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Voluntary - Public

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Mexico

Post: Mexico

Import Beef Duties Eliminated

Report Categories:

Livestock and Products

Policy and Program Announcements

Trade Policy Monitoring

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Report Highlights:

The Mexican Government published today, August 10, 2010, the notice to eliminate import duties imposed on U.S. beef exports in the *Federal Register (Diario Oficial)*. In addition, the separate investigation of import duties imposed on beef exports from Tyson Fresh Meats, Inc. has concluded with similar results.

General Information:**Introduction:**

This report summarizes a notice from the Secretariat of Economy (SE) published in the *Diario Oficial*, announcing the elimination of compensatory import duties imposed on U.S. beef exported to Mexico.

Disclaimer:

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

Title: Resolution that declares the closing of the examination and the official revision of the compensatory duties imposed on beef meat, merchandise classified in tariff numbers, 0201.20.99, 0201.30.01, 0202.20.99, and 0202.30.01, originating from the United States of America, independently from the country of shipment.

Type of Ruling: Final Notice and Elimination of Imposed Compensatory Duties

Important Dates

1. Publication Date: August 10, 2010
2. Enforcement Date: August 11, 2010

Products Affected: All U.S. beef cuts (bone-in and boneless) exported under the following tariff classifications, 0201.20.99, 0201.30.01, 0202.20.99, 0202.30.01.

Agency in Charge: Secretariat of Economy (SE)

FAS/Mexico Summary: In the *Diario Oficial* on August 10, 2010, SE published a notice stating the compensatory import duties imposed on U.S. beef cuts classified under HTS codes 0201.20.99, 0201.30.01, 0202.20.99, 0202.30.01 would be eliminated. SE decided to eliminate the duties given the the only Mexican producer association (National Cattlemen Association, CNOG) withdrew its support for continuing the duties as of May 31, 2010. Furthermore, a Mexican importers association (Mexican Meat Council) and a U.S. exporter and association (Tyson and USMEF) supported CNOG's decision and requested the SE close the sunset review.

Furthermore, Mexican law allows the SE to close the investigation as requested by Tyson Fresh Meats, Meats, Inc. on April 21, 201, on compensatory import duties on products from Tyson. This information was also confirmed by phone with sources at the SE.

Thus, as of August 11, 2010, all U.S. beef exports to Mexico will not be subject to any compensatory duties.

Background:

On April 28, 2000, SE published in the *Diario Oficial* its final decision on an antidumping case against exporters of U.S. beef and edible beef offals by imposing a complex set of specific duties on most beef carcasses and cuts, including a range of duties from \$0.03 to \$0.80/kg on beef products from the United States.

On October 20, 2004, SE published a notice changing the duties as a result of a final decision issued by a binational panel on March 15, 2004. The final decision of the panel confirmed the decision to apply compensatory import duties on meat products, but eliminated the duties on carcasses and clarified which companies would be subject to the duties.

After a mandatory review of the duties, on April 24, 2006, SE published in the *Diario Oficial* a notice stating the import duties would continue for an additional five years.

On April 21, 2009, SE published in the *Diario Oficial* a notice announcing a review of the compensatory import duties on U.S. beef exported to Mexico for products originating from Tyson Fresh Meats, Inc. as requested by the company.

On March 5, 2010, SE published in the *Diario Oficial* a preliminary decision regarding compensatory import duties imposed on U.S. beef imports from Tyson Fresh Meats, Inc. SE affirmed the import duties on products originating from Tyson Fresh Meats, Inc. and continued investigating the need to maintain the duties for an additional five years.

On April 21, 2010, SE published a notice in the *Diario Oficial* stating the launch of a sunset review of the compensatory import duties applied to beef imports from the United States.

Useful Mexican Web Sites:

Mexico's equivalent of the Department of Agriculture (SAGARPA) can be found at <http://www.sagarpa.gob.mx> and Mexico's equivalent of the Department of Commerce (SE) can be found at www.se.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.

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FAS Mexico Web Site:

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

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MX 0060 Final Decision in Antidumping case against U.S. Beef
MX 4138 GOM Publishes Final Response to NAFTA Panel Decision on Beef Compensatory
MX 6032 Mexico Announces the Continuance of Compensatory Duties on Beef Imports
MX 9033 Review of Compensatory Beef Duties
MX 0018 Tyson to Undergo Separate Review of Compensatory Beef Duties
MX 0025 GOM Considers Continued Application of Compensatory Duties