to overcome supply chain constraints. In this regard, we express our appreciation to the Government of Mexico for its invaluable support, through the supply of critical COVID-19 vaccines, to Jamaica's national COVID-19 response.

4.365. Against worldwide inflationary pressures, the geo-political situation in Europe, we are heartened to note that Mexico's economic outlook remains positive. Already, trade and foreign direct investment have exceeded pre-pandemic levels.

4.366. We view positively the Government's continued efforts to improve its performance in the export of goods and services, and expand trade via the implementation of its Sectoral Programme for the Economy 2020-2024. Jamaica shares some of the objectives outlined in the programme and believes that its full implementation will not only augur well for its citizens, but for bilateral, regional and international trade. We encourage all Members to support Mexico's efforts in this regard. Jamaica further commends the Government's commitment to strengthen and improve the efficiency of its export platform, as well as actions being taken to facilitate trade. We view positively the implementation of measures such as the electronic customs clearance system, updating of the Single Window for Mexican Foreign Trade (VUCEM), and divesting of powers to various Federal Government departments and bodies involved in the fight against the pandemic to facilitate the smooth transfer of goods. We support further the establishment of a National Trade Facilitation Committee to allow for improved coordination among relevant government entities. We encourage Mexico to continue these efforts going forward.

4.367. Jamaica and Mexico have a shared commitment to strengthening the international rules-based multilateral trading system. As a mutual partner, Jamaica welcomes Mexico's commitment to the strengthening of system, with the WTO as its core institution, and commends Mexico for its active participation in the WTO and in informal groupings of WTO Members, such as the Friends of the System, matters related fisheries, the Dispute Settlement Body (DSB), as well as the WTO Informal Working Group on Trade and Gender. We note the leadership role played by Mexico with a view to reconstitute the Appellate Body in a bid to ensuring that all aspects of the dispute settlement system offer guarantees for compliance with the provisions of the various WTO Agreements.

4.368. Jamaica extends special commendations to Ambassador Ángel Villalobos Rodríguez and his team for their active and constructive engagement on issues within the WTO and their contribution to strengthening the WTO and the multilateral trading system. We look forward to further exchanges as we seek to implement the outcomes of the MC12 that took place in June and embark on our preparation for MC13.

4.369. In closing, Jamaica once more extends its best wishes to Mexico for a successful Trade Policy Review.

MAURITIUS

4.370. Let me join you and other delegations in welcoming the Mexican delegation led by H.E. Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade. We also thank the discussant, H.E. Ambassador Clare Kelly for her insightful remarks.

4.371. Allow me at the outset, to offer my condolences to the Mexican delegation for the damage caused by the passing of hurricane Orlene which made a landfall in southwest Mexico yesterday and also for the high magnitude earthquakes of last week in Mexico City. We know the resilience of the Mexican people and we know that they will surmount these difficulties.

4.372. Mauritius is pleased to participate in this seventh Trade Policy Review of the Mexico and we congratulate Mexico for its strong economic performance during the period under review as well as a rapid recovery initiatives from the COVID-19 pandemic. We note from the Trade Policy Review reports that trade has played a crucial role in the economic recovery.

4.373. In this respect, we commend the various support measures put in place by the Mexican Government in order to mitigate the economic fallout from the pandemic including the business support programmes to enterprises.

4.374. As founding Members of the WTO, Mauritius and Mexico share a similar commitment to the smooth functioning of a rules-based multilateral trading system that contributes to inclusive and sustainable development.

4.375. We acknowledge the constructive positions taken by Mexico for the preservation and the promotion of the multilateral trading system, particularly with the reference to the two-tier dispute settlement system at the WTO.

4.376. In addition, we acknowledge Mexico's active participation in plurilateral frameworks under the WTO, including the Joint Statement Initiatives on investment facilitation, e-commerce and services domestic services regulation.

4.377. We note that Mexico has implemented several initiatives in recent years to facilitate trade including the implementation of the Trade Facilitation Agreement and updating the Single Window for Mexican Foreign Trade. Mexico has also an open trade and investment framework, which is reflected by its low average tariffs.

4.378. We commend Mexico for its recent promulgation of the Federal Law on Industrial Property Protection. This new law will create a conducive environment for innovators and transfer of technology.

4.379. We believe that export promotion and investment institutions of both countries can work together to establish possible trade and business linkages.

4.380. As Africa looks forward to upscaling its engagement with major partners, especially following the launch of the African Continental Free Trade Area, we hope that Mexican businesses will establish value chains, with Africa and deepen its engagements with countries of the Indian Ocean.

4.381. Last but not least, let me recognize the excellent contribution of my neighbour and brother H.E. Ambassador Ángel Villalobos Rodríguez in the WTO process and in helping to advance the negotiations and the multilateral trade system.

4.382. We wish him, his Embassy and delegation every success for this Trade Policy Review.

RUSSIAN FEDERATION

4.383. Let me start by saying that we reject the declaration that we heard today from one delegation. We believe that all Members should refrain from disrupting the WTO work and should raise political issues exclusively in relevant fora that are mandated to discuss them.

4.384. I would like to extend our welcome to the delegation of Mexico. We appreciate the comprehensive Reports by the Government and the WTO Secretariat. Our thanks also go to the discussant, H.E. Ms Clare Kelly (New Zealand), for her thoughtful remarks. We hope that this TPR would contribute significantly to the transparency of the trade regime of Mexico.

4.385. We would like to commend the Government of Mexico for carrying out effective trade and investment policies that ensured solid economic performance and resilience of its economy during the review period. It seems that the Government was relatively successful at addressing the COVID-19 challenges with timely and effective interventions that allowed to minimize economic impact of the pandemic.

4.386. Of course, the current global economic downturn affected Mexico's trade performance. The Government's Report mentions that "the recent geopolitical crisis stemming from the conflict between the Russian Federation and Ukraine has led to an increase in food, fuel and fertilizer prices, as well as to greater economic uncertainty and lower global growth expectations". Let us be clear on facts. Energy and food crises started emerging long before. In general, prices for agricultural commodities are on an upward trend from the second half of 2020. This trend was exacerbated by unilateral restrictive measures in a wide array of areas – from logistics to financial services.

4.387. The same Report assures that "Mexico is convinced of the importance of trade as a vital element in the functioning of the international economy". The Russian Federation shares this view. We therefore highly appreciate Mexico's continued commitment to the core values of the multilateral trading system and the WTO which was proved by the decision not to undermine this Organization's rulebook by introducing unilateral economic restrictive measures.

4.388. Mexico is one of the Russian Federation's key foreign economic partners in Latin America and consistently ranks second in terms of trade volumes. According to our data, by the end of 2021, the Russian-Mexican trade turnover more than doubled compared to the previous year and amounted to USD 4.8 billion, exceeding the historical maximum.

4.389. According to the Economic Information System of the Central Bank of Mexico, in the first half of 2022, the volume of imports from the Russian Federation amounted to almost USD 1.2 billion, which is 21% higher than last year. The Russian Federation is the main international supplier of fertilizers to Mexico with a share of about a quarter of all imports of nitrogen and mixed nitrogen, phosphorus and potash fertilizers. Other important imports from the Russian Federation are rolled steel, aluminium, and synthetic rubber.

4.390. We look forward to working with the authorities of Mexico in order to continue expanding our trade and investment ties for mutual benefit.

4.391. In conclusion, we would like to thank you Chair, the delegation of Mexico, the Secretariat and the discussant, for the work done so far and wish Mexico a successful Trade Policy Review.

THAILAND

4.392. It is my pleasure to participate in the seventh Trade Policy Review of Mexico. We warmly welcome Undersecretary for Foreign Trade, H.E. Luz María de la Mora Sánchez and her delegation to Geneva.

4.393. We thank you Chair for your introductory remarks and the discussant, Ambassador Clare Kelly for her insightful and helpful discussion as always. In addition, we appreciate the Mexican Government and the WTO Secretariat for their excellent, comprehensive, and detailed Reports.

4.394. Chair, please allow me to share a few remarks with respect to the Mexico's seventh TPR.

4.395. First of all, I would like to highlight that Thailand and Mexico share a number of similar characteristics in terms of economic development. Both countries are an upper middle-income country that is highly dependent on international trade as well as tourism and other exports, including agricultural products which are still important for both countries. We take note with satisfaction that the Mexican government's policies in this area have been moving forward towards greater liberalization. Moreover, Thailand and Mexico are also an active member of APEC. In fact,

the Mexican Ambassador (H.E. Ángel Villalobos Rodríguez) was in Bangkok for the APEC MRT meeting earlier this year to represent the Government of Mexico of which we are very grateful.

4.396. Second, the Mexican economy is characterized by low but rather stable growth rate during the review period. Since 2016, the Mexican economy has grown at 0.2%. However, we note that in 2021 the Mexican economy experienced strong economic recovery where the GDP rebounded significantly at 4.8% with the value of exports and imports exceeding the pre-pandemic levels. This is due mainly, in our view, to the government's swift adoption of responsive measures and the foreign trade as its driver of growth.

4.397. During the review period, we have seen the trade and investment between Thailand and Mexico growing rather quickly, despite a small drop in 2020 due to the COVID-19 pandemic. In 2021, Mexico is Thailand's largest trading partner in Latin America and Thailand is Mexico's sixth largest trading partner in the Asia-Pacific region with a total trade of USD 3.7 billion, recording 18.3% increase from the previous year.

4.398. Thailand also welcomes the Mexican government's policy to promote diversification of export markets and is pleased to observe the Mexican exports becoming less, despite still highly, geographically concentrated during the review period.

4.399. We hope to expand and deepen the economic collaboration on a wide range of areas, especially with respect to the circular economy. I myself had spoken in many occasions to Mexican students visiting Thailand every year and had experienced how active young Mexican people were, which contributed considerably to the growth of the Mexican economy.

4.400. Third, Thailand applauds Mexico for its invaluable contributions to the work of the WTO in many areas and appreciates active participation of Ambassador Ángel Villalobos Rodríguez in many fora, including the Joint Statement Initiatives. I have a fond memory of working closely with him in the fisheries subsidies negotiation. We very much look forward to the continued cooperation with Mexico in the future.

4.401. Last but not least, I cannot fail to mention a particular economic sector which is of great importance to Thailand. That is the automobile and parts, of which both Thailand and Mexico are major exporters. In this regard, Thailand has been monitoring closely the development of the policies of the Mexican economy, notably with respect to the rules of origin that, as a result of the modified NAFTA agreement or the current USMCA agreement, have an impact on foreign direct investment in this particular sector. We would follow with interest the responses from the Mexican Government to the questions posed by other Members with respect to this concern.

4.402. In conclusion, we are pleased to participate in the seventh TPR of Mexico today where many of us have learned so much about the latest development of Mexico's trade and economic policies. We are also thankful for the cooperation with Mexico at every level and wish Mexico every success in its seventh Trade Policy Review.

SRI LANKA

4.403. My delegation welcomes the delegation of Mexico led by Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade. We thank the WTO Secretariat and the Government of Mexico for their comprehensive Reports and appreciate Ambassador Clare Kelly of New Zealand on her insightful information and analysis as the discussant.

4.404. Sri Lanka acknowledges that Mexico as a founding Member of the WTO actively participates in the regular activities of the WTO, negotiations, and discussions on new trade-related topics, and gives its great importance to the smooth functioning of a rules-based multilateral trading system that contributes to inclusive and sustainable development.

4.405. It is commendable that in 2016, Mexico ratified the Trade Facilitation Agreement and undertook to implement all the agreed provisions immediately and in 2021, Mexico established its National Trade Facilitation Committee. During the review period, Mexico has also continued to implement measures to facilitate trade, such as electronic customs clearance, the use of consolidated customs forms and the improvement of the Single Window for Mexican Foreign Trade.

4.406. Mexico gives its high degree of integration in international trade as Mexico's trade policy objectives are to promote foreign trade, defend its trade interests, and negotiate trade agreements. My delegation notes that regionalism is considered of utmost importance for Mexico's trade relations by signing many preferential trade agreements with its main trading partners.

4.407. We note that as a part of its trade strategy, Mexico promotes women's empowerment and the development of transport and logistics infrastructure. However, it has shown that the use of trade as a tool to reduce poverty and socio-economic inequalities has not achieved the expected outcome in Mexico, as the export activities are predominantly focused on certain goods produced in a limited number of regions of the country. We believe that Mexico works hard to attract investment to different sectors and regions of the country with the objective of promoting export diversification.

4.408. We acknowledge that Mexico's exports continue to be dominated by manufactured products and its export markets remain highly concentrated and services trade continued to be in deficit, while tourism industry was heavily affected by the pandemic during the review period.

4.409. We note that investment regime of Mexico is relatively open, however, there are still some restrictions are imposed with regard to FDI. Certain activities, mainly in the energy and services sectors, are still reserved to the State or to Mexican legal and natural persons, while in other sectors the share of FDI is limited.

4.410. My delegation acknowledges that as many economies in the world, the economy of Mexico was also badly affected in 2020 due to the COVID-19 pandemic. However, in 2021, the Mexican economy rebounded due to a substantial number of measures adopted to deal with the pandemic, which were aimed primarily at assisting the hardest-hit families and businesses, particularly SMEs.

4.411. It is significant to note that Mexico wishes to establish itself as a new gateway for multimodal traffic between Asia and the east coast of the United States and has begun work on the creation of a multimodal transport corridor.

4.412. My delegation notes that Mexico has continued to implement export promotion programmes, particularly to the manufacturing sector to promote productivity and increase competitiveness. In addition, Mexico has other programmes to attract investments and create jobs, a number of which have been notified to the WTO. As the agricultural sector is of great importance to Mexico and it is also a net importer of agricultural products, country has implemented a series of support programmes for the sector.

4.413. When it comes to bilateral trade relations between Sri Lanka and Mexico, total trade between the two countries was USD 217 million in 2021. The balance of trade has always been in favour of Sri Lanka during last six years.

4.414. Mexico became the 15th export market for Sri Lanka in 2021. The value of Sri Lanka's exports to Mexico has increased to USD 205 million in 2021 recording a 51% growth compared to 2020. Cinnamon and cinnamon-tree flowers have been the dominant export items accounting for more than 50% of the value of Sri Lanka's exports to Mexico in 2021. We acknowledge with sincere appreciation that Mexico has traditionally been one of the significant buyers of true cinnamon, which is known as "Ceylon Cinnamon" grown and produced in Sri Lanka. As we have been successful in the EU market, Sri Lanka looks forward to obtaining geographical indication protection for "Ceylon Cinnamon" in Mexico to ensure that the Mexican consumers can continue enjoy the flavours of true "Ceylon Cinnamon" in the future as well.

4.415. On the imports front, the pattern of the value of imports from Mexico to Sri Lanka has been rather erratic during 2016-2021 period while optical, medical or surgical instruments have become major import items from Mexico.

4.416. The Agreement on the Global System of Trade Preferences among Developing Countries (GSTP) was established in 1988 as a framework for the exchange of trade preferences among developing countries to promote intra-developing-country trade. Both Sri Lanka and Mexico are members of the GSTP. Sri Lanka's exports to Mexico under GSTP has increased to USD 49 million in 2021 recording a 31% increase in exports compared to 2020.

4.417. Furthermore, Sri Lanka has potential of expanding its trade with Mexico in sectors such as apparel, rubber products, machinery and electrical machinery parts, essential oils, activated carbon, ceramic products, glass products, etc. Sri Lanka believes that there could be many more areas to be discovered to strengthen the bilateral relations between the two countries, and we look forward to exploring those opportunities.

4.418. In concluding, Sri Lanka wishes the delegation of Mexico a successful deliberation and productive outcomes on its seventh Trade Policy Review.

HONDURAS

4.419. Honduras warmly welcomes the entire delegation of Mexico, led by its Head of Delegation, H.E. Luz María de la Mora Sánchez, Undersecretary for Foreign Trade. We also acknowledge Ambassador Villalobos and his team for their excellent work and thank them for their statement and report.

4.420. We extend our thanks to you, Chair, for your leadership and guidance; to the discussant Ambassador Kelly for her valuable contribution; and to the WTO Secretariat for the excellent work carried out.

4.421. Our bilateral relationship has been marked by over 143 years of diplomatic relations as part of which both parties have made efforts to strengthen and deepen consultation mechanisms, with a view to establishing mechanisms to address the challenges we both face.

4.422. This was demonstrated by the visit of the Mexican President to our country in May 2022, during which our authorities agreed to deepen connections through economic, trade, cultural, agri-food, educational and scientific exchanges, and to address matters in order to solve energy problems, including the maintenance of the electrical interconnection system between the countries of our region and Mexico.

4.423. As regards the bilateral trade relationship, as indicated in the reports examined, the governing instrument is the Single Free Trade Agreement in force since 2013. Mexico is and has been an important trading partner for Honduras.

4.424. In 2021, bilateral trade reached around USD 1 billion. Our exports stood at a value of USD 162 million, with an increase of 3% in the annual growth rate between 2017 and 2021.

4.425. We also import more than USD 851 million worth of electrical machinery, equipment and electrical parts; vehicles; and plastics and articles thereof from Mexico.

4.426. With regard to the reports examined, we highlight the actions taken by the Mexican authorities to promote the expansion of telecommunications and broadcasting services in an environment of effective competition, such as asymmetric regulatory measures for dominant economic operators and competitive tendering processes for parts of the radio spectrum for broadcasting and telecommunications services, as well as the direct allocation of new spectrum concessions for public and social use, including community and indigenous concessions.

4.427. We are also pleased to see the adoption of the Sectoral Programme for Tourism 2020-24, which sets out the sector's priority objectives, ensuring a social approach and respect for human rights in the country's tourism activities, promoting the balanced development of tourism destinations, strengthening the diversification of tourism markets and promoting sustainable tourism in Mexico.

4.428. The OECD, in its most recent report published in February 2022, highlighted Mexico's potential to become a high-growth economy and commended the country for safeguarding macroeconomic stability amid the COVID-19 pandemic through the adoption of solid macroeconomic policies, underpinned by innovative debt management, sound monetary policy and a flexible exchange rate regime.

4.429. We agree with Mexico that the WTO is a global public good, and that Members need to show commitment and willingness to improve, defend and strengthen the multilateral trading system.

4.430. Lastly, Honduras acknowledges the contributions, achievements and active participation of Mexico in the WTO and we wish it every success in the presentation of its seventh Trade Policy Review.

INDONESIA

4.431. Indonesia is pleased to participate in the seventh Trade Policy Review of Mexico. We would like to join previous speakers in extending a very warm welcome to the delegation of Mexico, headed by H.E. Luz María de la Mora Sánchez, Undersecretary for Foreign Trade. We would also like to thank the WTO Secretariat and the Government of Mexico for their excellent Reports, as well as our appreciation to the TPRB Chair, and the discussant, Ambassador Clare Kelly of New Zealand for their insightful perspectives.

4.432. As indicated in the Reports, the OECD stated in the study that Mexico has a tremendous potential to become a high-growth economy, having transitioned from an oil-dependent economy to a manufacturing hub integrated in global value chains in the early 1990s.

4.433. We have observed that, during the review period, the Mexican economy grew relatively slowly and contracted by 8.2% in 2020 as the result of the COVID-19 pandemic. Despite all the challenges posed by the COVID-19 pandemic, the Mexican economy recovered in 2021, with GDP growth around 4.8%. We believe that the business support programmes implemented by the Government will provide benefits to the business world, especially small and medium-sized enterprises that are severely affected by COVID-19.

4.434. Mexico is one of Indonesia's strategic partners in Latin America with total bilateral trade between the two countries reaching USD 1.61 billion in 2021, with a trend (2017-2021) of 6.09%. Vehicles and parts, electrical machinery, footwear, rubber, and animal or vegetable fats and oils are among the top five Indonesia's exports to Mexico. Meanwhile, mechanical appliances, electrical machinery, copper, optical devices, and organic chemicals are the top five imported products from Mexico.

4.435. Although the bilateral framework is still not optimal, trade ties between Indonesia and Mexico looks promising; trade and investment tend to increase during the post-pandemic economic recovery phase. The two countries also cooperate well in regional and international fora such as APEC and the G20.

4.436. As this year's G20 host, Indonesia would like to thank Mexico, particularly H.E. Luz María de la Mora Sánchez and her team, for their cooperation and participation in the series of Trade Investment and Industry Working Group (TIIWG) and Trade Investment and Industry Ministerial Meeting (TIIMM) held in Bali last September.

4.437. To conclude, Indonesia appreciates Mexico's active engagement in the WTO and their continued support for the multilateral trading system. We wish the delegation of Mexico every success for their seventh Trade Policy Review.

BOLIVARIAN REPUBLIC OF VENEZUELA

4.438. The delegation of the Bolivarian Republic of Venezuela wishes to welcome the delegation of the United Mexican States, headed by Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade. We thank the discussant, Ambassador Clare Kelly (New Zealand), for her context-setting analysis, and the Secretariat for its organization and documentation.

4.439. We would like to begin our statement by recalling the historic ties of brotherhood and trade cooperation that have united us with Mexico, which have been revitalized since the triumph of President Andrés Manuel López Obrador in December 2018. Our country can attest to the fact that cooperation and respect are a Mexican state policy that has been maintained and deepened throughout history.

4.440. Mexico's main exports to Venezuela include maize, baby food, shampoo, paper and machinery. Venezuela's main exports to Mexico include steel-making machinery, construction materials and sesamum seeds. We would like to highlight that both countries are part of the

Latin American Integration Association (LAIA). We have signed important trade, political, economic, parliamentary and cultural agreements and conventions. There is significant potential for cooperation between the two countries in petrochemicals, oil and gas.

4.441. Turning to the report submitted by the WTO Secretariat for Mexico's seventh Trade Policy Review, we are pleased to note that, in 2021, the Mexican economy saw GDP growth of around 4.8%, thanks in large part to the measures adopted to deal with the pandemic, which were aimed primarily at assisting the hardest-hit families and businesses, particularly small and medium-sized enterprises.

4.442. The expansion of the Mexican economy in 2021 was also reflected in its international trade. Merchandise exports in 2021 amounted to USD 494,225 million (18.5% higher than in 2020), while imports totalled USD 505,716 million (32% above the 2020 level).

4.443. In wishing Mexico a successful Trade Policy Review, we would like to conclude our statement by reaffirming our full willingness to continue strengthening our trade and cooperation ties, as well as the shared commitment to the establishment of a strong, fair and predictable multilateral trading system based on solidarity and common and transparent rules.

4.444. To conclude, we would like to take this opportunity to acknowledge Ambassador Ángel Villalobos Rodríguez for his leadership and valuable contributions as Head of the Permanent Mission of Mexico to the WTO, as Chair of this Body and as the individual responsible for uniting the majority of this Organization's Members in order to revive the Appellate Body. We extend this recognition to his team, reiterating our support and best wishes for success in its work.

BANGLADESH

4.445. At the outset, the Bangladeshi delegation welcomes H.E. Luz María de la Mora Sánchez Undersecretary for Foreign Trade and thanks for her introductory presentation at the seventh TPR. We also thank Ambassador H.E. Ms Clare Kelly of New Zealand for her insightful discussions. Our sincere appreciation goes to the Government of Mexico and the WTO Secretariat for the comprehensive Reports.

4.446. Trade has long been an important part of Mexico's economy and also an important connector. This has been reinforced during the global COVID-19 pandemic. This seventh Trade Policy Review of Mexico covers a period of great international economic instability. As an open economy with strong economic ties with the international community, Mexico has also been hit by the adverse effects of COVID-19 and other shocks. Mexico's macroeconomic strength, coupled with the implementation of measures by the monetary authority and others, Mexico have mitigated those adverse effects.

4.447. It is encouraging to see that prudent macro-economic measures adopted by the country have resulted in impressive economic growth and remarkable improvement in almost all indexes. Since the last TPR, relatively strong economic fundamentals and solid buffers to external shocks, have helped the country maintain macroeconomic stability. The strong outward orientation of the Mexico economy has been one of the pillars of growth for many years.

4.448. As a firm supporter of the multilateral trading system Mexico remains actively engaged at the WTO. It took leadership roles in various WTO bodies, including the Appellate Body appointment. It also supports a TRIPS waiver on COVID-19 vaccines, as well as reforms to strengthen the WTO.

4.449. Bangladesh welcomes Mexico's trade policy priority on multilateral, non-discriminatory rules is complemented by a goal of continuous expansion and deepening of trade relations through regional and bilateral approaches. It attaches high importance to reducing gaps in the level of development between nations, to promoting the further integration of developing and least developed countries into the global economy, and to the need to make economic development more sustainable.

4.450. As the 15th largest economy of the world, Mexico is one of the Bangladesh's important and largest trading partners. The bilateral trade volume between two countries stands at around USD 300 million and Bangladesh expects it will reach USD 1 billion mark within a few years. From

Mexico perspective, though, Bangladesh is a small trading partner but its export to Mexico has been rising since the opening of its diplomatic mission in 2012.

4.451. Bangladeshi export basket to Mexico is dominated by the apparels, which is around 90%. The other major export items include cotton, textiles, footwear, and leather products. Bangladesh's major imports from Mexico include medicine, beer, and tequila.

4.452. Bangladesh appreciates Mexico's constructive engagement with the WTO, and its commitment to multilateral trading system. To conclude, we wish the delegation of Mexico a productive and successful TPR. My delegation will continue to work closely with the Mexican delegation, led by Ambassador H.E. Ángel Villalobos Rodríguez, to strengthen the multilateral trading system while we strive to enhance our bilateral trade.

PANAMA

4.453. First of all, I would like to sincerely congratulate H.E. Luz María de la Mora Sánchez, Undersecretary for Foreign Trade at the Mexican Ministry of the Economy, as well as the entire Mexican delegation for its outstanding preparatory work in its seventh Trade Policy Review. My congratulations also go to H.E. Ambassador Ángel Villalobos and his entire team at the Permanent Mission of Mexico in Geneva.

4.454. In addition, I would like to thank Ambassador Clare Kelly of New Zealand, discussant at this Review, for her excellent introductory remarks that paint a picture of Mexico's current trade policy environment and the surrounding circumstances. We also wish to commend the work of the Secretariat in preparing the respective reports.

4.455. The period under review saw many global events that have had an impact on Mexico's economic and trade development. These include the renegotiation of the North American Free Trade Agreement, the COVID-19 pandemic and the recent geopolitical crisis. Such events have undoubtedly had a significant impact on the Mexican economy.

4.456. We note that GDP fell significantly by 8.3 percentage points. While all countries are exposed to international shocks, it is important for Mexico to implement public policies not only to mitigate the effects of the crisis, but also to strengthen the economy and increase its resilience to such events in the future.

4.457. In this regard, we are pleased to learn that Mexico is taking steps in the short and medium term to address the crisis through a multidisciplinary approach.

4.458. In addition, we welcome the fact that Mexican merchandise exports in 2021 exceeded pre-pandemic levels, amounting to USD 494 million, an 18.6% increase on the previous year. The main exports continue to be manufactured products.

4.459. A significant percentage (85%) of Mexican exports of manufactured products going to Asia pass through the Panama Canal, as Mexico is the sixth greatest user of the Canal in tonnes.

4.460. The prospects for economic growth remain positive and we hope that Mexico will continue in this direction.

4.461. Panama shares Mexico's objective of remaining at the forefront of new technologies in order to strengthen the services sector. In this regard, we are pleased to learn that Mexico has implemented the Law Regulating Financial Technology Institutions (known as the Fintech Law).

4.462. This Law has two objectives; it represents the formalization of the financial services provided through the various platforms and provides legal certainty to users of such platforms. As a services country, Panama will be closely monitoring the outcomes of this Law.

4.463. With regard to our bilateral relationship, our countries are united by significant historical, social and commercial ties. During the period under review, specifically between 2017 and 2019, Panama's exports to Mexico increased by 250%. The main agricultural products exported to Mexico

are, *inter alia*, oil, tuna, rum and cane molasses. Mexico, for its part, mostly exports manufactured products to Panama.

4.464. There is constant bilateral cooperation between our countries on SPS matters, as demonstrated by the recent visit of the Mexican authorities from the Federal Commission for Protection against Health Risks (COFEPRIS) to the Ambassador of Panama in Mexico. The objective of this body is to protect the population from health risks caused by the use and consumption of goods and services.

4.465. We would like to commend Mexico for its active participation in the multilateral trading system. Mexico's Chairpersonship of this body, the Trade Policy Review Body, is an example of the importance Mexico attaches to this Organization.

4.466. We wish it every success in this seventh Trade Policy Review

5 REPLIES BY THE REPRESENTATIVE OF MEXICO AND ADDITIONAL COMMENTS

5.1. Ambassador Molokomme, Ambassador Kelly, I would once again like to express my deepest gratitude for your important work in Mexico's Trade Policy Review, and to also extend my thanks to the representatives of the Members that have joined us in this transparency exercise, which is fundamental to the WTO.

5.2. Thank you for all the questions that Members have submitted to us in writing and orally. I also appreciate the comments and reflections that were shared with us at the first session of the Review. We received 842 written questions, all of which have been promptly addressed.

5.3. We heard various remarks in Wednesday's session that I would like to address today.

Macroeconomic aspects

5.4. Mexico is committed to maintaining a sound macroeconomic framework as a basis for its growth. The macroeconomic policy response during the pandemic, in both its fiscal and monetary aspects, focused on enabling the proper functioning of financial markets and providing support for the most vulnerable sectors of our society. Our objective remains consolidating the macroeconomic framework by taking various steps to reduce inflation to meet the central bank's target and maintain healthy fiscal accounts. We also continue to promote the healthy development of financial markets with an inclusion-based approach, in order to leave nobody behind. In this regard, we appreciate the interest shown by various Members in relation to the reforms implemented in the Mexican financial sector in recent years.

Trade concentration

5.5. An initial comment on the concentration of our trade is that one of the pillars of our country's trade policy strategy is the diversification of markets, suppliers, sectors, products and regions. In this connection, progress has been made by reducing the share of our total trade with a single country to 62%, while manufactured products account for more than 80% of foreign trade, with certain sectors seeing trade flows grow significantly, such as the aerospace sector. At the Ministry of the Economy, we use the Herfindahl-Hirschman Index to measure export diversification. The higher the index, the greater the concentration in the number of exported products. In 2007, we saw an index of 305.6, while for 2021, it had fallen to 127.6 as a result of the diversification of our export basket.

5.6. Moreover, we have taken targeted action to bring the benefits of foreign trade to the south-south-east regions of Mexico, which have not traditionally reaped the rewards of international markets and foreign trade.

Intellectual property

5.7. Mexico is a country committed to the enforcement of intellectual property rights to counter piracy and counterfeiting, as well as to enforcement in the digital sphere.

5.8. In the administrative arena, the Mexican Industrial Property Institute (IMPI) ran a campaign as part of which inspection visits were carried out, resulting in the resolution of administrative proceedings involving millions of products.

5.9. With regard to the enforcement of rights in the digital sphere, the association for the digital anti-piracy campaign in Mexico's music industry (APDIF MEXICO), requested the removal of a total of almost 30 million items of musical content between July 2020 and June 2022.

5.10. In this connection, the IMPI has not had to issue any fines to internet service providers for non-compliance with the new provisions in this area because the items have been removed. Moreover, these platforms did not receive any counter-notifications or counter-notices as a result of these actions. It is important to note that none of the notices led to infringement proceedings or any other legal dispute.

5.11. In the same vein, in order to improve the enforcement of intellectual property rights at the border, the IMPI constantly trains staff from the country's various customs offices, with a view to

equipping these officials with the knowledge required to identify goods that may be protected by intellectual property rights.

Technical regulations and sanitary and phytosanitary measures

5.12. Mexico reiterates its commitment to ensuring its regulations continue to be developed in accordance with the obligations contained in the WTO's Agreement on Technical Barriers to Trade and Agreement on the Application of Sanitary and Phytosanitary Measures. We also highlight the importance of our internal coordination within Mexico with each of the relevant regulatory authorities, aimed at promoting and ensuring compliance with the principles enshrined in these Agreements, in particular with regard to the principles of non-discrimination, transparency, proportionality and harmonization. This helps to facilitate fair international trade in goods and ensures that our country continues to have the legitimate right to establish the level of protection that it deems appropriate, with a technical and scientific basis.

Customs procedures and trade facilitation

5.13. We have heard some concerns and comments regarding customs procedures and the functions of the Mexican National Customs Agency (ANAM). In this respect, Mexico is currently overhauling its customs environment.

5.14. ANAM was established in January 2022 as a decentralized body of the Ministry of Finance and Public Credit. This change was accompanied by a reassessment of the customs system, giving the matter a central place on our country's public agenda. This is taking shape as a rethinking of the Mexican customs system that seeks to improve it for the benefit of all parties and involves better business practices, greater security and coordination with public bodies at both the national and international level. ANAM is a leading customs agency in the Latin American and Caribbean region, due not only to the high level of digitalization it has implemented, but also to its relationship with the world.

5.15. It should be noted that the Mexican State today possesses high-technology fixed and portable specialized equipment for non-intrusive inspections, as well as highly qualified personnel in this field. This non-intrusive technology is one of the tools used by ANAM as part of efforts to increase security in the logistics supply chain, thereby complying with the Framework of Standards to Secure and Facilitate Global Trade of the World Customs Organization.

5.16. In this way, ANAM contributes to strengthening both domestic and international security, thereby allowing for the seamless, secure and rapid flow of trade to other countries, preventing illegal trade and protecting our borders from the illicit trafficking of sensitive materials.

5.17. We would also like to highlight that, through the National Trade Facilitation Committee, established in March 2021, the difficulties faced by economic operators are being analysed in order to seek solutions and alternatives that facilitate trade flows and reduce administrative burdens by eliminating redundant or unnecessary requirements, without compromising the control of goods.

Agricultural policy

5.18. We recognize Members' interest in Mexico's current agricultural policy, one of the central objectives of which is to promote food self-sufficiency by boosting domestic production and reducing dependence on imports, particularly amid a global food crisis. To achieve this goal, the Federal Government amended its support programmes to prioritize small and medium-sized producers who have fewer options in dealing with market risks and the impact of adverse climatic events that occur worldwide.

5.19. Amid the current high price volatility in international markets and rising energy costs, the Guaranteed Prices Programme, which is a matter of interest for certain Members, offers an alternative to producers of maize, beans, bread wheat, rice and milk so that they receive a minimum income and secure their production. The programme does not seek to affect crop trade channels, aiming instead to ensure that smaller producers are able to use their production to contribute to national food security.

5.20. Mexico is committed to the opening up of markets and the provision of agricultural support under the WTO disciplines and existing bilateral and regional agreements. I wish to point out that

we have fulfilled our transparency obligations, which was noted by some Members, notifying our domestic support up until 2020 under the Agreement on Agriculture. We also call on other Members to update their notifications so that all Members have a comprehensive collection of information that helps them to move forward in the current negotiations on the reform of agricultural support.

5.21. With regard to tariff levels on imports, the protection provided responds to sectoral sensitivities. However, it is also important to note that the applied tariffs are below the levels that we have bound in the WTO. The tariff reductions contained in the Package to combat inflation and high living costs (PACIC), issued by the Government of President López Obrador in May of this year, are part of a broader range of measures that seek to address an abnormal price situation caused by external phenomena. It is therefore too early to undertake a separate assessment of their effects.

Services

5.22. On telecommunications, we appreciate Members' recognition of Mexico's efforts to accelerate the digital transformation through the National Digital Strategy 2021-24, aimed at strengthening information and communication technologies, including the deployment of technologies such as the fifth generation of mobile technologies (5G network).

5.23. Moreover, with regard to financial services, we note the interest shown by a number of delegations in the legislation regulating financial technology (Fintech) institutions. Within the information provided on this subject, the replies detail the actions we have undertaken to improve the operating environment of the institutions covered by the Fintech Law, which includes the issuance of provisions related to rules for contracting technology suppliers.

Environment

5.24. Turning to environmental issues, we agree that in order to fulfil the commitments of the Paris Agreement and to combat the global problem that is (among other environmental challenges) climate change, all countries have significant steps to take and work to do.

5.25. Within the multilateral trading system, I announced at Wednesday's session that Mexico would join another environmental initiative at the WTO. In this regard, I would like to share with you that we have already formally requested our incorporation into the Informal Dialogue on Plastics Pollution.

Joint initiatives

5.26. Mexico is committed to the multilateral trading system, and the country's active and constructive role in the joint initiatives was repeatedly mentioned on Wednesday.

5.27. In this connection, our country has vast experience in the negotiation of new disciplines in regional trade agreements, which allows us to make valuable contributions to these joint initiatives, in order to:

- improve and increase the transparency of trade measures that have a positive impact on trade in services;
- support the participation of MSMEs in world trade;
- create a business environment that is more efficient, predictable and conducive to investment;
- join efforts that contribute to the transition to a green economy and to attaining the Sustainable Development Goals.

Plurilateral agreements

5.28. I would also like to highlight several Members' interest in Mexico joining the following plurilateral agreements: the Information Technology Agreement (ITA) and the Agreement on Government Procurement (GPA).

5.29. Generally speaking, I would like to stress that Mexico is committed to the WTO's vision and obligations, even though we are not party to these two Agreements.

5.30. In particular, with respect to the ITA, I would like to reiterate that Mexico gives priority to supply chains and attracting investment, and recognizes the benefits for the business community and for consumers of eliminating tariffs on information technology products. Accordingly, Mexico has been applying what we call the ITA Plus for several years, which eliminates tariffs on computer, telecommunications and other electronic goods imported into Mexico from anywhere in the world. This scheme has been improved according to the sector's needs. For our country, this is an ongoing and permanent exercise for the purpose of boosting competition in this important sector in Mexico.

5.31. With regard to the Agreement on Government Procurement (GPA), Mexico has chosen to prioritize the opening up of its market, negotiating provisions on government procurement as part of its free trade agreements, with these provisions being aligned with the standards and principles laid down in the GPA. This has been done in accordance with the standard of Article XXIV of the GATT. In addition to this clarification, we reiterate Mexico's commitment to continuing to develop competitive markets and promote competition in all sectors.

Anti-dumping measures

5.32. With regard to anti-dumping measures, fewer investigations were initiated over the review period than in the previous period, during which there had already been a noticeable decline in investigations compared to earlier periods, despite no changes being made to the regulatory framework governing the application of trade remedies.

5.33. It is also important to note that the investigations initiated were done so at the request of the affected sectors themselves. In other words, no proceedings were initiated *ex officio* by the Mexican authority during the period under review.

5.34. We reiterate our commitment to conducting and implementing all investigations and measures in a manner consistent with the WTO Agreements and our domestic legislation, respecting the principles of due process, transparency and confidentiality.

Business Environment

5.35. Turning to the business environment, I would like to reiterate that Mexico remains open to domestic and foreign investment, and continues to be the tenth largest recipient of FDI in the world. This is a clear demonstration of Mexico's openness and the positive business environment that is conducive to the development of business in the country.

5.36. We have a legal and regulatory framework that encourages the establishment of foreign companies, which are welcome in our country, and also offers these companies the option of resorting to the courts if they consider their investments to be harmed.

5.37. We have listened carefully to the points made by various Members, which will help us to analyse and examine the steps that Mexico can take in order to remain an attractive place in which to invest.

5.38. Mexico values foreign investment, which is essential for our growth and development. In Mexico, we are therefore continuing to work to strengthen and improve the business climate and the comments made in the Trade Policy Review contribute to this.

Gender and Trade

5.39. We also received comments, which we greatly appreciate, regarding the efforts we are making on gender and trade. We are making these efforts to comply with a number of international commitments that we have taken on, but above all, to fulfil a responsibility that we have towards women and other traditionally under-represented groups so that they can benefit from being part of the international market and are able to reap the rewards arising from economic activity.

5.40. Some of the strategies on which we are working are a response to certain circumstances, such as the post COVID-19 recovery. It is now important to work on institutionalizing these strategies and maintaining them as a key part of our public policies to consolidate this inclusion.

5.41. Among the efforts we are undertaking is the adoption of guidelines in the Mexico-United States-Canada Agreement (T-MEC) to ensure that inclusive trade remains a cross-cutting matter. We are also committed to ensuring that the trade instruments entered into by Mexico, such as the Free Trade Agreement currently being negotiated with the United Kingdom, contain provisions to foster greater inclusion.

5.42. The growth of the Mexican economy is directly linked to the international economy and we have been working to take advantage of the options this offers us. However, we have also had to adapt to the various trends and challenges of the global economy that have arisen during this review period, and this is reflected in Mexico's trade policy report.

5.43. I would like to conclude by reiterating my thanks to Ambassadors Molokomme and Kelly, to all Members and to the WTO Secretariat for their efforts and great work in making this exercise possible, an exercise that is fundamental to the WTO functions and very useful for Mexico, the economic development model of which is intrinsically linked to the world economy and will continue to be so.

DISCUSSANT

5.44. It has been particularly rewarding to participate in this rich and detailed conversation. The 43 Members who intervened on Wednesday all spoke of the meaningful trade relationships they have with Mexico - both in terms of the economic value of their bilateral trade, and the wider value that Mexico contributes to multilateral and regional trade architecture.

5.45. Members universally commended the resilience of the Mexican economy during a time of significant global economic upheaval caused by the COVID-19 pandemic. As well as acknowledging Mexico's sound macroeconomic management, a number of Members highlighted the creative and effective measures implemented to support business through the pandemic, including measures digitalizing trade facilitation procedures and supporting MSMEs. Those measures were clearly influential in the strong bounce-back by the Mexican economy during the past year.

5.46. It is also clear that Mexico's extensive network of free trade agreements, bilateral and regional, have played a vital role in supporting the Mexican economy through this time. A number of Members spoke of the importance they place on their trade agreements with Mexico, and others expressed a desire to further strengthen their trade relationships through new or upgraded free trade agreements.

5.47. Closely tied with Mexico's commitment to its FTA agenda, is the contribution Mexico makes to the multilateral trading system. A number of Members highlighted the invaluable role that Mexico plays in this Organization, both in its contribution to core WTO business, but also through its engagement in a number of new initiatives designed to ensure our Organization continues to evolve. In line with this commitment to the Organization, several Members encouraged Mexico to ensure it meets its notification obligations. Others suggested Mexico round out the suite of initiatives to which it is a part by joining the Information Technology Agreement and the Government Procurement Agreement.

5.48. The scope and resilience of the Mexican economy coupled with a commitment to participation in international trade architecture has made Mexico a regional trade leader, and prominent in global value chains and the international economy. With significant economic power comes a high degree of expectation from trade partners.

5.49. A number of Members urged Mexico to continue to adhere to the extensive, ambitious trade commitments it has undertaken. The domestic regulatory decisions taken by Mexico can have a significant impact on the functioning of regional and global value chains, and some Members noted their concern with the direction of regulatory travel in some sectors. A number of Members pointed to the administration of foreign investment in Mexico, particularly in the energy sector, as an area that needed attention. Linked to this, some Members expressed concern at the status accorded to

state owned enterprises. Other Members requested that Mexico ensure that its customs procedures remained trade facilitative and were not overly burdensome. Several Members requested that Mexico ensure effective intellectual property enforcement.

5.50. Mexico's history of championing the transformative potential of trade is important to its trade partners. Members have encouraged Mexico to stay the course and ensure it remains a favoured destination for investment and a force for stability and ambition in its trade relationships, as it continues to rebuild from the economic upheaval, we are all currently encountering.

5.51. Mexico's work on inclusion, to spread resilience and exposure to the benefits of trade across new economic sectors and geographic regions, was commended by Members. I was pleased to hear Members speak so positively of the work Mexico is undertaking in on trade and gender issues and support for MSMEs. I was also very interested in the hearing about the work that has been done to address income inequality. This forward thinking in trade and economic policy bodes well for Mexico's continued economic success.

5.52. Finally, let me commend the Mexican delegation for its commitment to this Trade Policy Review process. Receiving and responding to over 800 questions places real demand on the domestic system. Mexico's commitment to the process has been evidenced by those efforts, as well as by the impressive delegation in attendance, led so effectively by Undersecretary de la Mora, who Members were delighted to welcome into yesterday's General Council.

5.53. With that, let me congratulate Mexico on a successful Trade Policy Review and register my thanks for the opportunity to act as discussant.

ISRAEL

5.54. Israel is pleased to participate in Mexico's seventh Trade Policy Review at the WTO. We would like to extend our warm welcome to the Mexican delegation headed by Undersecretary Luz María de la Mora Sánchez. And last but not least, we would like to thank Ambassador H.E. Ms Clare Kelly (New Zealand) for her insightful initial remarks.

5.55. At the outset, Israel would like to note that international trade plays a dominant role in our economies, primarily maintaining an open trade regime. Moreover, in relation to trade and development, our nations are also members of the Organisation for Economic Co-operation and Development (OECD), where we enjoy fruitful cooperation. Since the last review in 2017, our countries have pursued liberal trade and investment policies and have remained strong advocates of the multilateral trading system.

5.56. Mexico and Israel have enjoyed a healthy and steady growth in the bilateral trade in recent years, specifically since the entry into force of the FTA between Mexico and Israel on 1 July 2000. Total trade amounted to over USD 1 billion (goods and services) in 2021, following a growing trend expected to remain for 2022. Israeli exports to Mexico are dominated by machinery, chemicals and chemical products, rubber and plastics, medical and optical apparatus and transportation products, while Mexico's exports to Israel are dominated by machinery, transportation, minerals, chemicals and chemical products and agriculture products.

5.57. Despite the small size of its population, Israel enjoys high purchasing power, and Mexico is Israel's second-largest trading partner in Latin America.

5.58. Since 2021, the Mexican economy rebounded, with GDP growth of around 4.8%, achieved mainly thanks to the measures adopted to deal with the COVID-19 pandemic. This recovery was also reflected in an increase in trade in goods.

5.59. Israel shares Mexico's views regarding multilateral trade liberalization, and we work alongside on many issues in the WTO, on a plurilateral level, and on other platforms. For example, we are both actively engaged in the Joint Initiative on e-commerce, where Mexico plays a leading role. Israel appreciates Mexico's initiative and contribution to the MSME informal working group's Trade4MSMES Platform and soon, the Trade4MSMES Hub. Both nations also worked hard towards the successful conclusion of the Joint Initiative on services domestic regulation negotiations last year. In addition, we co-sponsor, among other Members, the transparency proposal.

5.60. We would also like to point out the potential benefits Mexico would gain should they join the Government Procurement Agreement. Being a participant would ensure optimal value for money in public purchasing in a transparent and non-discrimination manner. Israel stands ready to assist Mexico, should they wish so.

5.61. Israel submitted questions to Mexico during this exercise, and we look forward to reviewing the replies carefully. The areas of interest for Israel include, among others, government procurement, IT trade, customs, copyrights, and fintech policy.

5.62. We would like to take this opportunity to extend our sincere appreciation to the hard-working team in the Mission of Mexico, ably led by Ambassador Ángel Villalobos Rodríguez.

5.63. To conclude, allow me to wish Mexico every success in this Trade Policy Review.

NIGERIA

5.64. I would like to congratulate the entire delegation of Mexico for the conduct of this seventh Trade Policy Review. It is an important moment, not only for Mexico, but for the entire membership of the WTO.

5.65. I would like to warmly welcome the Mexican head of delegation, Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade. My delegation would also like to commend H.E. Mr Ángel Villalobos Rodríguez, the Ambassador and Permanent Representative of the Mexican Mission to the WTO here in Geneva, for his excellent work in leading the Geneva based delegation.

5.66. We would also extend our warm appreciation to H.E. Ms Clare Kelly, the distinguished Ambassador of New Zealand. We also appreciate the entire delegation of Mexico for their exceptional hard work towards this very important exercise.

5.67. It is worthy to note the significant transformative economic policies and programmes by the Mexican Government towards mitigating the adverse circumstances occasioned by the COVID-19 crisis. Mexico introduced measures that eased the import of COVID-related products during the review period. In the same vein, the country's economic environment remained strong and resilient, mid and post-pandemic with a stable exchange rate that has not seen any significant depreciation with an appreciable level of international reserves.

5.68. With regards to trade policies, we note the efforts of the government's development agenda, through developing and implementing comprehensive trade policies for innovation, diversification and inclusion in production and trade, stimulating domestic and foreign investment, as well as plans for further integration into regional and global value chains. Hence, the free-trade-related strategic agenda of the country, which includes strengthening the multilateral trading system, defence of Mexico's interest, and deepening and opening of new markets.

5.69. Furthermore, we also witnessed the steps taken by Mexico on the inclusion and participation of women and SMEs in Mexico's economy and international trade, with different international programmes and projects. We share the same priorities with Mexico in the WTO, such as the negotiations on e-commerce.

5.70. Nigeria has been enjoying cordial bilateral relations with the Mexican Government, particularly in the export of Nigeria's hibiscus flowers to Mexico. Although bilateral engagements between our two countries continue for the purpose of resolving an issue, with the hope to continue with the hitch-free and free flow of trade in hibiscus flowers for the benefit of the two countries.

5.71. In conclusion, Nigeria would like to, once again, acknowledge the efforts of the Mexican Government for different initiatives, economic and trade policies, programmes and projects, and reforms towards promoting the multilateral trading system.

5.72. My delegation will continue working closely with the Mexican delegation and the rest of the membership. We once again congratulate the entire delegation of Mexico, and we wish you a successful seventh Trade Policy Review exercise.

EGYPT

5.73. On behalf of the Egyptian delegation, I would like to welcome the distinguished delegation of Mexico and wish the delegation success in the current Review of the country's trade policy. Our delegation also thanks our discussant today, H.E. Ambassador Clare Kelly of New Zealand and the WTO Secretariat for their detailed Report.

5.74. Egypt is pleased to see that, despite the unstable international economic situation and uncertain global markets since the pandemic, the Mexican economy has been generally resilient with both imports and exports transactions exceeding the levels seen in the years prior to the pandemic.

5.75. Egypt commends the measures adopted by the Government of Mexico with a view to addressing the repercussions of the pandemic, supporting the financial system, and providing an enabling environment for MSMEs to recover. These measures contributed to the rebound of the Mexican economy with GDP growth of around 4.8% in 2021.

5.76. Egypt encourages Mexico to take stock of the current discussions to further improve its fiscal, economic and trade policies, according to its national priorities. We also invite Mexico to review some of its trade measures, especially non-tariff measures, which had a restrictive impact on the exports of some developing countries, particularly in Africa.

5.77. Egypt is of the opinion that development is central to the functioning of the global trading system, and that trade –in turn- plays an important role in achieving sustainable development. Consequently, the WTO has a leading role to play in extending the necessary support to Mexico, in order to ensure that the country is fully integrated in the global trading system while pursuing its sustainable development aspirations.

PERU

5.78. We would like to thank the Undersecretary for Foreign Trade, Luz María de la Mora Sánchez, and Ambassador Ángel Villalobos Rodríguez for their insightful interventions as well as, of course, the Secretariat and Ambassador Clare Kelly, discussant at this Trade Policy Review of Mexico. This process, by its very nature, may involve a lot of work, but we must also recognize that it is an opportunity to reflect on the useful and good practices of other Members.

5.79. In this regard, we express our deep gratitude for the summary of the discussion that has been circulated and for the information provided by Mexico in response to the questions raised by some Members.

5.80. In the economic sphere, Mexico is one of Peru's main partners and our country is the second largest recipient of Mexican foreign direct investment in Latin America, after Brazil. In the last 10 years, this investment has amounted to almost USD 17,000 million according to figures from the Mexican companies themselves.

5.81. Peru greatly appreciates its strong trading relationship with Mexico, particularly as a partner in various trade agreements that have enabled our exchanges to gain greater momentum and dynamism in recent years. Among these agreements, I would like to highlight the Trade Integration Agreement between the Republic of Peru and the United Mexican States, in force since 2012; the Pacific Alliance Agreement, which also incorporates Chile and Colombia; and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership involving Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, New Zealand, Singapore and Viet Nam, in addition to Mexico and Peru.

5.82. Peru is Mexico's sixth largest trading partner in Latin America and the Caribbean and its 41st worldwide. Mexico, for its part, is Peru's fourth largest trading partner globally. In addition, many of our exports are non-traditional goods and this is a very important element for the export diversification policy that my country is pursuing.

5.83. On 4 August 2022, the President of Peru, Pedro Castillo, and the Minister of Foreign Affairs, César Landa, met the Mexican Minister of Foreign Affairs, Marcelo Ebrard, who was accompanied by a number of Mexican investors, at the Government Palace in Lima, with the aim of strengthening foreign trade and investment. The meeting addressed various topics on the bilateral agenda framed

by both the strategic partnership in force since 2015 and the strength of trade and investment relations, exploring possibilities for cooperation on food security, among other areas.

5.84. We applaud the progress made by Mexico and its defence of rules-based trade multilateralism. We encourage it to continue the proactive efforts to further liberalize its trade and make further economic progress.

UNITED STATES

5.85. The United States would like to thank Undersecretary de la Mora, Ambassador Villalobos and the entire Mexican team for your government's dedication in presenting Mexico's trade policy and responding to Members' questions.

5.86. The United States also appreciates the guidance of the Chair and discussant, and the hard work of the Secretariat in preparing the Reports, which made this review possible.

5.87. The United States enjoys a longstanding and constructive relationship with Mexico, with cooperation across a range of issues at the WTO and important new commitments undertaken through the USMCA.

5.88. We look forward to continuing our close engagement with Mexico to further strengthen our trade partnership and work to resolve the concerns and questions we have highlighted as part of this review – in particular, I want to stress our concerns regarding Mexico's energy policy, its attempts to weaken its regulatory agencies and practices, and the need for continued improvements in its customs procedures.

5.89. We appreciate the responses provided to our advance written questions. We have submitted follow up questions and look forward to receiving responses.

EUROPEAN UNION

5.90. Let me first thank the delegation of Mexico, led by Ms Luz María de la Mora Sánchez, Undersecretary for Foreign Trade, as well as Ambassador of Mexico H. E. Ángel Villalobos Rodríguez and his team here in Geneva for the constructive participation in this important transparency exercise, including the comprehensive overview presented on Wednesday and this morning of the main developments occurred in its trade and economic policy during the review period.

5.91. The EU is pleased to note that this review has been very useful for better understanding the trade policy of Mexico and trusts that it will duly take into account some of the challenges highlighted by Members.

5.92. The discussion on the first day of the Review has shown that many Members share the EU's positive views about the constructive role that Mexico plays within the WTO and in international trade more broadly. We have highlighted a number of concerns, however. The EU is concerned about the deteriorating investment climate and the increasing lack of legal certainty. The actions in taken in Mexico's energy sector are particularly worrying. We would like to thank Mexico for having provided timely replies to the questions raised by the EU. The answers gave some useful clarifications on the issues we had raised.

5.93. The EU looks forward to continuing our close cooperation with Mexico operation in all the relevant multilateral, plurilateral and bilateral fora. As mentioned on Tuesday, the EU and Mexico are strategic partners and we are committed to upgrading our trading relationship with the swift ratification of the modernized EU-Mexico Global Agreement, which will provide a comprehensive and up-to-date framework for our relations and strengthen and deepen our relationship even further.

5.94. On behalf of the EU, I would like to congratulate Mexico for the productive and successful seventh Trade Policy Review.

ECUADOR

5.95. I would like to thank the Undersecretary, Luz María de la Mora Sánchez, for presenting her final comments for this Trade Policy Review of Mexico. I also thank Ambassador Kelly, discussant for the exercise, for her comments.

5.96. Ecuador recognizes that this has been an extremely productive exercise, through which all of Mexico's trading partners and WTO Members have been able to appreciate how useful it is to exchange views on the progress of the trade and the multilateral relationship that we maintain with Mexico.

5.97. I would like to highlight the good news that we have received with respect to Mexico's incorporation into the informal dialogue on trade and plastics pollution. This is a dialogue that is taking place within this Organization and, as we all know, Ecuador is one of the coordinators of the initiative. We are therefore extremely pleased to learn that Mexico will now be joining efforts for a worthy cause, and that it is heading in this direction that, in our view, is now absolutely necessary, i.e. using international trade mechanisms to support environmental conservation efforts.

5.98. We wish Mexico every success in the conclusion of its Trade Policy Review

6 CONCLUDING REMARKS BY THE CHAIRPERSON

6.1. This seventh Trade Policy Review has provided an excellent opportunity to review the main developments in, and challenges of, Mexico's trade and investment policies since its last Review in 2017. I would like to thank Undersecretary for Foreign Trade at the Secretariat of Economy, the Hon. Ms Luz María de la Mora Sánchez, who has travelled from Mexico, and Ambassador Ángel Villalobos and the rest of the Mexican delegation for their active engagement in this review. I would also like to thank our discussant, Ambassador Clare Kelly of New Zealand, for her valuable contribution.

6.2. Members attach great importance to Mexico as a global trading partner, as evidenced by the more than 800 questions received and the 43 delegations that took the floor on the first day. Members have greatly appreciated Mexico's written responses to the questions received, and we look forward to receiving the outstanding responses no later than one month after today's meeting.

6.3. Members noted that Mexico's GDP had contracted as a result of the negative effects of the COVID-19 pandemic, and that the authorities had responded by implementing measures to cater above all to the most affected families and businesses, particularly SMEs. Mexico did not implement substantial aid packages, preferring to stay on the path of fiscal and financial stability. Members were encouraged to learn that economic growth had resumed in 2021, underpinned mainly by a rapid recovery in Mexico's foreign trade, which had contracted during the pandemic.

6.4. Mexican merchandise trade continues to be dominated by manufactured products, which represent more than 85% of total merchandise trade. As at the time of the last Review, Members noted that Mexico remains highly dependent on one single market, and again advised Mexico to diversify its markets by using its large number of preferential agreements.

6.5. Members welcomed Mexico's active role at the WTO and highlighted the importance it attaches to a well-functioning rules-based international trading system. They stressed that Mexico's commitment to the promotion and advancement of the WTO is evidenced by its active contribution to all aspects of the WTO's work, for instance, through participation in the Joint Statement Initiatives on Services Domestic Regulation, E-commerce, and Investment Facilitation, as well as in the Trade and Environmental Sustainability Structured Discussions.

6.6. Members appreciated Mexico's notification record but encouraged it to fulfil pending notification obligations, including in agriculture. Mexico's participation in the Multi-party Interim Appeal Arbitration Arrangement was commended. Mexico was encouraged to join the plurilateral Agreements on Information Technology and Government Procurement. On gender issues, Members appreciated Mexico's efforts to include women in trade and encouraged further strengthening of women's economic empowerment.

6.7. Members took note of the representative of Mexico's observations regarding the importance of FDI to the economy and the commitment to an open, stable, rules-based FDI regime. Nonetheless, they showed concern about the deterioration of the investment climate. Concerns were expressed relating to the increasing legal uncertainty regarding investment, and with respect to some measures taken, particularly in the energy sector.

6.8. Members urged Mexico to apply its laws in a transparent manner as not to undermine confidence in its business environment, and to further liberalize the FDI regime. Members stressed that improving the legal and administrative environment could further unlock business potential and increase the competitiveness of the Mexican economy.

6.9. Members welcomed the establishment of Mexico's National Trade Facilitation Committee and noted the adoption of measures to simplify customs procedures.

6.10. Nevertheless, some Members observed that there is still room to engage in further efforts to reduce import procedures that may prove costly or burdensome, such as the need to appoint a customs broker, a customs agency, or a legal representative to handle customs clearance.

6.11. Regarding the applied tariff, Members noted that the average MFN applied tariff rate had increased and encouraged Mexico to further reduce tariffs, notably for agricultural goods. As regards

other non-tariff measures, further information was sought on the criteria for the economic analysis used to determine the need to impose import restrictions. Some Members expressed concerns regarding the use of regulatory measures, for instance, the way SPS and TBT measures are applied.

6.12. Concerns were also raised about the use of trade remedies, in particular the application and renewal of anti-dumping measures. In the area of government procurement, Members urged Mexico to continue its efforts and to progress further in opening up its markets to foreign enterprises.

6.13. Mexico was commended for making important changes to its intellectual property rights legislation, which had enhanced protection and transparency, and was invited to further strengthen enforcement of IPRs.

6.14. On sectoral policies, Members noted Mexico's agricultural policy objective of guaranteeing food security by increasing productivity while implementing sustainable environmental practices. They also referred to the fact that tariffs on agricultural products are substantially higher than those on non-agricultural products, as well as to the various support programmes, their scope and effectiveness.

6.15. Members noted that at the time of the last Review, Mexico had undertaken comprehensive structural reforms covering several sectors, such as energy, financial services, and telecommunications. In the course of the present Review, several Members raised concerns regarding changes in the investment environment, in particular in the energy sector, that in their view limited competition. In general, Members urged Mexico to further open its market to foreign investment, in particular in the area of services.

6.16. In her statement just now, Ms de la Mora Sánchez has responded comprehensively to the major queries and concerns raised by Members. We look forward to Mexico's replies to all outstanding questions in a month's time, which will then mark the successful conclusion of this Trade Policy Review.

6.17. In closing, I would like to point out that as in the previous Review, Members were heartened that Mexico has taken TPRs so seriously, as evidenced by the many responses it provided. Members thanked Mexico for its engagement in the multilateral system, and given its importance, encouraged it to become even more active.

6.18. Finally, I would like to thank the delegation of Mexico both here and in the capital, the discussant, all delegations that participated, and the Secretariat for this fruitful review of Mexico's trade policies.
