Sugar in Mexico: Implications From the Antidumping and Countervailing Duties Suspension Agreements

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"U.S. Needs" = (Total Use* 1.135) - Beginning Stocks - Production - TRQ Imports - Other Program Imports - Other High Tier + Other (Footnote 5 for "other high tier" + "other")
Export Limit Periods

**Initial Export Limit Period:** 80 percent of U.S. needs as calculated by WASDE on December 2014, effective January 1, 2015. This should be adjusted to cover 100 percent of U.S. needs according to the March WASDE, effective on April 1, 2015.

**Subsequent Export Limit Period:** 70 percent of U.S. needs as calculated on the July WASDE preceding the Export Limit Period. This limit will be effective on October 1.

**Adjustments of Subsequent Export Limit Periods:**

a) Based on the September WASDE of each Subsequent Period, effective on October 1, the Export Limit shall be revised to equal 70 percent of the Target Quantity of U.S.

b) Based on the December WASDE of each Subsequent Period, effective on January 1, the Export Limit shall be revised to equal 80 percent of the Target Quantity of U.S.

c) Based on the March WASDE of each Subsequent Period, effective on April 1, the Export Limit shall be revised to equal 100 percent of the Target Quantity of U.S.
Further Restrictions

No more than 30 percent of U.S. Needs calculated in each July and effective October 1 may be exported to the United States during the period October 1 through December.

No more than 55 percent of U.S. Needs calculated in each December and effective January 1 may be exported to the United States during the period October 1 through March 31.

Refined Sugar may account for no more than 53 percent of the exports during any given Export Limit Period.
MEXICO’S SUGAR EXPORT QUOTA

TIMELINE

JULY WASDE 70% US NEEDS
SEPT WASDE 70% US NEEDS
DEC WASDE 80% US NEEDS
MARCH WASDE 100% US NEEDS

\[ Q_1 \leq 30\% \]
\[ Q_1 + Q_2 \leq 55\% \]
\[ Q_1 + Q_2 + Q_3 + Q_4 \text{ Refined sugar may account no more than 53\%} \]
EXPORT LICENSE EXPEDITION PROCESS

INGENIO

TRADER

AUTOMATIC TRANSMISSION FROM EXPORT PERMIT INFORMATION SHEET

Submit Information

- Shipment
- Quantity
- Merchandise
- Price

Review

- Balance
- Time Period
- % refined
- Price
On January 6th 2016, The Government of Mexico published a decree that modifies IMMEX program for sugar, textiles, certain minerals, aluminum and tobacco, among others.

The modification prohibits sugar that benefits from the U.S. Sugar Re-export Program from using the IMMEX program in Mexico.
US Imports of sugar from Mexico Fiscal Years 2008-2015
volume in metric tons raw value

Source: USDA
US monthly imports of sugar from Mexico Fiscal Year 2015

US Imports from Mexico: Jan – Sept 2015
1,343,510

Source: USDA
US Imports of raw sugar under WTO TRQ
October – January Fiscal Year 2009 – 2016
Metric Tons raw Value

Source: USDA
WASDE: Estimates of US sugar Needs and Mexico's Export Limit Fiscal Year 2015 Short Tons, Raw Value

Source: USDA
Estimates of US sugar Needs and Mexico's Export Limit Fiscal Year 2016 Short Tons, Raw Value

Source: USDA
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