

Chapter Seven

Agriculture

Article 701: Scope

1. This Chapter applies to trade in agricultural goods and to sanitary and phytosanitary measures.

Subchapter A - Market access

Article 702: Scope

1. Further to Article 102 (Objectives), the provisions of this Subchapter address import barriers, domestic support, export subsidies, and grading and marketing standards and measures that affect trade of agricultural goods between the Parties.

2. To the extent of any inconsistency in this Agreement with the provisions of this Subchapter, this Subchapter shall prevail.

Article 703: International obligations

1. Each Party shall comply with Annex 703.1 with respect to its agricultural trade under other international agreements, to the extent set out in that Annex.

2. When a Party desires to adopt a measure pursuant to any international commodity agreement with respect to an agricultural good, it shall consult with the other Parties in order to avoid nullification or impairment of a concession granted by such Party in its Schedule set out in Annex 302.2.

3. Each Party shall comply with Annex 703.3 with respect to actions taken pursuant to any international coffee agreement.

Article 704: Market Access

General Provisions

1. In order to facilitate trade in agricultural goods, the Parties shall work together to improve access to their respective markets through the reduction or elimination of import barriers.

Tariffs and Quantitative Restrictions

2. Each Party shall comply with Annex 704.2 with respect to tariffs and quantitative restrictions, including GATT market access requirements and trade in sugar.

Agricultural Grading and Marketing Standards

3. Each Party shall comply with Annex 704.3 with respect to agricultural grading and marketing standards.

Special Safeguard Provisions

4. Each Party may, during the applicable period of transition, adopt or maintain special safeguards in the form of tariff quotas on specific agricultural goods, as specified in its Schedule set out in Annex 302.2, and further described in Annex 704.4.

5. A Party may not apply, at the same time, measures under paragraph 4 and Chapter 8 (Emergency Action) with respect to the same agricultural good.

Article 705: Domestic Support

The Parties recognize that domestic support measures can be of crucial importance to their agricultural sectors but may also have trade distorting effects and effects on production. The Parties further recognize that domestic support commitments may result from the agriculture negotiations in the Uruguay Round of multilateral trade negotiations under the GATT. Accordingly, to the extent a Party decides to support its agricultural producers, such Party should endeavor to move toward domestic support policies that:

- (a) have minimal or no trade distortion effects or effects on production; or
- (b) are exempt from domestic support reduction commitments under the GATT.

The Parties further recognize that the domestic support mechanisms of each Party, including those that are subject to reduction commitments, may be changed at the Party's discretion so long as such change is in compliance with its GATT rights and obligations.

Article 706: Export Subsidies

1. The Parties recognize that export subsidies may have serious prejudicial effects on importing and exporting Parties, and the Parties share the objective of achieving the multilateral elimination of export subsidies for agricultural goods. The Parties shall cooperate in an effort to achieve an agreement in the General Agreement on Tariffs and Trade which eliminates export subsidies on agricultural goods.

2. The Parties also recognize that export subsidies may cause disruption in the market of an importing Party. Accordingly, the Parties affirm that it is inappropriate for a Party to provide export subsidies for the export of an agricultural good to the territory of another Party when there are no other subsidized imports of that good into that other Party.

3. Except as provided in Annex 703.1, where an exporting Party considers that a non-Party is exporting an agricultural good into the territory of another Party with the benefit of export subsidies, the exporting Party may request consultations with the importing Party with a view toward agreeing on measures that the importing Party could adopt to counter the effect of such subsidized imports. If the importing Party adopts the agreed-upon measures, the exporting Party shall refrain from applying, or immediately cease to apply, any export subsidy to exports of such good into the territory of the importing Party.

4. Except as provided in Annex 703.1, a Party proposing to introduce an export subsidy on exports of an agricultural good to the territory of another Party shall notify such Party at least three days in advance, and shall upon request consult with such Party, within 72 hours of receipt of the request, with a view to eliminating the subsidy or minimizing any adverse impact on the importing Party's market for that good. Another Party may request to join such consultations.

5. Each Party shall take into account the interests of the other Parties in the use of any export subsidy on an agricultural good exported to a Party or non-Party, recognizing that such subsidies may have prejudicial effects on the interests of the other Parties.

6. The Parties shall establish a Working Group on Agricultural Subsidies which shall meet at least semi-annually, or at such other times as the Parties may agree, to work toward elimination of all export subsidies in connection with trade in agricultural goods between the Parties. The functions of the Working Group on Agricultural Subsidies shall include:

(a) monitoring the volume and price of imports of agricultural goods that have benefitted from export subsidies into the territory of any Party;

(b) providing a forum for the Parties to develop mutually acceptable criteria and procedures for reaching agreement on the limitation or elimination of the provision of export subsidies in connection with importation of agricultural goods into the territories of the Parties; and

(c) reporting annually to the Committee on Agricultural Trade, established under Article 708, with respect to implementation of this Article.

7. Notwithstanding any other provision of this Article:

(a) if the Parties agree to a particular export subsidy measure on an agricultural good for export to the territory of a Party, the exporting Party may adopt or maintain such measure; and

(b) each Party shall retain its rights to apply countervailing duties to subsidized imports from any source.

Article 707: Resolution of Private Commercial Disputes Regarding Transactions in Agricultural Goods

The advisory committee established pursuant to Article 2022(4) shall work toward a system for resolving private commercial disputes that arise in connection with transactions in agricultural goods. The system of each Party shall be designed to achieve prompt and effective resolution of such disputes with attention to special circumstances, including the perishability of the goods involved.

Article 708: Committee on Agricultural Trade

1. The Parties hereby establish a Committee on Agricultural Trade, comprising representatives of each Party.

2. The Committee's functions shall include:

(a) monitoring and promoting cooperation on the implementation and administration of this Subchapter;

(b) providing a forum for the Parties to consult at least semi-annually and at such other times as the Parties may agree on issues related to this Subchapter; and

(c) reporting annually to the Commission on the implementation of this Subchapter.

Article 709: Definitions

For purposes of this Subchapter:

agricultural goods means:

(i) HS Chapters 1 to 24 less fish and fish products, plus

(ii) HS Code 29.05.43 (manitol)

HS Code 29.05.44 (sorbitol)

HS Heading 33.01 (essential oils)

HS Headings 35.01 to 35.05 (albuminoidal substances, modified starches, glues)

HS Code 38.09.10 (finishing agents)

HS Code 38.23.60 (sorbitol n.e.p.)

HS Headings 41.01 to 41.03 (hides and skins)

HS Heading 43.01 (raw furskins)

HS Headings 50.01 to 50.03 (raw silk and silk waste)

HS Headings 51.01 to 51.03 (wool and animal hair)

HS Headings 52.01 to 52.03 (raw cotton, waste and cotton carded or

combed)

HS Heading 53.01 (raw flax)

HS Heading 53.02 (raw hemp);

fish and fish products for purposes of the definition of agricultural goods means fish or crustaceans, molluscs or other aquatic invertebrates, marine mammals, and their products within the following headings of the Harmonized System:

HS Heading 05.07 (tortoise-shell, whalebone and whalebone hair and those fish or crustaceans, molluscs or other aquatic invertebrates, marine mammals, and their products within this heading)

HS Heading 05.08 (all goods (coral and similar materials))

HS Heading 05.09 (all goods (natural sponges of animal origin)

)

HS Heading 05.11 (products of fish or crustaceans, molluscs or other

aquatic invertebrates; dead animals of Chapter 3)

HS Heading 15.04 (all goods (fats and oils and their fractions, of

fish or marine mammals))
HS Heading 16.03 ("non-meat" extracts and juices)
HS Heading 16.04 (all goods (prepared or preserved fish))
HS Heading 16.05 (all goods (prepared preserved crustaceans,
molluscs and other aquatic invertebrates));

net production surplus means the quantity by which a Party's
domestic production of sugar exceeds its total consumption of
sugar for a marketing year;

net surplus producer means that a Party has been determined to
have a net production surplus in accordance with Schedule
704.2(I)(B)(3);

plantation white sugar means crystalline sugar which has not been
refined and is intended for human consumption without further
processing or refining;

raw value means the equivalent of a quantity of sugar in terms of
raw sugar testing 96 degrees by the polariscope, determined as
follows:

- (a) the raw value of plantation white sugar equals the
number of kilograms thereof multiplied by 1.03;
- (b) the raw value of liquid sugar and invert sugar equals
the number of kilograms of the total sugars thereof
multiplied by 1.07; and
- (c) the raw value of other imported sugar and syrup goods
equals the number of kilograms thereof multiplied by
the greater of 0.93, or 1.07 less 0.0175 for each
degree of polarization under 100 degrees (and fractions
of a degree in proportion);

sugar means raw or refined sugar derived directly or indirectly
from sugar cane or sugar beets, including liquid refined sugar;
and

sugar and syrup goods means "sugar and syrup goods" as defined in
Annex 709.

Incorporation of Trade Provisions

1. Articles 701.1, 701.2, 701.3, 701.5, 702, 704, 705, 706, 707, 708.1, 708.4 710 and 711 [subject to review] of the Canada

- U.S. Free Trade Agreement shall apply to trade in "agricultural goods", as that term is defined in Article 711 of that Agreement, between Canada and the United States, which Articles are hereby incorporated into and made a part of this Agreement for such purpose.

2. For purposes of this incorporation, any reference to Chapter 18 of the Canada - U.S. Free Trade Agreement shall be deemed to be a reference to Chapter 20 of this Agreement.

International Coffee Agreement

Neither Canada nor Mexico shall take actions pursuant to any international coffee agreement and measures authorized thereunder to restrict trade in coffee between them.

Market Access

Each Party shall comply with Sections I and II.

Section I

Mexico and the United States

1. This Section shall apply only between the United States and Mexico.
2. Each Party shall comply with Appendices A and B.

Appendix A

Tariffs, Quantitative Restrictions and GATT Market Access

1. The Parties recognize that, upon the date of entry into force of the Agreement, each Party, in accordance with the rights and obligations set forth in Chapter 3, will not adopt or maintain measures regarding quantitative restrictions on the importation of agricultural goods originating in each other's territory, but may apply tariff quotas as set forth in its Schedule set out in Annex 302.2. The Parties further recognize that the over-quota tariff rate applied by a Party in connection with such tariff quotas will be progressively eliminated in the manner set forth in its Schedule set out in Annex 302.2.
2. Each Party agrees to waive its rights under Article XI.2(c) of the General Agreement on Tariffs and Trade with respect to any measure taken in connection with the importation of agricultural goods originating in the territory of the other.
3. Except as provided in paragraph 4, to the extent a tariff applied by a Party in accordance with a tariff quota as set forth in its Schedule set out in Annex 302.2 at any time exceeds the applicable bound rate of duty for that agricultural good as set forth in its GATT Schedule of Tariff Concessions as of June 12, 1991, the other Party hereby waives its rights with respect to the applicable bound rate of duty under GATT Article II, notwithstanding the provisions of Article 103 of this Agreement.
4. If the GATT Uruguay Round Agreement on Agriculture enters into force with respect to a Party, pursuant to which that Party has agreed to convert its quantitative restrictions into tariff quotas, that Party shall ensure that the over-quota tariff rates it applies to agricultural goods of the other Party are not greater than the lower of (a) the applicable over-quota tariff rates set out in its Schedule set out in Annex 302.2 or (b) the applicable over-quota tariff rates set out in its GATT Schedule of Tariff Concessions.
5. Market access afforded by a Party in accordance with its Schedule set out in Annex 302.2 and applied to imports of agricultural goods of another Party shall count, as between the Parties, toward the satisfaction of market access commitments which have been agreed upon under its GATT Schedule of Tariff Concessions or which may be undertaken by the importing Party as a result of any GATT agreement entering into force as to that

Party during the applicable transition period under this Agreement.

6. Neither Party shall seek a voluntary restraint agreement from the other Party with respect to the exportation of meat originating in the territory of that other Party.

7. Notwithstanding the provisions of Chapter 3 (Market Access), goods of subheading 2008.11 of the Harmonized System (HS) that originate in the territory of Mexico shall be subject upon importation into the territory of the United States to the rate of duty provided in the Schedule set out in Annex 302.2 for the United States only if all agricultural goods within heading 12.02 of the HS used in the production of such goods originate in the territory of one or more of the Parties.

8. A good provided for in item 1806.10.a1 or 2106.90.a1 that is:

(a) imported into the territory of the United States from the territory of Mexico; or

(b) imported into the territory of Mexico from the territory of the United States,

shall be eligible for the rate of duty provided in Annex 302.2 only if all agricultural materials provided for in subheading 1701.99 used in the production of such good are originating materials.

9. The United States shall not adopt or maintain, with respect to imports into its territory of agricultural goods originating in the territory of Mexico, any fee applied pursuant to Section 22 of the Agricultural Adjustment Act of 1933, or any successor statute.

10. Agricultural goods entered into maquiladoras or foreign-trade zones and re-exported, including subsequent to processing, shall not count toward the fulfillment of market access commitments under a Party's Schedule set out in Annex 302.2.

Appendix B

Trade in Sugar

1. The United States and Mexico recognize the importance of liberalizing trade in sugar and syrup goods while avoiding conditions of entry that may result in displacement of the consumption of such goods originating in the territories of the United States and Mexico by imports from non-Parties. Accordingly, the United States and Mexico have agreed to the following provisions to govern trade between them in sugar and syrup goods.

2. The over quota customs duty for imports into the territory of the United States of sugar and syrup goods originating in the territory of Mexico shall be reduced to zero during a period of 15 years after the date of entry into force of this Agreement as

follows:

- (a) from the first to the sixth year after the date of entry into force of this Agreement, the customs duty shall be reduced by a total of 15 percent in equal annual stages;
- (b) from the seventh to the fifteenth year after the date of entry into force of this Agreement, the customs duty shall be removed entirely in equal annual stages; and
- (c) after the end of the sugar transition period, the duty on all imports of sugar and syrup goods from Mexico shall be zero.

3. In addition to the customs duty reductions provided for under paragraph 2, imports into the territory of the United States of sugar and syrup goods originating in the territory of Mexico shall be duty free for a quantity, on a marketing year (October 1 - September 30) basis, to be determined as follows:

- (a) for each upcoming marketing year in which Mexico is not projected to be a net surplus producer, the quantity shall be the greater of 7,258 metric tons raw value or the quota allocated by the United States for a non-Party within the category designated "other specified countries and areas" under paragraph (b)(i) of additional U.S. note 3 to chapter 17 of the Harmonized Tariff Schedule of the United States;

- (b) for each upcoming marketing year in which Mexico is projected to be a net surplus producer of sugar, in accordance with sub-paragraph (d), the quantity shall be the greater of (i) the amount specified in sub-section (a), or (ii) Mexico's projected net production surplus, but not greater than a maximum quantity as follows

- (i) for each of the first through sixth marketing years after the date of entry into force of this Agreement, 25,000 metric tons raw value,

- (ii) for the seventh marketing year after the date of entry into force of this Agreement, 150,000 metric tons raw value, and

- (iii) for each of the eighth through fifteenth marketing years after the date of entry into force of this Agreement, 110 percent of the previous marketing year's maximum quantity;

- (c) in any year after the sixth year after the date of entry into force of this Agreement, the quantity of imports of sugar and syrup goods originating in the territory of Mexico shall not be subject to the limitations set out in subparagraph (b) if

- (i) Mexico has been a net surplus producer for any two consecutive marketing years, or

- (ii) Mexico has been a net surplus producer during the previous marketing year, and Mexico is projected to be a net surplus producer of sugar, in

accordance with subparagraph (d), in the upcoming marketing year, unless Mexico ultimately is not a net surplus producer in that marketing year; and

(d) prior to the beginning of each marketing year, Mexico shall make projections of its domestic production and total consumption of sugar. Mexico and the United States shall consult by July 1 of each year to jointly determine whether Mexico is projected to be a net surplus producer in the upcoming marketing year, in accordance with the methodology and sources of information set out in Schedule 704.2(I)(B)(3).

4. Mexico shall implement a tariff quota to be applied on a Most Favored Nation basis for sugar and syrup goods with customs duties equal to those of the United States no later than six years after the date of entry into force of this Agreement. Mexico shall thereafter progressively eliminate its over quota customs duty for imports of sugar and syrup goods originating in the territory of the United States, in identical fashion as the reductions provided for United States customs duties in paragraph 2. Mexico shall establish the quantities of imports of sugar and syrup goods originating in the territory of the United States that shall be duty-free pursuant to the same procedure by which the United States shall establish such quantities with respect to imports of such goods originating in the territory of Mexico in accordance with sub-paragraph 3(b). The United States shall make projections of its domestic production and consumption, and the United States and Mexico shall consult and make the determination whether the United States is projected to be a net surplus producer, on the same terms as provided for in subparagraph 3(d).

5. If the United States eliminates its tariff quota for sugar and syrup goods imported from non-Parties, at such time the United States shall grant to Mexico the better of the treatment, as determined by Mexico, of:

- (a) the treatment provided for in paragraph 3; or
- (b) the Most-Favored-Nation treatment granted by the United States to non-Parties.

6. The measurement of the quantity imported shall be based on the actual weight of the imported sugar and syrup goods, converted as appropriate to raw value, without regard to the packaging in which the goods are imported or their presentation.

7. With respect to imports into the territory of Mexico of sugar and syrup goods, and products containing sugar or syrup, from the territory of the United States,

- (a) Mexico shall accord preferential treatment in accordance with this Agreement when the following conditions apply
 - (i) with respect to sugar and syrup goods no benefits under any re-export program or any like program have been or will be granted in connection with the export of those goods, and
 - (ii) with respect to products containing sugar and syrup goods, no benefits under any re-export

program or any like program have been or will be granted in connection with the export of those products;

(b) the United States shall provide notification to Mexico of any export to Mexico, within two days of such export, for which the benefits of any re-export program or any other like program have been or will be claimed by the exporter; and

(c) except as provided for in paragraph 8, Mexico shall accord Most Favored Nation treatment to all imports from the territory of the United States of sugar and syrup goods with respect to which benefits under any re-export program or any like program shall have been claimed.

8. Notwithstanding any other provision of this Article:

(a) the United States shall grant duty-free treatment to imports of

(i) raw sugar originating in the territory of Mexico that will be refined within the territory of the United States and re-exported to the territory of Mexico, and

(ii) refined sugar originating in the territory of Mexico that has been refined from raw sugar previously produced within, and exported from, the territory of the United States;

(b) Mexico shall grant duty-free treatment to imports of

(i) raw sugar originating in the territory of the United States that will be refined within the territory of Mexico and re-exported to the territory of the United States, and

(ii) refined sugar originating in the territory of the United States that has been refined from raw sugar previously produced within, and exported from, the territory of Mexico; and

(c) imports qualifying for duty-free treatment pursuant to subparagraphs (a) and (b) of this paragraph shall not be subject to, or counted under, any quota of the importing Party.

Schedule 704.2(I)(B)(3)

Net Production Surplus Determination

1. Methodology

(a) The size of a Party's net production surplus, shall be determined in accordance with the following formula:

(i) If a net production surplus has not been projected for any previous year, the formula shall be:

$$NPS = (PPy - CPy)$$

(ii) If a Party is projected to be a net surplus producer and has been projected to be a net surplus producer in a previous year, the Party's projected net production surplus shall be adjusted, to account for an underestimate or overestimate, as follows:

$$NPS = (PPy - CPy) - ((PPys - CPys) - (PAys - CAys))$$

where:

NPS = Net production surplus

PP = Projected Domestic Production of sugar

CP = Projected Total Consumption of sugar

y = upcoming marketing year

ys = most recent previous marketing year in which a net production surplus was projected

PA = Actual Domestic Production of sugar

CA = Actual Total Consumption of sugar

(b) The net production surplus shall be determined in metric tons raw value.

(c) For purpose of determining whether a Party is a net surplus producer, imported sugar shall not be treated as part of domestic production.

(d) The domestic production of a Party shall not include sugar, that has been either processed or refined from sugar beets or sugar cane grown, or sugar processed or refined, outside of the territory of such Party.

(e) When making projections of its net production surplus, each Party shall consider adjustments, in appropriate circumstances, to such projections to take into account a change in stocks for the current marketing year exceeding an upper bound calculated in accordance with the following formula:

where:

B = upper bound, expressed as a percentage

F = the absolute value of the change in stocks from the beginning of the marketing year to the end of the marketing year, expressed as a percentage of beginning stocks and calculated in accordance with the following formula:

$$F = \frac{S_b - S_e}{S_b} \times 100$$

Sb = beginning stocks

Se = ending stocks

N = previous marketing year, ranging from 1 (first preceding year) to 5 (fifth preceding year)

2. Sources of Information

(a) For Mexico, statistics on production, consumption and stocks shall be provided by the Secretaria de Agricultura y Recursos Hidraulicos, the Secretaria de Comercio y Fomento Industrial, and the Secretaria de Hacienda y Credito Publico.

(b) For the United States, statistics on production, consumption and stocks shall be provided by the United States Department of Agriculture (USDA).

(c) Each Party shall permit representatives from the other Party to observe and comment on the methodology it uses to prepare its data.

Section II

Mexico and Canada

1. This Section shall apply only between Canada and Mexico.

2. Each Party shall comply with Appendices A and B.

Appendix A

Tariffs, Quantitative Restrictions and GATT Market Access

1. Subject to the provisions of this Section, the Parties recognize that, upon the date of entry into force of this Agreement, each Party, in accordance with the rights and obligations set forth in Chapter 3, will not adopt or maintain measures regarding quantitative restrictions on the importation of agricultural goods originating in each other's territory, but may apply tariff quotas as set forth in its Schedule set out in Annex 302.2. The Parties further recognize that the over-quota tariff rate applied by a Party in connection with such tariff quotas will be progressively eliminated in the manner set forth in its Schedule set out in Annex 302.2.

2. Except as provided in paragraph 3, to the extent a tariff applied by a Party in accordance with a tariff quota as set forth in its Schedule set out in Annex 302.2 at any time exceeds the applicable bound rate of duty for that agricultural good as set forth in its GATT Schedule of Tariff Concessions as of June 12, 1991, the other Party hereby waives its rights with respect to the applicable bound rate of duty under GATT Article II, notwithstanding the provisions of Article 103.

3. If the GATT Uruguay Round Agreement on Agriculture enters into force with respect to a Party, pursuant to which that Party has agreed to convert its quantitative restrictions into tariff quotas, that Party shall ensure that the over-quota tariff rates it applies to agricultural goods of the other Party are not greater than the lower of (a) the applicable over-quota tariff

rates set out in its Schedule set out in Annex 302.2 or (b) the applicable over-quota tariff rates set out in its GATT Schedule of Tariff Concessions.

4. Market access afforded by a Party in accordance with its Schedule set out in Annex 302.2 and applied to imports of agricultural goods of another Party shall count, as between the Parties, toward the satisfaction of market access commitments which have been agreed upon under its GATT Schedule of Tariff Concessions or which may be undertaken by the importing Party as a result of any GATT agreement entering into force as to that Party during the applicable transition period under this Agreement.

5. In respect of the dairy, poultry and egg goods designated in Schedule 704.2(II)(A)(5), either Party may adopt or maintain quantitative restrictions or tariffs consistent with its rights and obligations under the GATT, with respect to such goods originating in the territory of the other Party.

6. Without prejudice to the provisions of Chapter 8 of this Agreement and paragraph 5, neither Party shall introduce, maintain or seek any quantitative restriction or any other measure having equivalent effect on any agricultural goods covered under this Subchapter originating in the territory of the other Party.

7. Subject to this Section, Canada and Mexico incorporate their respective rights and obligations with respect to agricultural goods under the General Agreement on Tariffs and Trade (GATT) and agreements negotiated under the GATT, including the rights and obligations under GATT Article XI.

8. Notwithstanding paragraph 7 and Annex 301.3(A)(1)(j), the rights and obligations contained in Article XI:2(c)(i) of the GATT shall apply only to dairy, poultry and egg goods of Canada and Mexico designated in Schedule 704.2(II)(A)(5).

9. A good provided for in item 1806.10.a1 or 2106.90.a1 that is:

(a) imported into the territory of Canada from the territory of Mexico; or

(b) imported into the territory of Mexico from the territory of Canada,

shall be eligible for the rate of duty provided in Annex 302.2 only if all materials provided in subheading 1701.99 used in the production of such good are originating materials.

Schedule 704.2(II)(A)(5)

Dairy, Poultry and Egg Goods

For Canada: a dairy, poultry or egg good under one of the following subheadings:

Note: "X" indicates that a new tariff subheading will be established for this item

0105.11.90X Broiler chicks for domestic

production, <185G	
0105.91.00	Poultry, >185g
0105.99.00	Ducks, geese, turkeys, etc, >185g
0207.10.00	Poultry not cut in pieces, fresh or chilled
0207.21.00	Poultry, not in pieces, frozen
0207.22.00	Turkey, not in pieces, frozen
0207.39.00	Poultry cuts & offal, fresh
0207.41.00	Poultry cuts & offal, frozen
0207.42.00	Turkey cuts & offal, frozen
0209.00.20	Poultry fat
0210.90.10	Poultry meat, salted, dried, etc.
0401.10.00	Milk & cream, fat <1%
0401.20.00	Milk & cream, fat > 1% < 6%
0401.30.00	Milk & cream, fat > 6%
0402.10.00	Skim milk powder
0402.21.10	Whole milk powder
0402.21.20	Whole cream powder
0402.29.10	Milk powder fat > 1.5%
0402.29.20	Cream powder fat < 1.5%
0402.91.00	Milk & cream, conc., n.s.
0402.99.00	Milk & cream, not solid, added sweetener
0403.10.00	Yogurt
0403.90.10	Powdered buttermilk
0403.90.90	Curdled milk & cream, etc.
0404.10.10	Whey powder
0404.10.90	Whey, not powdered
0404.90.00	Other
0405.00.10	Butter
0405.00.90	Fats & oils derived from milk
0406.10.00	Fresh cheese
0406.20.10	Cheddar cheese
0406.20.90	Cheeses, not cheddar

0406.30.00 Processed cheese

0406.40.00 Blue-veined cheese

0406.90.10 Cheddar cheese, not processed

0406.90.90 Cheese, not cheddar, not processed

0407.00.00 Bird's eggs, in shell

0408.11.00 Dried egg yolks

0408.19.00 Egg yolks, not dried

0408.91.00 Bird's eggs, not in shell, dried

0408.99.00 Bird's eggs, not in shell, not dried

1601.00.10X Sausages or similar products of poultry meat,
poultry
meat offal or blood, in air tight containers

1602.31.10 Prep. meals, of meat or meat offal of turkeys

1602.31.91 Prep. or preserved meat, meat offal or blood, of
turkeys,
other than sausages or prep. meals, in air-
tight
containers

1602.31.99 Prep. or preserved meat, meat offal or blood, of
turkeys,
other than sausages or prep. meals, other than in
air-tight containers

1602.39.10 Prep. meals containing meat or meat offal of fowls
of the
species (Gallus domesticus) ducks, geese or guinea fowls,
incl. mixtures

1602.39.91 Prep. or preserved meat, meat offal or blood, of
fowls of
the species (Gallus domesticus), ducks, geese or
guinea fowls, other than sausages, liver or prep.
meals, in air-tight containers

1602.39.99 Prep. or preserved meat, meat offal or blood, of
ducks,
geese, etc., other than sausages, liver or prep.
meals, in other than air-tight containers

2105.00.00 Ice cream & other edible ice, containing cocoa or
not

2106.90.70 Food preps. not elsewhere specified or incl. Egg
preps.

2106.90.90X Ice cream or ice milk mixes

2309.90.91X Complete feeds & feed supplements, incl.
concentrates,
containing more than 50% by weight of dairy products

3501.10.00	Casein
3501.90.00	Caseinates & other casein derivatives; casein glues
3502.10.10	Egg albumin, dried, evaporated, desiccated or powdered
3502.10.90	Egg albumin, nes

For Mexico: a dairy, poultry or egg good under one of the following subheadings:

Note: "X" indicates that a new tariff subheading item will be established for this item

MEXICO HTS NUMBER	DESCRIPTION
0105.11.01	Day old chickens without being fed during its transportation
0105.91.01	Game cocks
0105.91.99	Other
0105.99.99	Other poultry
0207.10.01	Poultry, not cut into pieces, fresh or chilled
0207.21.01	Chickens
0207.22.01	Turkey
0207.39.01	Chicken offals except liver
0207.39.99	Other, poultry cut and offals
0207.41.0X	Chicken cuts, frozen
0207.41.0Y	Chicken offals, frozen
0207.41.0Z	Chicken meat mechanically deboned, frozen
0207.41.ZZ	Chicken meat mechanically deboned, fresh or chilled
0207.42.0X	Turkey cuts, frozen
0207.42.0Y	Turkey offals
0207.42.0Z	Turkey meat, mechanically deboned, frozen
0207.42.ZY	Turkey meat, mechanically deboned, fresh or chilled
0207.50.01	Poultry livers, frozen
0209.00.0Z	Chicken or turkey bacon and

lean parts	
0210.90.99	Other
0401.10.01	In hermetic containers milk not concentrated
0401.10.99	Other
0401.20.01	In hermetic containers;
0401.20.99	Other
0401.30.01	In hermetic containers;
0401.30.99	Other
0402.10.01	Milk powder
0402.10.99	Other
0402.21.01	Milk powder
0402.21.99	Other
0402.29.99	Other
0402.91.01	Evaporated milk
0402.91.99	Other
0402.99.01	Condensed milk
0402.99.99	Other
0403.10.01	Yogurt
0403.90.01	Powdered milk whey with a protein content less than or equal to 12 percent
0403.90.99	Other butter whey
0404.10.01	Whey, concentrated, sweetened
0404.90.99	Other
0405.00.01	Butter, including the immediate container, with a weight less than or equal to 1kg
0405.00.02	Butter, including the immediate container, with a weight over 1 kg
0405.00.03	Butiric fat, dehydrated
0405.00.99	Other
0406.10.01	Fresh cheese, including whey cheese
0406.20.01	Cheese, grated or powdered

0406.30.01	Melted cheese, not grated or powdered
0406.30.99	Other, melted cheese
0406.40.01	Blue veined cheese
0406.90.01	Hard paste cheese called sardo
0406.90.02	Hard paste reggi cheese
0406.90.03	Soft paste cologne cheese
0406.90.04	Hard or semi-hard cheeses with a fat content by weight less than or equal to 40 percent, and with a water content by weight in non-fat matter less than or equal to 47 percent (called "grana", "parmigiana" or "reggiano,") or with a non-fat matter content by weight over 47 percent without exceeding 72 percent (called "danloo, edam, fontan, fontina, fynbo, gouda, Avarti, maribo, samsoe, esron, italico, kernhem, saint-nactarie, saint paulin, or talegi"1)
0406.90.05	Petit suisse cheese
0406.90.06	Egmont cheese
0406.90.99	Other hard and semihard cheese
0407.00.01	Fresh birds eggs, fertile
0407.00.02	Frozen eggs
0407.00.99	Other poultry eggs
0408.11.01	Dried yolks
0408.19.99	Other
0408.91.01	Frozen or powdered
0408.91.99	Other
0408.99.01	Frozen or powdered
0408.99.99	Other
1601.00.9X	Chicken and turkey sausages
1602.20.0X	Homogenized preparations of chickens or turkey livers
1602.31.01	Prepared or preserved turkey meat

2105.00.01	Ice cream and similar products
2106.90.9X	Egg preparations
2309.90.9X	Preparations containing over 50 percent of milk products
3501.10.01	Casein
3501.90.01	Casein glues
3501.90.02	Caseinates
3501.90.99	Other
3502.10.01	Egg albumin

Appendix B

Trade in Sugar

1. Mexico's customs duty for imports of sugar and syrup goods originating in the territory of Canada shall be equal to its Most-Favored-Nation over-quota customs duty.
2. Canada may apply a customs duty on sugar and syrup goods originating in the territory of Mexico equal to the customs duty applied by Mexico on such goods originating in the territory of Canada.

