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Mexico

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Modifications to Duty Free Imports of Coffee in 40 Gram Containers

Report Categories:

Coffee

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Report Highlights:

The Secretariat of Economy (SE) published an amendment in the *Diario Oficial* (Federal Register) on April 1, 2014, modifying a previous duty free import quota for 40-gram containers of roasted and ground coffee under tariff lines 0901.21.01; 0901.22.01; and, 0901.90.99. The amendment is designed to increase the use of Mexican coffee in the production process and to improve quota allocation. This announcement references a similar program announced in 2011.

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Introduction: This report summarizes an announcement by the SE published in Mexico's Federal Register on April 1, 2014, containing modifications to a previous duty free import quota for roasted and ground coffee. The HTS numbers are 0901.21.01; 0901.22.01; and 0901.90.99. This announcement references a similar program announced in 2011 (See Gain Report [MX 1027](#) –Coffee in 40 Gram Containers allowed Duty Free).

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 April 1, 2014, the SE announced modifications to an agreement published in Mexico's Federal Register on March 14, 2011, that established duty free import quotas for roasted and ground coffee in 40 gram containers. In order to promote better use of the quota and increase the use of Mexican coffee in the production process, the government decided to modify the criteria to assign quotas.

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 4.1 (see below)		

Article 3 establishes the procedures that interested parties must follow in order to be considered eligible and request a TRQ allocation for each specific tariff line. **Section (?) 1 of this article was modified to say:**

1.- The companies have a report issued by an external auditor that certifies, according to the terms of the specific requirements sheet (import certificate) within the agreement, some of the following options:

a) Domestic production in the previous year of:

- i. Soluble coffee;
- ii. Roasted and ground coffee, or
- iii. Roasted and ground coffee in individual containers up to 40 grams, or

b) Consumption of domestic green coffee in the previous year used in the production of:

- i. Soluble coffee;
- ii. Roasted and ground coffee, or
- iii. Roasted and ground coffee in individual containers up to 40 grams;

Article 4 describes how SE will allocate the import quota through direct allocation according to the following criteria: **Section 1 of this article was modified to say:**

1.- An annual amount will be allocated equivalent to:

- a)** 3% of its domestic production from the previous year to those companies that comply with the criteria established in part a) of section 1 of Article 3 of the current agreement, or
- b)** 2% of its consumption of domestic green coffee from the previous year to those companies that comply with the criteria established in part b) of section 1 of Article 3 of the current agreement.

The current modifications will be in force on April 2, 2014 and will remain in effect until December 31, 2018.

Formats to request the allocation of a TRQ and other information has not changed and is available from SE according to the announcement of [March 14, 2011](#)

The specific requirements sheet (import certificate) has also been modified according to Article 3.1.a) and 3.1.b).

Note: Article 3.1.a) and Article 4.1.a) of the current agreement will become void 30 days after this agreement becomes effective.

Important Dates

1. Publication Date: April 1, 2014.

2. Effective Date: April 2, 2014

Other Relevant Reports Submitted by FAS/Mexico

Report Number	Subject	Date Submitted
MX 3071	Mexico Announces Coffee Hedging Mechanism	09/13/2013
MX 3046	Coffee Annual Report	06/04/2013
MX 3032	Coffee Rust Update	04/05/2013
MX 3015	Situation Update--Coffee Rust in Mexico	02/27/2013
MX1027	Coffee in 40 Gram Containers Allowed Duty Free	03/28/2011

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For More Information

FAS/Mexico Web Site: We are available at <http://www.mexico-usda.com.mx> or visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

Useful Mexican Web Sites: Mexico's equivalent of the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx, the equivalent of the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx, and the equivalent of the U.S. Food and Drug Administration (SALUD) can be found at www.salud.gob.mx. These web sites are mentioned for the reader's convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on the mentioned sites.