

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/AG/W/7
10 January 1992

Special Distribution

Group of Negotiations on Goods (GATT)
Negotiating Group on Agriculture

Original: English

COMMUNICATION FROM MEXICO ON THE SCOPE OF TARIFFICATION

The following communication, dated 18 December 1991, has been received from the Permanent Mission of Mexico.

The Government of Mexico was one of the first participants in the Uruguay Round negotiations to fully endorse the concept of tariffication, as an expedient and valuable element in the agricultural negotiation. Tariffs are more transparent than licensing systems or quantitative restrictions. They also lend themselves more readily to negotiation. Nevertheless, special circumstances may exist where general truths cease to apply, and the general goodness of tariffication is no exception to this.

Tolerance, accommodation and consensus are the basis of co-operation. In most areas of the Round, both traditional and new, Mexico would prefer - or be in a position to agree - to more "pure" provisions, or more ambitious levels of commitments, than other participants can accept. But we work on the conviction that ambition must be tempered by flexibility, and by mutual acceptance of the individually possible. On no subject do we insist on pressing beyond the level of tolerance of any party in the negotiation.

Mexico's commitment to the market mechanism, to liberalization and to the letter and spirit of the GATT is wholly unquestionable. Starting from the most multilaterally-committed terms any member had adopted upon its accession, the country has continued vigorously with its far-reaching programme of economic reform across the board, inter alia going well beyond its GATT commitments through unilateral liberalization of all sectors, including agriculture.

Mexico negotiated, as a central element of its accession to GATT, a protocol that entitled it to retain non-tariff border measures on around 300 products, as a then-necessary instrument to help conduct the sector gradually towards a new day. Acting on its own, the country in the meantime has eliminated 80 per cent of those measures, negotiated only five years ago.

Mexico wants to continue decidedly with this process, and negotiate constructively in relation to access in all agricultural products: the

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country is ready to tariffy most of its remaining non-tariff instruments, negotiated and fully permitted under its protocol, and more importantly, to positively negotiate access in both its tariffied and non-tariffied products, as well as across-the-board tariff reductions. The reason universal tariffication in the current Round poses fundamental problems to it is not at all to defend an unchanging situation. On the contrary: it is precisely because the country is engaged in a comprehensive, deep modernization of this sector of its economy, which goes well beyond trade and internal price policy and will bring the sector fully into the new Mexico that its Government has striven to build over the last ten years.

Similar exceptions to those, limited ones, that Mexico demands have already been agreed for other measures, such as those taken under Articles XII, XVIII, XIX and others, which like those that Mexico requires are not price-based and have both legal and substantive justification. Mexico, as a developing country with a thoroughly well-established readiness to assume its obligations, in the past and in the Round, in this and in all sectors, requires this limited, well-circumscribed measure of flexibility to support and not to avoid its movement forward.

In conclusion, it is with the greatest attention that the Mexican authorities will receive and read the document to be tabled on 20 December 1991. Mexico expects finally to find due understanding to one of its few limitations in this negotiation. Mexico has already suggested how its concerns can be accommodated without disrupting the main thrust of this aspect of the negotiation. Mexico is respectful of other participants' economic or political constraints, and expects on that score full reciprocity.