

Meeting of the Joint Committee on Spirit Drinks EU - Mexico Agreement for mutual recognition and protection of appellations for Spirit Drinks

Videoconference

June 3rd, 2013

Joint Minutes

1. Opening remarks

On June 3rd, 2013, the third meeting of the Joint Committee on Spirit Drinks under the EU-Mexico Agreement on Spirits (1997) took place via Videoconference, the previous one took place on March 30th, 2011. On a constructive manner, the meeting was the occasion to deal with and clarify some open technical issues in order to foster trade among the Parties.

The meeting was chaired on the Mexican side by Mr. Ricardo Aranda Girard, Director for International Trade Rules of the Mexican Ministry of Economy, and on the European side by Mr. Hans-Christian Beaumont, coordinator for relations with Latin America at the Directorate General of Agriculture of the European Commission. The list of participants to the meeting is annexed to these minutes. The EU Delegation to Mexico, the Mexican mission towards the EU and the Mexican *Consejo Regulador del Tequila* (CRT) also participated in this meeting. (Annex 1)

2. Approval of the Agenda

The Parties agreed to change the order for treating issues of the Agenda, included in AOB a follow-up point from last Committee (about "Rules on Traceability") and then approved the agenda of the meeting (Annex 2).

3. Information regarding the revision of the Mexican Norm for Whiskey and comments to the Mexican Health Norm (Proyecto de Norma Oficial Mexicana PROY-NOM-142-SSA1/SCFI-2013)

The EU explained its concerns regarding the revision of the Mexican technical regulation PROY-NOM-142-SSA1/SCFI-2013. In particular, the EU pointed out the possible problems related to the new provisions on alcoholic beverages mainly in terms of analytical parameters, ageing provisions and labelling obligations, as already raised at the Technical Barriers to Trade Committee of the World Trade Organization in Geneva. MEX indicated that it was not ready to reply to technical comments and questions tabled by the EU but said that it will provide a reply, since it was currently preparing the formal replies to all WTO members that have

commented on the NOM. MEX also indicated that even though the Spanish version of the EU comments was received after of the deadline of the public consultation period, a reply will be provided.

Agreement: MEX to provide a reply to the EU comments.

4. Possible fraudulent Tequila cases detected by the CRT and Mexican Trademark registry that may damage Appellations of Origin

The EU and MEX analysed on a case-by-case basis the alleged fraudulent cases of the use of the term "Tequila", with the technical support from the CRT. MEX will formally send to the EU further information, which will update a first list that was shared in 2011, of which some cases have already been solved, and on four new cases, for which the EU has already requested additional information by letter of March 1st, 2013.

Both the EU and MEX agreed that a fruitful cooperation between the CRT, Office of Harmonization for the Internal Market (OHIM), the European Commission and EU Member States is needed in order to quickly address any case of fraudulent use of protected terms.

CRT presented during the meeting additional documents (copy of TTB import certificate into the US, etc.) on products elaborated in the EU but sold in the US (liquor made of a mixture of spirits; mix of Tequila, taurine, etc.) that are considered by MEX as a clear infringement of the GI Tequila, since the CRT cannot trace back in Mexico the origin of the Tequila used for these products.

MEX called for more support from the EU to solve these cases. In this sense, MEX reminded the successful case of "Conjac" resolved by Mexican Institute for Industrial Property when solving the usurpation of EU GI Cognac. The EU showed readiness to support MEX. The EU nevertheless stressed the need for receiving beforehand from MEX clear evidence of fraud or incorrect use of protected terms. The EU confirmed that, on the basis of such evidence (to be transmitted by the interested parties, in accordance with EU legislation), a quick reaction shall be provided.

MEX also expressed concern regarding the registration in the EU of trademarks that include the name Tequila or similar terms: monitoring the registration of such trademarks has created a cost and resource burden for the CRT. In this regard, there was recognition of a need for more frequent contact among relevant agencies and actors, in order to give quick attention to cases that may emerge.

Agreement: MEX, to reply for the recent 4 cases by sending further information as requested by the EU and to update the table that was previously transmitted. The EU will treat those cases and, if need be, contact relevant MS for appropriate action.

5. Request for individual protection of Tequila under Reg. 110/2008

The EU informed that the request done by MEX for individual protection of Tequila under Reg. 110/2008 is under evaluation. The EU will request further information to MEX if needed. The EU informed that the summary of the technical file has been asked to the applicant's lawyer. The EU shared a possible calendar of the next stages before protection can be granted, following the EU's internal procedure.

Agreement: The EU will inform MEX on any future advancement on this dossier.

6. Modification of the 1997 Agreement in order to update the list of GIs and

7. Bacanora

The 1997 Agreement will have to be updated in order to include new GIs on both sides, for the EU by the inclusion notably of Romanian, Bulgarian and Croatian GIs and (point 7. of the Agenda) Bacanora for MEX.

The Parties acknowledged that there has been a deadlock for the modification linked to the acceptance of the inclusion of the MEX GI Bacanora. The EU clarified that it does not ask for the modification of the Bacanora technical regulation but explained that, as regards the labelling of Bacanora in the EU, it has to comply with EU regulatory requirements. EU pointed out that the indication of the age of the product on the label of spirit drinks is not compulsory in the EU but, if indicated, the age has to correspond to the youngest of the alcoholic components of the blend.

MEX thanked for the clarification and stated that since *Bacanora Añejo* is a Mexican protected denomination of origin, the labelling requirements applied should be the ones stated on the Mexican regulation.

The EU informed on its internal procedure for the reform of the Agreement from its side and MEX will send further information on the steps to be taken from the MEX side. The EU indicated that the corresponding list to be modified from the EU side has already been communicated to MEX, but it will have to be updated in order to include new Croatian names, once Croatia becomes EU MS as of 1st July 2013.

Agreement: Compromise from both Parties to advance in the upcoming months in the modification of the Agreement in order to include new GIs on each side. MEX will send further information on MEX national legal procedure to be followed.

8. Mutual recognition Agreement of Tests between laboratories and 9. (AOB)
Rules on Traceability (Regulation (EC) No 178/2002)

As a follow-up to last joint Committee on Regulation 178/2002, the EU outlined briefly the EU legal framework on traceability and control of foodstuffs, as well as on specific requirements on laboratories and methods of analysis. Mexico recalled the Mutual Recognition Agreement (MRA) between CRT and a laboratory from Spain, which allows having the technical expertise of European laboratories, instead of sending the samples to Mexico. Mexico reiterated its interest in signing more Mutual Recognition Agreements with other European laboratories.

The EU proposed that the two sides check possibilities for an in depth exchange about respective rules, experience and practice on these issues (e.g. a seminar). MEX welcomed any possibility to enhance bilateral cooperation.

Agreement: The Parties will analyse possibilities for bilateral cooperation, in order to better address this issue.

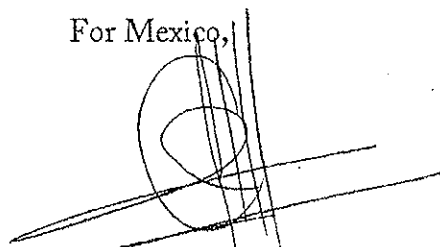
Minutes of this meeting

The Parties agreed that the EU would prepare the first draft minutes of the meeting and would send it to Mexico for comments.

Next meeting

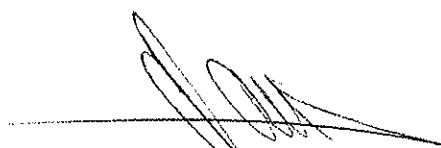
Both delegations agreed to continue work of the Joint Committee on a basis of yearly meetings and acknowledged that it is important to maintain these works by means of organising ad-hoc videoconferences beforehand in order to advance on some follow-up points. This includes now notably the cases related to Tequila.

For Mexico,



Ricardo Aranda Girard
Director for International Trade Rules
Ministry of Economy

For the EU,



Hans-Christian Beaumont
Director Coordinator Latin
America, Unit 1
DG Agriculture and Rural Development
European Commission

Annex 1 - List of Participants

Delegation of the European Union:

Directorate-General Agriculture and Rural Development:

Hans-Christian Beaumont, Chair, Unit B1 - Latin America; Asia other than OECD members.

Carlos Coronas Balsera, Unit B1 - Latin America; Asia other than OECD members.

Ersilia Moliterno, Unit C3 - Wine, Alcohol, Tobacco, Seeds and Hop.

EU Delegation to Mexico:

Domenico Fornari, Head of the Trade and Economic Section.

Delegation of Mexico:

Ministry of Economy

Ricardo Aranda Girard, Director for International Trade Rules

José Javier Verde Negrete, Director for Government Procurement and Intellectual Property

Mónica Lugo Aranda, Deputy Director for Technical Barriers to Trade

Marcela Orozco Ramírez, Deputy Director for Intellectual Property

Jesús Figueroa Gamboa, Deputy Director of Linkage and Harmonization

Fernando Portugal Pescador, Deputy Director for the European Union

Mexican Institute of Industrial Property

Rodrigo Turrent Núñez, Director of International Affairs

Isabela Arce Muñoz, Deputy Director for Negotiations and International Legislation

Mayra Ramos González, Head Department of the Trademark's Reception and Control of Documents

Alberto Monjaras Osorio, Deputy Director of Legal Services, Registry and Geographical Indications

Gabriela Aceves Villalba, Head Department of International Negotiations

Irely Aquique Pineda, Director of Intellectual Property Enforcement

Adriana Mauleón Fernández, Industrial Property Specialist

Federal Commission for the Protection against Health Risks

José Raúl Ramírez Ramírez, Director for International Affairs

Mexican Mission towards the EU

Roberto Reyes Barrera, Head of the Trade Section

Luis Ernesto González, Economic Counselor

Consejo Regulador del Tequila (CRT)

Ramón González Figueroa, Director General

Rocío Melendrez Ramírez, Charge for International Affairs

Fernando Cano, Representative in Geneva

Annex 2 – Agenda

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AGENDA

1. Opening remarks.
2. Approval of the Agenda.
3. Information regarding the revision of the Mexican Norm for Whiskey and comments to the Mexican Health Norm (Proyecto de Norma Oficial Mexicana PROY-NOM-142-SSA1/SCFI-2013).
4. Possible fraudulent Tequila cases detected by the CRT and Mexican Trademark registry that may damage Appellations of Origin.
5. Request for individual protection of Tequila under Reg. 110/2008.
6. Modification of the 1997 Agreement in order to update the list of GIs.
7. Bacanora.
8. Mutual recognition Agreement of Tests between laboratories.
9. (AOB) Rules on Traceability (Regulation (EC) N° 178/2002.
10. Minutes and Next Meeting.

