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## **Mexico**

**Post:** Mexico

### **Poultry Import TRQ Extension Announced Through December 2017**

**Report Categories:**

Poultry and Products

Agriculture in the Economy

Agriculture in the News

Policy and Program Announcements

Market Promotion/Competition

Trade Policy Monitoring

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**Report Highlights:**

On December 22, 2015, Mexico's Secretariat of Economy (SE) announced an amendment to the term length of a previous authorization under which Mexico can import poultry meat duty-free, via a tariff rate quota (TRQ) regime. Mexican authorities have gone so far as to say the announcement is more about keeping domestic poultry prices in check by allowing imports as necessary but not to affect the domestic production. Mexico is looking to keep markets open to potentially source these products in light of recent Avian Influenza outbreak in the United States of America, Mexico's main poultry supplier.

**General Information:**

On December 22, 2015, Mexico's Secretariat of Economy (SE) announced an amendment to the term length of a previous authorization under which Mexico can import poultry meat duty-free, via a tariff rate quota (TRQ) regime. During 2014 and 2015, highly pathogenic avian influenza (HPAI) outbreaks occurred in the United States. Mexico has prohibited the import of poultry products (offal, viscera, pasteurized table eggs, live birds, fertile eggs, feathers, breaking eggs, SPF eggs, poultry meat and 3-day old chicks) from 15 states: California, Minnesota, Missouri, Arkansas, Kansas, Montana, South Dakota, Wisconsin, North Dakota, Iowa, Nebraska, Indiana, Idaho, Oregon and Washington.

On February 28, 2014, SE had announced an [amendment](#) to term length of the same agreement until December 31, 2015, under which Mexican companies could import 300,000 metric tons (MT) of poultry (specifically, chicken) meat duty-free, via a tariff rate quota (TRQ) regime. Previously, on May 15, 2013, Mexico's SE announced a modification to the General Import and Export Tax Law to allow the duty-free import of poultry meat, via a TRQ certificate. As a follow-up to this decree, on May 16, 2013, SE published an announcement which confirmed the amount of poultry meat to be imported under the TRQ. The harmonized tariff system (HTS) codes covered by this TRQ announcement are for fresh, chilled, or frozen chicken meat, cuts, and edible offal (See MX4016).

Through this announcement, SE is extending the term length up to December 31, 2017. This report summarizes the “Decree that Indicates the Modification of the Quota to Import, Under Tariff-Quota, Poultry Meat”.

Article 1 indicates the extension of the date from May 16, 2013 to December 31, 2017. The validity of the TRQ certificates issued after the publication of this announcement will be valid through December 31, 2017.

**FAS Mexico analysis**

Under NAFTA, U.S. poultry meat is exempt from this TRQ, however, Mexico's imports of poultry meat from the United States is not likely to continue as it has in the past. According to recent trade data released by Foreign Agricultural Service (FAS), broiler shipments to Mexico for January-December 2015 dipped by 5.3 percent year over year to 607,994 MT. Due to this fact, Mexico's authorities consider it important to keep other options open from which Mexico could source this type of product and avoid jeopardizing the consumers' purchasing power.

The countries with which Mexico has currently negotiated a [zoo-sanitary protocol](#) for poultry meat and offal are: Argentina, Brazil, Canada, Chile, and the United States. According to private sources, it is very likely that Brazilian and Argentine competitors would take advantage of this TRQ.

**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 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.

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**FAS/Mexico Web Site:** We are available at [www.mexico-usda.com.mx](http://www.mexico-usda.com.mx) 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.

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

<b>Report Number</b>	<b>Subject</b>	<b>Date Submitted</b>
MX5036	Poultry and Products Annual	9/3/2015
MX5008	Poultry and Products Semi Annual	02/17/15
MX5004	CA HPAI restrictions	01/29/15
MX4061	Poultry Annual	8/15/2014
MX4025	Red Meat and Poultry Sector Trends and Developments	3/28/2014
MX4016	Poultry TRQ Extension Announced Through December 2015	3/3/2014
MX4015	Livestock and Products Semi-Annual: Production Forecasts Raised Slightly on Better Genetics, Weather, and Feeding	3/1/2014
MX4012	Poultry and Products Semi-Annual: Billion Dollar Market Retains Potential for Increased Sales	2/14/2014
MX4011	SAGARPA to Provide USD 50 Million for Abattoirs and Processors	2/4/2014

**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), equivalent to the U.S. Department of Commerce (SE) can be found at [www.economia.gob.mx](http://www.economia.gob.mx) and equivalent to the U.S. Food and Drug Administration (SALUD) can be found at [www.salud.gob.mx](http://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.