

EU-Mexico Interim Agreement on Trade

2025/0271(NLE) - 31/07/2026 - Final act

Council Decision (EU) 2026/1742 approves the conclusion, on behalf of the European Union, of the Interim Agreement on Trade between the European Union and the United Mexican States (ITA). The ITA was signed on 22 May 2026 and provides an EU-only framework for the trade elements of the modernised EU-Mexico relationship, pending the entry into force of the broader Modernised Global Agreement, when the ITA will expire.

The Decision was adopted following the European Parliament's consent of 8 July 2026.

Conclusion and legal effect

The Decision approves the ITA. Within the Union, the ITA does not create directly enforceable rights or obligations for individuals beyond those arising between the parties under public international law. It cannot therefore be directly invoked before the courts of the European Union or Member States.

Main trade content of the agreement

The ITA modernises the EU-Mexico trade framework, extending it beyond the earlier liberalisation of industrial goods. It aims to facilitate trade and investment by reducing tariffs, notably on agricultural products, and by removing unnecessary technical and non-tariff barriers.

Mexico is to remove almost all tariffs on EU agri-food exports at the final stage of implementation. The agreement also establishes duty-free tariff-rate quotas for certain products, including milk powder, cheeses, dairy preparations, butter, beef, poultry legs and pork loin. It provides for simplified or improved market access conditions for, among other sectors, machinery, motor vehicles and parts, medical devices, pharmaceuticals, food and drink, and transport equipment.

The agreement promotes greater use of international standards. In particular, it facilitates exports of vehicle parts through acceptance of internationally recognised test reports and EU certificates. It also establishes rules of origin intended to enable EU exporters to benefit from preferential treatment.

Services, investment and public procurement

The ITA improves market access for service suppliers, including in business, financial, telecommunications and transport services, while preserving each party's right to regulate on a non-discriminatory basis. It does not require the privatisation or deregulation of public services.

It provides for enhanced access to Mexican public procurement, including public-private partnership contracts and procurement markets in 14 Mexican states. EU bidders are to receive treatment equal to Mexican bidders, under more predictable and transparent procedures.

The agreement contains investment-protection provisions, including an Investment Court System replacing investor-state dispute settlement. This system provides for permanent tribunals, independently assigned judges, safeguards against conflicts of interest, an appeal mechanism, and public access to documents and hearings.

Sustainability, supply chains and intellectual property

The ITA maintains tariff-free access to critical raw materials and seeks to support diversified, more predictable supply chains. It prohibits dual pricing for these materials, opens Mexico's critical-raw-materials sector to EU investment, and maintains companies' obligations under environmental and labour legislation.

It includes commitments on labour rights, environmental protection, climate action, biodiversity, sustainable fisheries and forests, and responsible business conduct. The parties must not weaken or fail to enforce labour or environmental laws to encourage trade or investment. These commitments are legally binding and subject to a dedicated dispute-settlement procedure. A joint declaration addresses trade and gender equality.

The agreement protects intellectual property rights, including copyright, trademarks and industrial designs. Mexico is to protect 232 EU geographical indications for spirits and a further 336 EU geographical indications for wines, beers and food products.

Commission powers concerning amendments

The Commission may approve, on the Union's behalf and after consulting the Trade Policy Committee, amendments concerning product definitions, oenological practices, restrictions, documentation and certification under the ITA's wine-related provisions. It may also approve modifications or corrections to specified commitments under the agreement.

The Commission is similarly authorised to approve changes to the ITA's list of geographical indications and to the annexes of the EU-Mexico Spirits Agreement incorporated into the ITA. Where interested parties fail to reach agreement following objections to a geographical indication, the Commission must establish the Union position under the procedure provided for by Regulation (EU) 2024/1143.

The Decision entered into force on 14 July 2026.

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