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Date: 10/12/2001

GAIN Report #MX1185

Mexico

Sugar

Announcement on U.S. HFCS Antidumping Case

2001

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Report Highlights:

On October 10, 2001, the Secretariat of Economy published in the "*Diario Oficial*" (Federal Register) a final decision from the Binational Panel established by NAFTA on the U.S. HFCS antidumping duties case. The authorities have 90 days from the date of announcement to decide upon a proper course of action.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Mexico [MX1], MX

Introduction: This report summarizes a final decision on the U.S. HFCS antidumping case, published in Mexico's "*Diario Oficial*" (Federal Register) on October 10, 2001.

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.

FAS/Mexico's Executive Summary: The Secretariat of Economy (SE) published on October 10, 2001, in the "*Diario Oficial*" (Federal Register) a final decision from the Binational Panel established by NAFTA on the U.S. HFCS antidumping duties case. The Panel has decided that the former Secretariat of Commerce (SECOFI), now SE, did not sufficiently establish evidence of damage to the domestic sugar industry due to dumping of U.S. HFCS imports. In this regard, the Binational Panel's decision basically agrees with the earlier WTO and NAFTA decisions in this case, which also stated that SECOFI had not established a definite case proving injury to the Mexican domestic sugar industry. The Binational Panel has concluded that there are two courses of action open to the Government of Mexico (GOM) which would be consistent with the panel decision.

1.- If damage to industry has not been proved, the Mexican authorities should withdraw the antidumping duties imposed on imported HFCS and refund past antidumping duties which have already been collected.

OR

2.- GOM can proceed to re-evaluate the evidence/justification according to the specifications of this NAFTA panel to determine if there has been substantial damage to the domestic sugar industry.

The GOM authorities have 90 days from the date of announcement to decide upon the proper course of action and to implement it.

Title: Final decision of the revision of the final resolution on the antidumping investigation on U.S. HFCS imports, case MEX-USA-98-1904-01.

Type of Regulation: Announcement

Important Dates

- 1. Publication Date:** October 10, 2001
- 2. Effective Date:** October 11, 2001

Agency in Charge: Secretariat of Economy

Additional information: The Mexican Congress published on September 19, 2001, in the

Congressional Gazette an "initiative" prohibiting imports of fructose and yellow corn for the production of fructose. This initiative was prompted because of the crisis the sugar industry is going through. The initiative is still being discussed in the Lower Chamber by the Agriculture and Commerce Commissions. (See report MX1167). It is still unclear how this decision will interact with the current initiative in Congress. The HFCS industry indicated that this announcement was already expected and was of no surprise.

Following the same line of the Congress, the Secretariat of Economy published on October 11, 2001 an increase on MFN duties for imported HFCS. (See Report MX1182).

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FAS Mexico Web Site: We are available at <http://www.atomexico.gob.mx> or visit our headquarter's home page at <http://www.fas.usda.gov> for a complete selection of FAS' worldwide agricultural reporting.

Useful Mexican Web Sites: Mexico's equivalent of the Department of Agriculture (SAGARPA) can be found at www.sagar.gob.mx and Mexico's equivalent of the Department of Commerce (SE) can be found at www.economia.gob.mx These web sites 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.