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## **Costa Rica**

### **Poultry**

# **COSTA RICA ESTABLISHES POULTRY TRQ AND REDUCES TARIFFS 1999**

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#### **Report Highlights:**

**Costa Rica formally established its Uruguay Round tariff-rate quota for chicken through the year 2002. It also reduced applied tariffs on poultry products below its WTO commitment bindings.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
San Jose [CS1], CS

## **COSTA RICA ESTABLISHES POULTRY TRQ AND REDUCES TARIFFS**

Costa Rica issued a decree on March 5, 1999 opening up its poultry tariff-rate quota (TRQs) for 1999 through 2002. Costa Rica also reduced out-of-quota tariffs and other non-TRQ product tariffs with the decree.

### **TARIFF-RATE QUOTA**

The following are the products, quantities and tariff rates applied under the new decree.

HTS Code	Description
0207.13.99	Poultry cuts and offals, fresh or chilled
0207.14.99	Poultry cuts and offals, frozen

TRQ volume in 1999	999 MT
TRQ volume in 2000	1,056 MT
TRQ volume in 2001	1,113 MT
TRQ volume in 2002	1,170 MT

Tariff rate applied in each year 34%

HTS Code	Description
1601.00.20	Processed meats and similar products of poultry of heading 01.05 (*)
1602.10.20	Homogenized preparations of poultry of heading 01.05
1602.32.00	Others

TRQ volume in 1999	117.5 MT
TRQ volume in 2000	124.0 MT
TRQ volume in 2001	130.5 MT
TRQ volume in 2002	137.0 MT

Tariff rate applied in each year 19%

(\*) For 1601.00.20 the applied tariff rate will be 29 percent.

### **OUT-OF-QUOTA TARIFF REDUCTIONS**

The following are the tariff rate reductions applied to poultry according to the GOCR decree published on March 5.

HTS Code	Description	3/4/1999	7/1/1999	1/1/2000	7/1/2000	1/1/2001	7/1/2001
0207.13.99	Other poultry cuts and offal fresh or chilled	170%	166%	162%	158%	154%	150%
0207.14.99	Other poultry cuts and offal frozen	170%	166%	162%	158%	154%	150%
0207.26.90	Other	170%	166%	162%	158%	154%	150%

0207.35.90	Other	170%	166%	162%	158%	154%	150%
1601.00.20	Of poultry of heading 01.05	170%	166%	162%	158%	154%	150%
1602.10.20	Of meat and offals of poultry of heading 01.05	170%	166%	162%	158%	154%	150%

HTS Code	Description	3/4/1999	7/1/1999	1/1/2000	7/1/2000	1/1/2001	7/1/2001
0207.13.10	In paste, mechanically deboned	60%	55%	50%	45%	40%	35%
0207.14.10	“	60%	55%	50%	45%	40%	35%
0207.26.10	“	60%	55%	50%	45%	40%	35%
0207.35.10	“	60%	55%	50%	45%	40%	35%
0207.27.10	“	50%	47%	44%	41%	38%	35%
0207.36.10	“	50%	47%	44%	41%	38%	35%

The following tariff rate applies to the products listed, effective March 5, 1999.

HTS Code	Description	Tariff Rate
0207.11.00	Not cut in pieces, fresh or chilled	40%
0207.12.00	Not cut in pieces, frozen	40%
0207.13.91	Breasts	40%
0207.14.91	Breasts	40%
0207.24.00	Of turkeys, not cut in pieces, fresh or chilled	40%
0207.25.00	Of turkeys, not cut in pieces, frozen	40%
0207.27.90	Other	40%
0207.11.00	Not cut in pieces, fresh or chilled	40%
0207.32.00	Of ducks, geese or guineas, not cut in pieces, fresh or chilled	40%
0207.36.90	Other	40%

If during the tariff reduction period, the poultry sector demonstrates to the Government of Costa Rica that

poultry parts of headings 0207.13.99.00 and 0207.14.99.00 may be imported under normal market conditions at a CIF price lower than US \$0.13/pound, the GOCR will apply the initial 170 percent tariff rate, but only as long as this situation occurs.

According to the decree, the GOCR will accelerate the reduction of the tariff rates for poultry parts and processed poultry meat (headings 0207.13.99, 0207.14.99, 0207.26.90, 0207.35.90, 1601.00.20 and 1602.10.20) if prices of poultry parts (headings 0207.13.99, 0207.14.99, 0207.26.90, and 0207.35.90) increase in the U.S. market, as compared to the price of those products on 22 January 1999.

**OPPORTUNITY FOR EXPORT**

Costa Rica imported only 336.44 tons under the 942-ton tariff-rate quota (TRQ) for chicken in 1998. A producer group made those imports and reportedly has less interest in importing under the TRQ this year. As a result, there is a good opportunity for chicken parts to enter the Costa Rican market under the reduced 34% duty.