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Mexico

Grain and Feed

Mexico's First 2004 Auction of U.S. Dry Edible Beans 2004

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Report Highlights:

On March 5, 2004, the Secretariat of Economy (SE) published two announcements on the auction of dry bean import permits (cupos) and the 2004 NAFTA tariff rate quota (TRQ) for dry beans from the United States and Canada. SE will conduct the first auction of permits to import 22,398.746 MT of U.S. dry edible beans on April 2, 2004; this quantity represents one-third of the total NAFTA tariff-rate quota (TRQ) for CY 2004. The auction for the last two-thirds will be held on June 1st (or the next business day). The 2004 NAFTA TRQ, which is available to United States and Canada, is set at a minimum access of 67,196.239 MT for the United States and 2,015.710 MT for Canada, with a zero duty. Dry beans imported above this TRQ are subject to the 2004 NAFTA duty of 46.9 percent.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Mexico [MX1]
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On March 5, 2004, the Mexican government published in the *Diario Oficial* (Federal Register) the Secretariat of Economy's (SE) announcement that on April 2, 2004, it will conduct the first auction of the NAFTA Tariff Rate Quota (TRQ) imports permits for 22,398.746 MT of U.S. dry edible beans (except for planting), in lots of no more than 4,479.749 MT. Participation in the auction is limited to traders and packers in operation for at least one year as well as dry bean producer organizations. The auction itself will be conducted in two sessions at SE in Mexico City at 10:30 and 17:00.

Following are the auction details as contained in the *Diario Oficial* announcement:

Auction Number	Tariff Number	Product	Country	Unit	Auction Quantity (Kilograms)	Maximum auction amount per participant	Auction Date/ Time
005/2004	0713.33.02 0713.33.03 0713.33.99	Beans, except for planting.	United States	Kg.	22,398,746	4,479,749	April 02, 2004 10:30
12/2003	0713.33.02 0713.33.03 0713.33.99	Beans, except for planting.	Canada	Kg.	671,903	134,380	April 02, 2004 17:00

Interested parties may pick up auction information and documents beginning on March 8, from 9:00 – 14:00 in all SE offices throughout the country.

Sealed bids will be accepted starting 1 ½ hours before auction time. The auction itself will be conducted at the date and time indicated above in the "Exportadores" Room of SE at the following address:

Insurgentes Sur 1940
Planta Baja
Colonia Florida
Delegacion Alvaro Obregon
C.P. 01030
Mexico, D.F.

Also on March 5, 2004, SE separately announced in the *Diario Oficial*, the 2004 NAFTA Tariff Rate Quota (TRQ) for dry edible beans. This announcement includes information on Mexico's administration of bids for the importation of dry beans in 2004, according to the understanding reached between the U.S. and Mexico. Consequently, Mexico is allocating one-third of the NAFTA quota on April 2 of 2004. SE will allocate the remaining two thirds of the NAFTA TRQ on June 1st (or the previous business day) of 2004. Both allocations will be through public auctions.

The announcement also indicates that SE will announce in the *Diario Oficial* the first auction a month before it takes place (20 business days). Participation in the auction is limited to people or companies established in Mexico.

Under NAFTA, Mexico's minimum access obligation for U.S. dry edible bean in 2004 is a tariff rate quota of 67,196.239 MT. Dry beans imported above this TRQ are subject to the 2004 NAFTA duty of 46.9 percent (see MX 4003).

The following are some details as contained in the *Diario Oficial* announcement:

Tariff Number	Description	Country of Origin	Minimum TRQ * (MT)
0713.33.02 0713.33.03 0713.33.99	Beans, except for planting	United States	67,196.239
0713.33.02 0713.33.03 0713.33.99	Beans, except for planting	Canada	2,015.710

*This is a minimum amount that could be increased if the Commission of Foreign Trade decides additional low-tier tariff imports are necessary to meet the domestic demand for this product.

Lastly, the announcement indicates that the import permits for the first auction will be valid until May 31, 2004, while the validity for permits from the second auction will be until September 30, 2004.