

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

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Mexico

Post: Mexico

Mexico Announces Extension of Duty Free Import Quota on Coffee

Report Categories:

Coffee

Trade Policy Monitoring

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Report Highlights:

On August 27, 2018, The Secretariat of Economy (SE) [published](#) an amendment in the *Diario Oficial* (Federal Register), modifying a previous duty free import quota for roasted and ground coffee in 40-gram containers. The amendment is designed to extend the validity of the imported coffee to December 31, 2020 and to increase the availability of coffee beans and capsules in the country.

Introduction: This report summarizes an announcement by the Secretariat of Economy published in Mexico’s Federal Register on August 27, 2018, containing modifications to a previous announcement on a duty free import quota for roasted and ground coffee. The Harmonized Tariff System (HTS) numbers are 0901.21.01; 0901.22.01; and 0901.90.99.

Disclaimer: This summary is based on a cursory review of the subject announcement 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.

Title: [Agreement](#) that modifies a previous announcement of a duty free import quota for roasted and ground coffee in individual containers up to 40 grams of the tariff fractions 0901.21.01; 0901.22.01; and 0901.90.99.

Executive Summary: On August 27, 2018, the Secretariat of Economy (SE) announced modifications to an agreement published in Mexico’s Federal Register on March 14, 2011 and April 1, 2014, which established duty free import quotas for roasted and ground coffee in 40-gram containers. This modification extends the validity of the duty and contributes to increase the availability of coffee beans and capsules in the country, and encourage integration for the production of coffee with greater added value.

A summary of the relevant modifications of the announcement follows:

Article 1- has no modifications. This article establishes the annual TRQ as follows:

HTS	Description	TRQ
0901.21.01	Non-decaffeinated. Only for roasted and ground coffee in individual 40 gram container	1/
0901.22.01	Decaffeinated. Only for roasted and ground coffee in individual 40 gram container	1/
0901.90.99	Others. Only for roasted and ground coffee in individual 40 gram container	1/
1/ The amount will be determined as indicated in Article 4		

Article 2 - Contains definitions and a modification to article 2-VII as follows:

Economic interest group: which is that formed by moral persons “institution”, provided that in that group there is one or more companies that qualify as producing companies. Companies will be considered part of the same group when:

- a) One of them directly or indirectly controls the other (s);
- b) Together directly or indirectly control a third party.

It will be considered that there is control, if a moral person “institution” directly or indirectly owns 51% or more of the shares, social shares, contributions or securities in circulation with voting rights of the controlled company (ies) and accredits this to the Secretariat of Economy through: a free document that

indicates all the companies that belong to the group, indicating the name or corporate name, Federal Taxpayer Registry and fiscal address; organization chart and minutes of shareholders' meeting, in which the shareholding of the holding company and the controlled companies participation is recorded.

Article 3- Remains unchanged as stated on the April 1, 2014 publication. This article establishes the procedures that interested parties must follow in order to be considered eligible and request a TRQ allocation for each specific tariff line. (See Gain Report [MX 4031](#))

Article 4- Remains unchanged as stated on the April 1, 2014 publication. This article describes how SE will allocate the import quota through direct allocation.

Article 5- Official forms to request import quota are updated.

Article 6- This article is revoked.

Article 7- The name of an office is updated to: General Directorate of Light Industries

Important Dates

- 1. Publication Date:** August 27, 2018.
- 2. Effective Date:** August 28, 2018
- 3. Remain in effect Date:** December 31, 2020

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***Useful Mexican Web Sites:** Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx, equivalent to the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx and equivalent to the U.S. Food and Drug Administration (SALUD) can be found at www.salud.gob.mx. These websites 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.*