UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Washington, D.C. 20230

C-201-846
Investigation
Public Document
ITA/EC/OP: SCG

October 27, 2014

RE: Agreement Suspending the Countervailing Duty Investigation on Sugar from Mexico

TO ALL INTERESTED PARTIES:

On October 27, 2014, the Department of Commerce ("the Department") and a representative for the Government of Mexico ("the GOM") initialed a draft countervailing duty ("CVD") suspension agreement on sugar from Mexico. We invite interested parties to comment on the draft CVD suspension agreement. Comments are due to the Department no later than the close of business on **November 10, 2014.** Parties should also note that the scope of the draft suspension agreement is identical to the scope of the underlying CVD investigation; should any scope clarifications be made in the context of the underlying investigation, such modifications would also apply to the scope of any finalized suspension agreement.

Please submit your comments electronically using Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). An electronically-filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5 p.m. Eastern Time ("ET") on its due date. Likewise, documents excepted from the electronic submission requirements must be filed manually (i.e., in paper form) with the APO/Dockets Unit in Room 1870 and stamped with the date and time of receipt by 5 p.m. ET on the due date.

We have enclosed a copy of the draft CVD agreement. If you have questions, please contact me at (202) 482-0192 or Sally C. Gannon at (202) 482-0162.

Sincerely,

Judith Wey Rudman
Director for Bilateral Agreements
Office of Policy

Enclosure

INTERNATIONAL TRADE ADMINISTRATION

AGREEMENT SUSPENDING THE COUNTERVAILING DUTY INVESTIGATION ON SUGAR FROM MEXICO

Pursuant to the requirements of section 704(c) of the Tariff Act of 1930, as amended (the Act) (19 U.S.C.§ 1671(c)) and 19 C.F.R. § 351.208, and in satisfaction of the requirements of those provisions, the U.S. Department of Commerce (the Department) and the Government of Mexico (GOM), through the Secretaria de Economia, enter into this agreement suspending the countervailing duty investigation of Sugar from Mexico (Agreement), as follows:

I. Product Coverage

The product covered by this Agreement is sugar derived from sugar cane or sugar beets. Sucrose gives sugar its essential character. Sucrose is a nonreducing disaccharide composed of glucose and fructose linked via their anomeric carbons. The molecular formula for sucrose is $C_{12}H_{22}0_{11}$, the International Union of Pure and Applied Chemistry (IUPAC) International Chemical Identifier (InChl) for sucrose is 1S/C12H22O11/c13-l-4-6(16)8(18)9(19)11(21-4)23-12(3-15)10(20)7(17)5(2-14)22-12/h4-11,13-20H,1-3H2/t4-,5-,6-,7-,8+,9-,10+,11-,12+/m1/s1, the InChl Key for sucrose is CZMRCDWAGMRECN-UGDNZRGBSA-N, the U.S. National Institutes of Health PubChem Compound Identifier (CID) for sucrose is 5988, and the Chemical Abstracts Service (CAS) Number of sucrose is 57-50-1.

Sugar within the scope of this Agreement includes raw sugar (sugar with a sucrose content by weight in a dry state that corresponds to a polarimeter reading of less than 99.5 degrees) and estandar or standard sugar which is sometimes referred to as "high polarity" or "semi-refined" sugar (sugar with a sucrose content by weight in a dry state that corresponds to a polarimeter reading of 99.2 to 99.6 degrees). Sugar within the scope of this Agreement includes refined sugar with a sucrose content by weight in a dry state that corresponds to a polarimeter reading of at least 99.9 degrees. Sugar within the scope of this Agreement includes brown sugar, liquid sugar (sugar dissolved in water), organic raw sugar and organic refined sugar.

Inedible molasses is not within the scope of this Agreement. Specialty sugars, *e.g.*, rock candy, fondant, sugar decorations, are not within the scope of this Agreement. Processed food products that contain sugar, *e.g.*, beverages, candy, cereals, are not within the scope of this Agreement.

Merchandise covered by this Agreement is typically imported under the following headings of the Harmonized Tariff Schedule of the United States (HTSUS): 1701.12.1000, 1701.12.5000, 1701.13.1000, 1701.13.5000, 1701.14.1000, 1701.14.5000, 1701.91.1000, 1701.91.3000, 1701.99.1025, 1701.99.1050, 1701.99.5025, 1701.99.5050, and 1702.90.4000. The tariff classification is provided for convenience and customs purposes; however, the written description of the scope of this Agreement is dispositive.

II. Definitions

For purposes of the Agreement, the following definitions apply:

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A. "Anniversary Month" means the month in which the Agreement becomes effective.

B. "Base Export Limit" means the amount of sugar allocated to producers and exporters of sugar in Mexico at the beginning of each Export Limit Period.

C. "Date of Export" means the date on which the product is exported from Mexico to the United States.

D. "Effective Date" means the date on which the Department and the GOM sign the Agreement.

E. "Export License" means the document issued by the GOM's export license issuing authority.

F. "Export Limit" means the quantity of Mexican sugar permitted to be exported, based on the Date of Export, during a given Export Limit Period.

G. "Export Limit Period" means one of the following periods:

1. "Initial Export Limit Period" covers entries of sugar entered, or withdrawn from warehouse for consumption, between the Effective Date and September 30, 2015.

2. "Subsequent Export Limit Period" covers entries of sugar entered, or withdrawn from warehouse for consumption, in each subsequent year period from October 1 through September 30.

H. "Interested Party" means any person or entity that meets the definitions provided in section 771(9) of the Act.

I. "Indirect Exports" means exports of Sugar from Mexico to the United States through one or more Third Countries, whether or not such exports are further processed, provided that the further processing does not result in a substantial transformation or a change in the country of origin.

J. "Mexico" means the customs territory of the United Mexican States and foreign trade zones located within the territory of Mexico.

K. "Sugar" means the product described under Section I, "Product Coverage," of the Agreement.

L. "Target Quantity of U.S. Needs" means 100 percent of U.S. needs, as defined below.

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M. "Third Country" or "Third Countries" mean any country other than the United States or the United Mexican States, or any customs territory or free trade zone administered, governed, or controlled by any such country.

N. "United States" means the customs territory of the United States of America (the 50 States, the District of Columbia and Puerto Rico) and foreign trade zones located within the territory of the United States.

O. "USDA" means the United States Department of Agriculture.

P. "U.S. Needs" is calculated based on information in the "World Agriculture Supply and Demand Estimates" published by USDA and means

(Total Use * 1.135) – Beginning Stocks – Production – TRQ Imports – Other Program Imports – (Footnote 5 for "other high tier" + "other")

Q. "Violation" means noncompliance with the terms of the Agreement, whether through an act or omission, except for noncompliance that is inconsequential, inadvertent, or does not materially frustrate the purposes of the Agreement.

R. "WASDE" means the "World Agriculture Supply and Demand Estimates" published by the U.S. Department of Agriculture.

For any term or phrase not defined by this section, the plain meaning of that term or phrase shall prevail, which may include a definition provided for that term or phrase by the Act.

III. Suspension of Investigation

Effective DATE OF SIGNATURE, in accordance with section 704(c)(1), (3) of the Act and 19 C.F.R. § 351.208, the Department will suspend its countervailing duty investigation on sugar from Mexico initiated on April 17, 2014. *See Sugar from Mexico: Initiation of Countervailing Duty Investigation*, 79 Fed. Reg. 22,790 (Apr. 24, 2014).

IV. Statutory Conditions for the Agreement

In accordance with section 704(c)(4) of the Act, the Department has determined that extraordinary circumstances are present in this investigation because the suspension of the investigation will be more beneficial to the domestic industry than the continuation of the investigation and the investigation is complex.

In accordance with section 704(d)(1) of the Act, the Department has determined that the suspension of the investigation is in the public interest and that effective monitoring of the Agreement by the United States is practicable.

V. Export Limits

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No Sugar covered by the Agreement, whether exported directly or indirectly from Mexico, shall be entered into the United States unless, when cumulated with all prior entries of Sugar exported from Mexico during each yearly Export Limit Period in which the Sugar was exported, it does not exceed the applicable Export Limit set forth below. Any exports of Sugar from Mexico that are not governed by an Export License that enter the United States for any reason will be counted against the Export Limit established for the applicable Export Limit Period.

A. The Export Limit for the Initial Export Limit Period shall be calculated using the formula provided below to calculate the Export Limit for Subsequent Export Limit Periods, beginning with information in the December WASDE.[1] The restriction in C.2 below shall apply, and the March allocation in B.1.c below applies.

B. Following the Initial Export Limit Period, the Export Limit for each Subsequent Export Limit Period will be seventy (70) percent of the Target Quantity of U.S. Needs as calculated based on the July WASDE preceding the beginning of the Export Limit Period. The Export Limit will be effective October 1.

1. Revised Export Limit: The Export Limit may be increased in the following manner:

a. In September of each Subsequent Export Limit Period, the Department will determine if there is a need for additional sugar in the U.S. market beyond the Export Limit calculated in July. The Department will calculate the Target Quantity of U.S. Needs based on information in the September WASDE. Effective October 1, the Export Limit shall be revised to equal seventy (70) percent of the Target Quantity of U.S. Needs, unless that amount is less than or equal to the Export Limit announced in July, in which case the Export Limit shall not change.

b. In December of each Subsequent Export Limit Period, the Department will determine if there is a need for additional sugar in the U.S. market beyond the Export Limit calculated in September. The Department will calculate the Target Quantity of U.S. Needs based on information in the December WASDE. Effective January 1, the Export Limit shall be revised to equal eighty (80) percent of the Target Quantity of U.S. Needs, unless that amount is less than or equal to the Export Limit announced in September, in which case the Export Limit will not change.

c. In March of each Subsequent Export Limit Period, the Department will determine if there is a need for additional sugar in the U.S. market beyond the Export Limit calculated in December. The Department will calculate the Target Quantity of U.S. Needs based on information in the March WASDE. Effective April 1, the Export Limit shall be revised to equal 100 percent of

[1] If the December WASDE is not available on the Effective Date, the Department will calculate the Export Limit using the November WASDE data.

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the Target Quantity of U.S. Needs, unless the amount is less than or equal to the Export Limit announced in December, in which case the Export Limit will not change.

2. Prior to April 1 of any Export Limit Period, the Department may increase the Export Limit to address potential shortages in the U.S. market that are identified by USDA, in writing. After April 1, if USDA informs the Department, in writing, of any additional need for sugar from Mexico, the Department may increase the Export Limit based upon USDA's request.

C. The following restrictions on shipping patterns for sugar exports to the United States shall also apply.

1. No more than 30 percent of U.S. Needs calculated in each July and effective October 1 may be exported to the United States during the period October 1 through December 31.

2. No more than 55 percent of U.S. Needs calculated in each December and effective January 1 may be exported to the United States during the period October 1 through March 31.

3. Refined sugar may account for no more than 60 percent of the exports during any given Export Limit Period.

D. If any Sugar from Mexico is entered into the United States in excess of the Export Limit established for the relevant Export Limit Period or without a valid Export License, the Department shall consult with the GOM and request that the GOM reduce the export allocation for the producer/exporter involved by twice the volume of the entry. If the export allocation for the producer/exporter for the relevant Export Limit Period in which the excessive or unlicensed entry occurred has been reached, any remaining portion of the excessive or unlicensed entry will be subtracted from the producer/exporter's allocation in the next Export Limit Period. If the entry cannot be tied to a specific producer/exporter, the Department may reduce the Export Limit that is effective April 1 by twice the volume of the entry.

E. Subsequent to the publication of the March WASDE but prior to March 31 of each Export Limit Period, the GOM will inform the Department if there is any amount of U.S. Needs that exporters of Sugar from Mexico will be unable to supply during the second half of the Export Limit Period. The Department will adjust the Export Limit downward by any amount that Mexico cannot supply. Mexico agrees that it will not supply Mexico's needs with imports from a Third Country or Countries for the purpose of filling the Export Limit with Sugar from Mexico.

F. The GOM and the Department shall hold consultations regarding the GOM's compliance with the provisions of this section consistent with Section VIII.D.2 of the Agreement.

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VI. Implementation

A. On and after the Effective Date, the United States shall require presentation of an Export License as a condition for entry of Sugar from Mexico into the United States. The United States will prohibit the entry of any Sugar from Mexico not accompanied by an Export License.

B. Export Licenses must contain, for each sugar product covered by the license, the information contained in Appendix I. Additional information may be included on the Export License or, if necessary, a separate page attached to the Export License. If the bills of lading for all of the shipments under an Export License establish that the actual imports into the United States under that license were less than the total volume listed on the license, the GOM shall notify the Department in writing that the GOM intends to issue a new Export License in the same Export Licensing Period authorizing additional exports equal in volume to the volume of the undershipment.

C. The GOM will ensure compliance with all of the provisions of the Agreement. To ensure such compliance, the GOM will take the following measures:

1. Ensure that no sugar subject to the Agreement is exported from Mexico for entry into the United States during any Export Limit Period that exceeds the Export Limit for that Export Limit Period.

2. Establish an Export Limit licensing and enforcement program for all direct and indirect exports of sugar to the United States no later than 60 days after the Effective Date. Such Export Licenses shall contain all information described in Appendix I of the Agreement.

3. Require that applications for Export Licenses be accompanied by a report containing all of the information listed in Appendix II of the Agreement.

4. Refuse to issue an Export License to any applicant that does not permit full verification and reporting under the Agreement of all of the information in the application.

5. Issue Export Licenses sequentially, endorsed against the Export Limit for the relevant Export Limit Period, and reference any notice of the Export Limit allocation for the relevant Export Limit Period. Export Licenses shall remain valid for entry into the United States for the quarter in which they are applicable. The Department and the GOM may agree to an extension of the validity of the Export License in extraordinary circumstances.

6. Permit full verification of all information related to the administration of the Agreement on an annual basis or more frequently, as deemed necessary, to ensure that the GOM is in full compliance with the Agreement.

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7. Ensure compliance with all procedures established to effectuate the Agreement by any official Mexican institution, chamber, or other authorized Mexican company, and any Mexican producer, exporter, broker, and trader of sugar.

8. Impose strict measures, such as prohibition from participation in the Export Limit Allocation allowed by the Agreement, in the event that any Mexican company does not comply in full with the requirements established by the GOM pursuant to the Agreement.

D. The GOM and the Department shall hold consultations regarding the GOM's compliance with the provisions of this section consistent with Section VIII.D.1 of the Agreement.

VII. Anti-Circumvention

A. The GOM will take all necessary measures to prevent circumvention of the Agreement. These measures shall include requiring that all Mexican exporters of sugar agree, as a condition of receiving any Export License under the Agreement, not to export directly or indirectly to the United States sugar that is not accompanied by an Export License issued pursuant to the Agreement.

1. When the GOM has received an allegation that circumvention has occurred, including an allegation from the Department, the GOM shall promptly initiate an inquiry, normally complete the inquiry within 45 days and notify the Department of the results of the inquiry within 15 days after the conclusion of the inquiry.

2. If the GOM determines that a Mexican company has participated in a transaction circumventing the Agreement, the GOM shall impose penalties upon such company including, but not limited to, denial of access to an Export License for sugar under the Agreement.

3. If the GOM determines that a Mexican company has participated in the circumvention of the Agreement, the GOM shall count against the Export Limit for the Export Limit Period in which the circumvention took place an amount of sugar equivalent to the amount involved in such circumvention and shall immediately notify the Department of the amount deducted. If a sufficient amount is not available in the current Export Limit Period, then the remaining amount shall be deducted from the subsequent Export Limit Period or Periods.

B. The Department will investigate any allegations of circumvention which are brought to its attention both by asking the GOM to investigate such allegations and by itself gathering relevant information. The GOM will respond to requests from the Department for information relating to such allegations. In distinguishing normal arrangements from those which would result in the circumvention of a given Export

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Limit established by the Agreement, the Department will take the following factors into account:

1. Existence of any verbal or written agreement leading to circumvention of the Agreement;

2. Existence and function of any subsidiaries or affiliates of the parties involved;

3. Existence and function of any historical and traditional patterns of production and trade among the parties involved, and any deviation from such patterns;

4. Existence of any payments unaccounted for by previous or subsequent deliveries, or any payments to one party for sugar delivered or swapped by another party;

5. Sequence and timing of the arrangements; and

6. Any other information relevant to the transaction or circumstances.

C. The GOM and the Department shall hold consultations regarding anti-circumvention consistent with Section VIII.D.3 of the Agreement.

VIII. Monitoring of the Agreement

A. Import Monitoring

1. The Department will monitor entries of sugar from Mexico to ensure compliance with Section V of the Agreement.

2. The Department will review publicly available data and other official import data, including, as appropriate, records maintained by U.S. Customs and Border Protection, to determine whether there have been imports that are inconsistent with the provisions of the Agreement.

3. The Department will review, as appropriate, data it receives through any data exchange program between U.S. and Mexican government agencies, to determine whether there have been imports that are inconsistent with the provisions of the Agreement.

4. The Department agrees to discuss with U.S. Customs and Border Protection additional mechanisms that may be established and administered by U.S. Customs and Border Protection to monitor entries of Sugar subject to the Agreement.

B. Compliance Monitoring

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1. The GOM will collect and provide to the Department such information as is necessary and appropriate to monitor the implementation of, and compliance with, the Agreement, including the following:

   a. Within 60 days following the allocation of export rights for any Export Limit Period, the GOM shall notify the Department of each allocation recipient and the volume granted to each recipient. The GOM also shall inform the Department of any changes in the volume allocated to individual quota recipients within 60 days of the date on which such changes become effective.

   b. The GOM shall collect and provide to DOC information on exports to the United States in the format in Appendix II to the Agreement and, if requested, on the aggregate quantity and value of exports of sugar to Third Countries. This information will be based on semi-annual periods (October 1 through March 31 and April 1 through September 30), and will be provided no later than 60 days following the end of each half year period, beginning on May 31, 2015 (for the period from the Effective Date through March 31, 2015).

   c. The GOM and the Department recognize that the effective monitoring of the Agreement may require the GOM to provide information additional to that identified in the Agreement. Accordingly, after consulting with the GOM, the Department may request additional reporting requirements consistent with U.S. law and regulations during the course of the Agreement. The GOM shall also collect and provide to the Department, generally within 60 days of the request, any such additional information requested by the Department.

2. The Department will verify all information related to the administration of the Agreement, including all information relating to potential circumvention of the Agreement, annually or more frequently as deemed necessary. The Department will conduct verifications at locations and times it deems appropriate to ensure compliance with the terms of the Agreement.

3. The Department may initiate administrative reviews under section 751(a) of the Act in the month immediately following the Anniversary Month, upon request or upon its own initiative, to ensure that exports of sugar from Mexico satisfy the requirements of section 704(c)(1) and (3) of the Act. The Department may conduct administrative reviews under sections 751(b) and (c), and 781 of the Act, as appropriate. The Department may perform verifications pursuant to administrative reviews conducted under section 751 of the Act.

C. Rejection of Submissions

The Department may reject: (1) any information submitted after the deadlines set forth in the Agreement; (2) any submission that does not comply with the filing, format, translation, service, and certification of documents requirements under 19 C.F.R. § 351.303; (3) submissions that do not comply with the procedures for

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establishing business proprietary treatment under 19 C.F.R. § 351.304; and (4) submissions that do not comply with any other applicable regulations, as appropriate. If information is not submitted in a complete and timely fashion or is not fully verifiable, the Department may use facts otherwise available for the basis of its decision, as it determines appropriate, consistent with section 776 of the Act, unless the Department determines that Section IX applies.

D. Consultations

1. Implementation Consultations

a. If the GOM notifies the Department in writing, or the Department otherwise determines, that the GOM for any reason has not satisfied the implementation obligations in Section VI of the Agreement, the Department will consult with the GOM for a period of up to 60 days to ensure that the GOM complies with those obligations within those 60 days.

b. If the Department is not satisfied at the conclusion of the consultation period that exports of sugar from Mexico are entering the United States in amounts consistent with the Agreement, or entered with a valid Export License, the Department may evaluate under section 751 of the Act whether the Agreement is being violated, as defined in Section IX of the Agreement.

2. Compliance Consultations

a. When the Department identifies, through import or compliance monitoring or otherwise, that exports of sugar from Mexico may have entered the United States in volumes inconsistent with Section V of the Agreement, or without an Export License, the Department will notify the GOM. The Department will consult with the GOM for a period of up to 60 days to establish a factual basis regarding exports that may be inconsistent with Section V of the Agreement.

b. During the consultation period, the Department will examine any information that it develops or which is submitted, including information requested by the Department, under any provision of the Agreement.

c. If the Department is not satisfied at the conclusion of the consultation period that exports of sugar from Mexico are entering the United States in amounts consistent with the Agreement, or entered with a valid Export License, the Department may evaluate under section 751 of the Act whether the Agreement is being violated, as defined in Section IX of the Agreement.

3. Anti-Circumvention Consultations

a. If the GOM determines that a company from a Third Country has circumvented the Agreement and the Department and the GOM agree that no

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Mexican company participated in or had knowledge of such activities, then the Department and the GOM shall hold consultations for the purpose of sharing information regarding such circumvention and reaching mutual agreement on the appropriate measures to be taken to eliminate such circumvention. If the parties are unable to reach mutual agreement within 45 days, then the Department may take appropriate measures, such as deducting the amount of sugar involved in such circumvention from the Export Limit for the then-current Export Limit Period or a Subsequent Export Limit Period. Before taking such measures, the Department will notify the GOM of the facts and reasons constituting the basis for the Department's intended action and will afford the GOM 15 days in which to comment. Alternatively, the Department may evaluate under section 751 of the Act whether the Agreement is being violated, as defined in Section IX of the Agreement.

b. In the event that the Department determines that a Mexican company has participated in a transaction circumventing the Agreement, the Department and the GOM shall hold consultations for the purpose of sharing evidence regarding such circumvention and reaching mutual agreement on an appropriate resolution of the problem. If the Department and the GOM are unable to reach mutual agreement within 60 days, the Department may take appropriate measures, such as deducting the amount of sugar involved in such circumvention from the Export Limit for the current Export Limit Period (or, if necessary, the Subsequent Export Limit Period) or instructing U.S. Customs and Border Protection to deny entry to any Mexican sugar sold by the company found to be circumventing the Agreement. Before taking such measures, the Department will notify the GOM of the basis for the Department's intended action and the GOM will comment within 30 days. The Department will enter its determinations regarding circumvention into the record of the Agreement. Alternatively, the Department may evaluate under section 751 of the Act whether the Agreement is being violated, as defined in Section IX of the Agreement.

4. Operations Consultations

The Department will consult with the GOM regarding the operation of the Agreement. The Department or the GOM may request such consultations at any time, including consultations to revise the formula to establish the Export Limit.

IX. Violations of the Agreement

A. If the Department determines that there has been a violation of the Agreement or that the Agreement no longer meets the requirements of section 704(c) or (d) of the Act, the Department shall take action it determines appropriate under section 704(i) of the Act and the Department's regulations.

B. The following activities shall be considered violations of the Agreement:

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1. Exports of sugar from Mexico in amounts greater than the Export Limit established in the relevant Export Limit Period.

2. A significant amount (*i.e.*, 5 percent or more of the Export Limit for the relevant Export Limit Period) of sugar from Mexico exported to the United States without an Export License that is not reported by the GOM to the Department.

3. Any other material violation or breach, as determined by the Department.

X. Disclosure and Comment

This section provides the terms for disclosure and comment during segments not involving a review under section 751 of the Act.

A. The Department may make available to representatives of each Interested Party, pursuant to and consistent with 19 C.F.R. §§ 351.304-351.306, business proprietary information submitted to and/or collected by the Department pursuant to the Agreement, as well as the results of the Department's analysis of that information.

B. Under this section, the GOM and any other Interested Party shall file all communications and other submissions via the Department's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS), which is available to registered users at http://access.trade.gov and to all parties at the following address:

U.S. Department of Commerce
Central Records Unit
1401 Constitution Ave., NW
Room 7046
Washington, D.C. 20230

Such communications and submissions shall be filed consistent with the requirements provided in 19 C.F.R. § 351.303.

C. For all purposes hereunder, the Department and the GOM shall be represented by, and all communications and other submissions shall be addressed to:

The Department:

Assistant Secretary for Enforcement and Compliance
International Trade Administration
U.S. Department of Commerce

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GOM:

Subsecretario de Comercio Exterior
Secretaría de Economía

XI. Duration of the Agreement

A. The Agreement has no scheduled termination date. Termination of the suspended investigation shall be considered in accordance with the five-year review provisions of section 751(c) of the Act, and section 351.218 of the Department's regulations.

B. The GOM or the Department may terminate the Agreement at any time. Termination of the Agreement shall be effective no later than 60 days after the date written notice of termination is provided to the Department or the GOM, respectively.

C. Upon termination, the Department shall follow the procedures outlined in section 704(i)(1) of the Act.

D. The Department will terminate the Agreement in the event that any party requests continuation of either the antidumping or countervailing duty investigation of Sugar from Mexico.

XII. Other Provisions

A. By entering into the Agreement, the GOM does not admit that exports of sugar from Mexico are having or have had an injurious effect on sugar producers in the United States or that the GOM has provided countervailable subsidies to sugar producers and exporters in Mexico.

B. On the Effective Date, the Department shall instruct U.S. Customs and Border Protection to terminate the suspension of liquidation and reimburse any cash deposits collected as a result of the countervailing duty investigation on sugar from Mexico.

_____

Paul Piquado
Assistant Secretary for Enforcement and Compliance
U.S. Department of Commerce

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Date

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[ ]
Ministry of Economy
Government of Mexico

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Date

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Appendix I – Information To Be Contained In Export Licenses

The GOM will issue Export Licenses to Mexican entities that shall contain the following information:

1. Export License: Indicate the number(s) relating to each sale and or entry.
2. Complete Description of Merchandise: Include the applicable Harmonized Tariff Schedule category and the polarity of the product.
3. Quantity: Indicate in metric tons and in short tons.
4. Date of Export: Date that the Export License is issued.
5. Date of Entry: Date that the merchandise entered the United States.
6. Allocation to Exporter: Indicate the total amount of the Export Limit allocated to the individual exporter during the relevant Export Limit Period.
7. Allocation Remaining: Indicate the remaining amount available under the allocation to the individual exporter during the relevant Export Limit Period.

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Appendix II – Information On Exports of Sugar From Mexico

In accordance with the established format, the GOM's license issuing authority shall collect and provide to the Department all information necessary to ensure compliance with the Agreement. This information will be provided to the Department on monthly basis. The GOM's license issuing authority will collect and maintain data on exports to the United States on a continuous basis. Data for exports to countries other than the United States will be reported upon request. The GOM's license issuing authority may provide a narrative explanation to substantiate all data collected in accordance with the following formats.

The GOM's license issuing authority will provide a report or summary regarding all Export Licenses issued to Mexican entities, which shall contain the following information unless the information is unknown to the licensing authority and the licensee. Upon request, the GOM will provide copies of any Export License to the Department.

1. Export License: Indicate the number(s) relating to each sale and or entry.
2. Complete Description of Merchandise: Include the applicable Harmonized Tariff Schedule category and the polarity of the product.
3. Quantity: Indicate in metric tons and in short tons.
4. Date of Export: Date that the Export License is issued.
5. Date of Entry: Date that the merchandise entered the United States.
6. Allocation to Exporter: Indicate the total amount of the Export Limit allocated to the individual exporter during the relevant Export Limit Period.
7. Allocation Remaining: Indicate the remaining amount available under the allocation to the individual exporter during the relevant Export Limit Period.

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