

**SE**



MINISTRY  
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# U.S-Mexico Integration

## Sweeteners Markets

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## **NAFTA has been a very positive instrument for Mexico and the United States:**

- **Trade** has increased exponentially: 350% from 1993 (\$81.4 billion) to 2008 (\$367.1 billion)
- Universal product coverage.
- Investment has **skyrocketed**: Mexico received \$226.6 billion from 1994 to September 2009.
- NAFTA has encouraged the **integration of industries** (Automotive, electronics, textiles and apparel, and agriculture).
- NAFTA has provided effective **protection and enforcement of intellectual property rights**.
- NAFTA implemented a **dispute resolution** mechanism.

## NAFTA has been positive for agriculture

- **Trade** in agriculture goods has increased: 326% from 1993 (\$6.3 billion) to 2008 (\$26.9 billion).
- Several sectors have benefited from this increase (oilseeds and grains, meats, dairy products, cotton and sweeteners).
- Geographic location has benefited Mexico in the production and export of counter season products (fruits and vegetables).
- Mexico has secured a reliable source of grains produced in the U.S., needed for the food sector and to feed livestock and poultry.
- NAFTA has been positive for the agricultural sector also because it has boosted **investment** levels. Mexico received \$19.4 billion from 1999 to September of 2009.
- NAFTA has established the appropriate framework to effectively tackle problems regarding **Sanitary and Phytosanitary Measures**.

# An integrated market for sweeteners in 2008

- Integrated market and duty free access since January 1<sup>st</sup> 2008 after difficult transitional period.

Sugar	Deliveries
U.S	11.4 million MT
Mexico	7.8 million MT
Total	19.2 millions MT

HFCS	Deliveries
U.S	8.1 million ST.
Mexico	782,000 MT (862,007 ST)
Total	8.9 ST.

- Bilateral trade under NAFTA

U.S. Sugar imports from Mexico	
2006	731,699 MT
2007	118,873 MT
2008	629,527 MT
2009	1,272,196 MT

U.S. HFCS exports to Mexico	
2006	240,035 MT
2007	277,767 MT
2008	427,705 MT
2009	297,231 MT

U.S exports of sugar to Mexico under the sugar re-export program (SRP)	
2006	133,383 MT
2007	306,384 MT
2008	197,396 MT
2009	115,066 MT

Source: USDA.

# Sweeteners Working Group (SWG)

- Created in May, 2007. Participating agencies: USDA, USTR, SAGARPA, and SE.
- Forum to discuss information and exchange data on sweeteners between Mexico and the US.
- Some of the important objectives of the SWG are:
  - Better estimates of sweeteners production, consumption, and trade.
  - Better data collection and dissemination.
  - Maintain open trade for sugar and HFCS.
  - Clarify and provide prompt notification of policy developments and third-country access decisions for sweeteners.

## Present and future Challenges

- Maintain permanent communication in order to avoid unwanted situations in the regional market.
- Improve data collection methodologies and exchange.
- Internal pressures that might distort the present framework.
- Development of joint ventures and strengthening of business relationships in the region.