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## Mexico

**Post:** Mexico

### Mexico Announces Sugar Cane Reference Price

**Report Categories:**

Sugar

Policy and Program Announcements

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**Report Highlights:**

The National Committee for the Sustainable Development of Sugarcane ([CONADESUCA](#)), through the Secretariat of Economy (SE), published in the Diario Oficial (Federal Register) the standard sugar reference price to determine the cane payment for MY 2015/16. This reference price is also the price that should be used to calculate final sugarcane payments for the MY 2014/15 crop. The reference price is \$8,130.65 pesos per metric ton (MT), or \$486.86 dollars per MT at the current \$16.70 pesos per dollar exchange rate.

## General Information:

**Introduction:** This report summarizes an announcement from the Secretariat of Economy (SE) published in Mexico's "Diario Oficial" (Federal Register) on October 30, 2015, containing the sugarcane reference price for MY 2015/16.

**Disclaimer:** This summary is based on a cursory review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation 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 regulation or announcement as published in Spanish, the latter shall prevail.

**Title:** [Announcement](#) of the Reference Price of Sugar- Standard Base- for payments of sugarcane for MY 2015/16 as proposed by the National Committee for the Sustainable Development for Sugarcane.

**Executive Summary:** The Secretariat of Economy published an announcement in the *Diario Oficial*, on October 30, 2015 that sets the reference price of sugar that is used to calculate sugarcane payments for the MY 2015/16 crop. The reference price is \$8,130.65 pesos per MT (\$486.86 dollars/MT at the current \$16.70 pesos per dollar exchange rate). This represents a slight increase in peso terms from the MY 2014/15 reference price of \$7,099.83 pesos per MT (\$517.10 dollars/MT at the then-current \$13.73 pesos per dollar exchange rate).

The new MY 2015/16 reference price will also be the price to be used for the final adjustment payments for MY 2014/15 sugarcane, using CONADESUCA's [methodology](#) to calculate the reference price.

The sugar reference price is based on a complex formula involving, among other data, the average price of semi-refined (estandar) sugar in various regions of the country, as determined by CONADESUCA. Sugar export prices are also included in the formula, depending on whether the sugar mill did or did not export sugar. The reference price is important, because under Article 58 of the Law of Sustainable Development of Sugarcane, approximately 57 percent of this set reference price is paid to growers for their sugarcane.

## For More Information:

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

**Useful Mexican Web Sites:** Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at [www.sagarpa.gob.mx](http://www.sagarpa.gob.mx) and Mexico's equivalent to the U.S. Department of Commerce (SE) can be found at [www.economia.gob.mx](http://www.economia.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.

**Other Relevant Reports Submitted by FAS/Mexico:**

<b>Report Number</b>	<b>Subject</b>	<b>Date Submitted</b>
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<a href="#">MX5037</a>	Antidumping Petition Against Imported HFCS Denied by GOM	09/08/2015
<a href="#">MX5031</a>	Mexico Announces Sugar Export Quota to the U.S. for Cycle 2015-16	08/03/2015
<a href="#">MX 5025</a>	Four Mexican State-Owned Sugar Mills Sold	06/15/2015
<a href="#">MX 5017</a>	Sugar Annual Report	04/16/2015