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Voluntary _ Public

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Mexico

Post: Mexico

Egg Import Tariffs Eliminated

Report Categories:

Agriculture in the Economy Agriculture in the News Poultry and Products Market Promotion/Competition

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Report Highlights:

On September 13, 2012, the Secretariat of Economy (SE) announced modifications to applied duties for imported fresh eggs for human consumption and eggs for industrial purposes in the *Diario Oficial* (Mexico's Federal Register). Effective September 14, 2012, eggs from the harmonized tariff system (HTS) codes listed below are tax exempt. This announcement does not imply any changes to preexisting U.S. tariff-free access that was due to NAFTA, but may lead to additional price competition.

General Information:

Disclaimer

This summary is based on a *cursory* review of the subject announcements and therefore should not, under any circumstances, be viewed as a definitive reading of the resolution in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete resolutions or announcements as published in Spanish, the latter shall prevail.

Title of Notices:

1. "Announcement that modifies the Import and Export General Tax Law"

Important Dates

Publication Date: September 13, 2012
Effective Date: September 14, 2012

Summary: SE published on September 13, 2012, a notice in the *Diario Oficial* announcing modifications to the duties applied to imported table eggs and eggs for industrial purposes. According to SE, the June 21, 2012, H7N3 subtype A avian influenza outbreak in the state of Jalisco has reduced drastically domestic egg production. Consequently, the market has witnessed increased prices, greater volatility, and unjustified speculation. SE reports that this measure received the approval of the Foreign Trade Commission.

The SE announcement states that starting September 14, 2012, egg imports (for human consumption, dry, frozen or in powder) from any country will be exempt from import tariffs. Previous to the publication of this announcement applied duties ranged from 45 percent for HTS 0407.21.01 to 20 percent for other HTS code items indicated in the chart.

HTS	Products	Units	Tax	
			Import	Export
0407.21.01	Eggs in the Shell, for human consumption	Kg	Exempt	Exempt
0407.21.99	Other	Kg	Exempt	Exempt
0408.11.01	Not In Shell And Egg Yolks, Dried	Kg	Exempt	Exempt
0408.19.99	Other	Kg	Exempt	Exempt
0408.91.01	Frozen or in powder	Kg	Exempt	Exempt
0408.91.99	Other	Kg	Exempt	Exempt
0408.99.01	Frozen, except what contained in HTS 0408.99.02	Kg	Exempt	Exempt
0408.99.99	Other	Kg	Exempt	Exempt

FAS Mexico comment: This announcement does not imply any change to the United States' preexisting tariff-free access, but could result in increased price competitiveness. However, the import of eggs from distant countries is likely to be carefully scrutinized as zoo-sanitary requirements, transportation costs and times, etc. may prevent access for other potential trading partners.

Author Defined:

For More Information

FAS/Mexico Web Site: We are available at www.mexico-usda.com or visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

FAS/Mexico YouTube Channel: Catch the latest videos of FAS Mexico at work http://www.youtube.com/user/ATOMexicoCity

Other Relevant Reports Submitted by FAS/Mexico:

Report Number	Subject	Date Submitted
MX2053	SENASICA Delivers AI Vaccines to control AI Outbreak	7/30/12
MX2046	Economia Opens Quota Due to Egg Price Speculation	7/6/12
MX2044	HPAI Outbreak Hits More Farms in Jalisco	7/5/12
MX2043	Emergency Management Mechanism to Combat Avian Influenza Activated	7/3/12
MX2040	HPAI Outbreak in Jalisco	6/26/12

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx, equivalent to the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx and equivalent to the U.S. Food and Drug Administration (SALUD) can be found at www.salud.gob.mx. These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on the mentioned sites.