### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

#### Relevant updates in International Trade matters as of December 2020.

# I. Final resolution of the sunset review regarding antidumping duties on imports of galvanized mesh or cloth made of carbon steel wire from China.

On November 4<sup>th</sup>, 2020, the "Final Resolution of the sunset review on antidumping duties on imports of galvanized mesh or cloth made of carbon steel wire originating from the People's Republic of China." was published in the Official Gazette of the Federation (for its acronym in Spanish "DOF"). The investigating authority concluded to extend the application of the antidumping duties of USD \$2.08 for five more years, starting on October 10, 2019.

This product is imported into Mexico through the HTS tariff code 7314.19.02, 7314.10.03 and 7314.31.01 of the General Import and Export Taxes Tariff Law (for its acronym in Spanish "TIGIE").

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5604214&fecha=04/11/2020

# II. Sunset review of antidumping duties imposed on imports of seamless steel pipes from Japan

On November 5, 2020, the "Resolution declaring the sunset review of antidumping duties on imports of seamless steel pipe originating from Japan." was published in the DOF.

The reviewed products are imported into Mexico through the HTS tariff codes 7304.11.01, 7304.11.02, 7304.11.03, 7304.11.99, 7304.19.01, 7304.19.02, 7304.19.03, 7304.19.91, 7304.19.99, 7304.39.10, 7304.39.11, 7304.39.12, 7304.39.13, 7304.39.14, 7304.39.15, 7304.39.91, 7304.39.92, 7304.39.99, 7304.59.11, 7304.59.12, 7304.59.13, 7304.59.14, 7304.59.15, 7304.59.16, 7304.59.91, 7304.59.92 y 7304.59.99 of the TIGIE and are currently subject to the following antidumping duty:

• On seamless steel pipe imports, a countervailing duty of 99%

The sunset review will cover as the period of investigation from July 1, 2019 to June 30, 2020 and as the period of analysis from July 1, 2015 to June 30, 2020.

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

Importers, exporters and the representatives of the government of Japan, will have 28 working days to present evidence and legal arguments, together with their responses to the official questionnaire.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5604298&fecha=05/11/2020

# III. Draft of the Mexican Official Standard (for its acronym in Spanish "NOM"), that will cancel NOM-004-SCFI-2006.

On November 5, 2020, the "Draft of the Mexican Official Standard: PROY-NOM-004-SE-2020, Commercial Information- Labeling of textile products, clothes and its accessories" was published in the DOF.

This NOM establishes the guidelines on commercial information in the textile products, clothes and its accessories. When this NOM enters into force, it will cancel the NOM-004-SCFI-2006.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5604299&fecha=05/11/2020

## IV. Final resolution of the antidumping investigation on imports of aluminum discs from China.

On November 6, 2020, the "Final Resolution of the antidumping investigation on imports of stainless steel flat products originating in the People's Republic of China", was published in the DOF. The investigation authority concluded to impose the following definitive antidumping duty:

• USD \$1.17 per kilogram to all imports of aluminum discs from China

Please note that the antidumping duty apply for all definitive and temporary importations. Such products are imported into Mexico through the HTS tariff code 7616.99.10 of the TIGIE.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5604418&fecha=06/11/2020

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

# V. Resolution by which activities from administrative units are suspended.

On November 12, 2020, the "Resolution by which activities from Legal Support Unit and the General Management Authority from the Ministry of Economy, are suspended due to the increased confirmed cases of COVID 19".

Through such resolution, it is mandatory the total closing of the reception of documents in the following administrative units:

- Unidad de Apoyo Jurídico
- Dirección General Adjunta de lo Contencioso
- Dirección General de Minas
- Dirección General de Normas
- Unidad de Prácticas Comerciales Internacionales, Dirección General de Facilitación Comercial y de Comercio Exterior y Dirección General de Normatividad Mercantil

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5604814&fecha=12/11/2020

# VI. Final resolution of the sunset review regarding antidumping duties on imports of steel nails for concrete from China.

On December 3, 2020, the "Final Resolution of the sunset review on antidumping duties on imports of steel nails for concrete originating from the People's Republic of China." was published in the DOF. The investigating authority concluded to eliminate the application of the antidumping duties of USD \$0.54 per kilogram imposed to the steel nails for concrete importations.

This product is imported into Mexico through the HTS tariff code 7317.00.99 of the TIGIE.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5606610&fecha=03/12/2020

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

# VII. Final resolution of the sunset review regarding antidumping duties on imports of steel plates/sheets from China.

On December 4, 2020, the "Final Resolution of the sunset review on antidumping duties on imports of steel plates/sheets originating from the People's Republic of China." was published in the DOF. The investigating authority concluded to eliminate the application of the antidumping duties of 33.98% imposed to the steel plates/sheets importations.

This product is imported into Mexico through the HTS tariff codes 7208.51.01, 7208.51.02, 7208.51.03, 7208.52.01, 7225.40.01 y 7225.40.02 of the TIGIE.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5606785&fecha=04/12/2020

# VIII. Final resolution of the sunset review regarding antidumping duties on imports of carbon steel pipes with a straight longitudinal seam from United Kingdom.

On December 4<sup>th</sup>, 2020, the "Final Resolution of the sunset review on antidumping duties on imports of carbon steel pipes with a straight longitudinal seam originating from the United Kingdom." was published in the DOF. The investigating authority concluded to eliminate the application of the antidumping duties of 5.91% imposed to the carbon steel pipes with a straight longitudinal seam importations.

This product is imported into Mexico through the HTS tariff code 7305.11.01 of the TIGIE.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5606786&fecha=04/12/2020

# IX. Preliminary resolution of the antidumping investigation on imports of dioctyl phthalate from Korea and the United States of America

On December 7, 2020, the "Preliminary Resolution of the antidumping investigation on imports of dioctyl phthalate originating in Korea and the United States of America.", was published in the DOF. The investigation authority concluded to impose the following temporary antidumping duty:

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

 USD \$0.34 per kilogram on imports of dioctyl phthalate from Korea and United States

Such products are imported into Mexico through the HTS tariff code 2917.32.01 of the TIGIE.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5606875&fecha=07/12/2020

# X. Decision No. 3/2019 of the Administrative Commission of the Free Trade Agreement between Mexico and Uruguay

On December 15, 2020, the "Decision No. 3/2019 of the Administrative Commission of the Free Trade Agreement between the United Mexican States and Uruguay, adopted on September 3, 2019" was published in the DOF.

Through such decision, the certificates of origin forms and its filling instructions were modified. This decision will come into force 60 days after the date in which the parties (Mexico and Uruguay) notify in writing that they have completed their respective internal procedures. However, the valid certificates or origin, which were issued before this decision, will remain valid until its due date.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5607552&fecha=15/12/2020

## XI. Sunset review of antidumping duties imposed on imports of steel and zamac handles from China.

On December 17, 2020, the "Resolution declaring the initiation of the sunset review of antidumping duties on imports of steel and zamac handles originating from the People's Republic of China." was published in the DOF.

The reviewed products are imported into Mexico through the HTS tariff codes 8302.42.99 and 8302.49.00 of the TIGIE and are currently subject to the following antidumping duty:

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

 On steel and zamac handles imports, a countervailing duty of USD \$10.21 per kilogram

The sunset review will cover as the period of investigation from October 1, 2019 to September 30, 2020 and as the period of analysis from October 1, 2015 to September 30, 2020. Importers, exporters and the representatives of the government of China, will have 28 working days to present evidence and legal arguments, together with their responses to the official questionnaire.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5607857&fecha=17/12/2020.

# XII. Sunset review of antidumping duties imposed on imports of hot rolled steel from Germany, China and France.

On December 17, 2020, the "Resolution declaring the initiation of the sunset review of antidumping duties on imports of hot rolled steel originating from the Federal Republic of Germany, People's Republic of China and the French Republic." was published in the DOF.

The reviewed products are imported into Mexico through the HTS tariff codes 7208.36.01, 7208.37.01, 7208.38.01, 7208.39.01, 7225.30.02, 7225.30.03 and 7225.30.99of the TIGIE and are currently subject to the following antidumping duties:

- On imports from Germany, a countervailing duty of USD \$137 per metric ton for those coming from ArcelorMittal Bremen HmbH and USD \$166.01 per metric ton for other exporters.
- On imports from China, a countervailing duty of USD \$335.60 per metric ton for those coming from Tangshan Iron and Steel Group, Co. Ltd. And USD \$ 354 per metric ton for other exporters.
- On imports from France, a countervailing duty of USD \$67.54 per metric ton for those coming from ArcelorMittal Mediterranée, S.A.S. and USD \$75.59 per metric ton for other exporters.

The sunset review will cover as the period of investigation from October 1, 2019 to September 30, 2020 and as the period of analysis from October 1, 2015 to September 30, 2020. Importers, exporters and the representatives of the government of Germany, China and France, will have 28 working days to present

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

evidence and legal arguments, together with their responses to the official questionnaire.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5607858&fecha=17/12/2020.

# XIII. Sunset review of antidumping duties imposed on imports of children's bicycles from China.

On December 17, 2020, the "Resolution declaring the initiation of the sunset review of antidumping duties on imports of children's bicycles originating from the People's Republic of China." was published in the DOF.

The reviewed products are imported into Mexico through the HTS tariff code 8712.00.02 of the TIGIE and are currently subject to the following antidumping duty:

 On children's bicycles imports, a countervailing duty of USD \$10.21 per kilogram

The sunset review will cover as the period of investigation from October 1, 2019 to September 30, 2020 and as the period of analysis from October 1, 2015 to September 30, 2020. Importers, exporters and the representatives of the government of China, will have 28 working days to present evidence and legal arguments, together with their responses to the official questionnaire.

To review the complete official publication use the following link (available only in Spanish):

https://www.dof.gob.mx/nota\_detalle.php?codigo=5607857&fecha=17/12/2020.

# XIV. Amendment to the General Rules in Foreign Trade Matters (for its acronym in Spanish "RGCE").

On December 22, 2020, the "Third Agreement modifying the General Rules in Foreign Trade Matters for 2020." was published in the DOF". Through such publication, the following rules were modified, added or reformed:

• 1.1.5. Update of the amounts of the fines established by the Customs Law (Annex 2)

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

According with the second paragraph of this rule, the Annex 2 provides the updated amounts of the fines, as of January 1<sup>st</sup>, 2021. Also, the section VIII of such rule is added to establish the criteria to be considered for the updating of the fines.

• 1.2.9. Consult of the HTS tariff code and the trade identification number

This rule is modified to include "the trade identification number (número de identificación comercial)" as part of the consultations that importers are able to make before the customs authority. Before this modification, this possibility was only allowed for HTS tariff code purposes.

• 1.3.1., third paragraph: Import of goods exempted from the registration obligation established in article 59 of the Customs Law (Annexes 7 and 8)

This rule is modified to indicate that, in case of imported goods detailed in the article 61, section IX, XI, XVI and XVII of the Customs Law, it will not be necessary to fulfill the obligation established in article 59 of the Customs Law, regarding the registration in the Importers Registry of Specific Sectors.

• 1.3.3., section XLV: Suspension causes in the Importers Registry

Section XLV is added to indicate that individuals or corporations will be included in the list of definitive suspensions published by the Tax Administration Service (for its acronym in Spanish "SAT") in the DOF, in terms of article 69-B, fourth paragraph of the CFF, when they have carried out operations with individuals or corporations that are included in the aforementioned list.

• 1.3.4., third paragraph: Reincorporation to the Registry

This rule is modified to indicate that importers who have been suspended under article 84 of the Customs Law Regulations or Rule 1.3.3. of the RGCE, and an Administrative Procedure in Customs Matters (for its acronym in Spanish "PAMA") has been initiated against them, they may be reinstated in the Importers Registry after complying with the requirements set forth in form 7/LA of Annex 1-A. They also need to file before the authority a writ in which they state their fault for the detected irregularity along with the payment of the amount determined in the tax credit.

#### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

• 1.4.11., first paragraph: Authorization to modify the designation, ratification and publication of customs agents patent by substitution

This rule is extended (no later than June 21, 2021) to state "Agreement by which customs agents patent by substitution is granted".

• 1.4.15., Procedure to cancel the suspension to operate in the Customs Electronic System (for its acronym in Spanish "SEA") due to the inaccurate declaration of the trade identification number.

The following paragraph is added to the rule: for purposes of article 184-C of the Customs Law, customs agents and importers who are suspended to operate in the SEA for the release of goods, they may invalidate the cause of suspension or submit the guarantee customs account through the correction of the customs form ("pedimento"). They also need to give notice to the customs authority

• 3.1.12., first and second paragraph: Differences of HTS Tariff classification in the certificates or certificates of origin

This rule is modified to include "proof of origin, certification of origin or certificate of origin". Before this modification, only the certificate of origin was contemplated.

• 3.1.25. Consolidated Custom Form in relation to the CFDI form or equivalent documents

The following paragraph is added to the rule: "In case of customs forms of definitive importation and extraction of goods from a tax warehouse regime for its definitive importation, the SAAI will generate the validation code.

 4.4.7., section VI: Returns of repairs of the T-MEX, TLCCH, TLCU, TLCP, PAAP and TIPAT

This rule refers to those operations, processes or elements that, when they are modified, they turn the goods into new or different goods. Section VI refers to the "HTS Tariff Code when it is different to the HTS Tariff Code of the temporarily exported goods".

• 6.1.1., Correction of customs files (pedimento)

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

Section C of this rule is modified as it follows: "a new TIGIE rate, even when it is product from the modification of the HTS Tariff Code", before this modification to rule 6.1.1., it was not contemplated the change of rate due to a change in the HTS Tariff Code.

The following paragraphs were added to the rule:

"The applicant must be up to date with his tax obligations, also the name must not be included in the lists published in the DOF, referred to in article 69 of the CFF and comply with article 69-B of the CFF, which means that the tax address need to be registered in the tax mailbox."

"The authority may request the applicant information or documents related to the solicitude, granting a term of 10 days for the applicant to answer. In case that the applicant did not attend the request, the application will be considered as not submitted."

 Correction or rectification to request a preferential tariff treatment after the importation of goods

This rule is added to establish the following: "For purposes of articles 36-A, section I, paragraph d) and 89 of the Customs Law, in case that, after the customs clearance the customs form ("pedimento") is corrected or rectified with the intention to request a preferential duty treatment for originating goods in accordance with the Free Trade Agreements ("FTA") to which Mexico is part, in addition to state the corresponding identifiers code (Appendix 8 of Annex 22), the importer must file as an annex to the custom form ("pedimento") complying with rule 3.1.31 of the RGCE, the proof of origin, the certification of origin or the certificate of origin".

The following rules are abrogate:

- Rule 3.3.12 on its seventh paragraph, which used to state that the tariff classification made by the authority, does not constitute a final resolution.
- Rule 5.2.2, section I, paragraph i), which used to refer to the authorization for the import of goods donated to the tax authorities.

Finally, it is determined that this agreement will enter into force on December 28, 2020, with the exception of the following:

#### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

- i. Amendments to rules 1.3.1, 1.4.11, 3.3.20, 3.7.34 and 5.1.1. Which will enter into force on the following day of the DOF publication.
- ii. Section VIII of rule 1.1.5, and the amendments to Annex 2 of the RGCE, will enter into force on January 1, 2021.
- iii. Amendments to rule 2.2.5 and 42/LA, 43/LA forms of Annex 1-A, will enter into force two months after the DOF publication.
- iv. The solicitude of "Certificate of temporary import, return or transfer of containers" through VUCEM website (rule 4.2.13.) will enter into force three months after the DOF publication.
- v. Amendments to rule 3.2.7, section II and to the Annex 16, will enter into force three months after the DOF publication.

It is important to add, that on December 23 and 24, 2020, Annexes 1, 1A, 2, 6, 7, 8, 9, 10, 12, 14, 16, 17, 21, 22, 23, 27, 28, 29 and 30 of the RGCE, were published in the DOF.

To review the complete official publication use the following link (available only in Spanish):

https://dof.gob.mx/nota\_detalle.php?codigo=5608431&fecha=22/12/2020.

#### XV. Amendments to IMMEX Decree

On December 24, 2020, the "Amendment Decree modifying IMMEX Decree" was published in the Federal Official Gazzete By means of which, its articles and annexes are modified in order to harmonize its content with the new LIGIE and USMCA text.

Sections III, IV and VII from article 15 of IMMEX Decree were amended to harmonize it to the text of USMCA.

In this sense, such decree amend its annexes I and II, regarding the goods that cannot be temporary imported to Mexico under IMMEX and those goods that must comply with specific requirements to be temporary imported under IMMEX.

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608712&fecha=24/12/2020.

# XVI. Applicable General Import Tax rate for goods originating from North America

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

On December 24, 2020, the "Decree that establishes the Applicable General Import Tax rate for goods originating from North America" was published in the Federal Official Gazzete. By means of which, the import from originating goods from North America, regardless of its tariff classification in the TIGIE, will be exempt from payment, with the exceptions established in this Decree.

In this sense, the not originating goods from North America that are going to be exempt from the payment from the corresponding tax, are the ones included in chapters 52, 53, 54, 55, 58, 60, 61, 62 and 63 of the TIGIE, and the subheading 9404.90, such as textile goods and clothing from the United States and Canada, whenever the importer attaches to the import petition a certificate of eligibility issued by the Ministry of Economy or its corresponding government.

In order to determine if the goods are originating from North America, we must comply with chapters 2 and 4 from the USMCA text.

The Decree indicates, that the importation of goods included in the tariff classification relative to live animals, meat, milk and dairy products, among others, that come from Canada or that are not qualified goods from the United States, will be subject to the rate provided in article 1 of the General Import and Export Tax Law ("LIGIE" by its acronym in Spanish).

In this sense, the decree also establishes that, if the importation of goods included in the tariff classification relative to edible fruits, nuts, mineral water and milk, among others, that come from the United States or Mexico, are not certified that those goods have not benefited from the "Sugar Reexport Program", then their import will be subject to the rate established in article 1 of the LIGIE.

In addition, it is important to note that some goods were added to the HTS tariff classifications from the decree published on June 30, 2020.

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608713&fecha=24/12/2020.

#### XVII. Relevant decrees on International Trade

On December 24, 2020, there were published in the Federal Official Gazzete the following decrees:

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

- "Decree that modifies the rates from the LIGIE"
- "Decree to support the automotive industry and promote the domestic automobile market"
- "Decree establishing the general import tax for northern region" and,
- "Decree establishing various PROSEC programs and various establishing quota".

#### Rates from LIGIE

From the Decree that modifies the rates from the LIGIE some of the relevant changes are the creation, modification, suppression and numerical re-ordering from different tariff classifications.

Some of the tariff classification that have been created are the ones corresponding to: uses trolleybuses, hot rolled hollow bars, among others.

Some of the tariff classification that have been modified are the ones corresponding to: small seed, coral, alachlor, sandals for women or girls, trolleybuses except those that have been used, among others.

Some of the tariff classification whose rates have been modified are the ones corresponding to: hot rolled pipes, drill pipes, thermal pipes, conduction pipes, sandals, among others.

Decree to support the automotive industry and promote the domestic automobile market

This Decree establishes the quota applicable to certain tariff classifications of the TIGIE, when the importer has the corresponding certificate issued by the Ministry of Economy, whenever the goods are vehicles that weight less than or equal to 8,864 kilograms.

In this sense, this Decree modifies the content of the integration of the Intersecretarial Commission of the Automotive Industry, to indicate the tariff classifications that are exempt from the payment of the General Import Tax ("IGI" by its acronym in Spanish) for the importations of vehicles.

<u>Decree establishing the general import tax for northern region</u>

This Decree modifies sections I, II and IV from article 5 as it follows:

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

- Section I indicates the good that will be fully tax-deductible until September 2024
- Section II indicates the goods that will be taxed with a 5% rate until September 2024.
- Section IV add tariff classifications 8703.40.02 and 8703.60.02 to the ones that have a total or partial elimination tariff rates.

#### Decree establishing various PROSEC programs

This Decree modifies article 4 and 5 as it follows:

- The tariff classifications from article 4 from PROSEC Decree are modified.
- The tariff classifications from article 5 from PROSEC Decree are modified.

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608714&fecha=24/12/2020\_

#### XVIII. Different Agreements related to the applicable tariff rate

On December 26 and 27, 2020, different agreements were published in the Federal Official Gazzete. By means of which, the tariff rates applicable to the import of different goods from different countries are established, some of this countries are:

- States of the European Free Trade Association
- The State of Israel
- The Republic of Panama
- The Republic of Chile
- Countries from the Pacific Alliance
- The State of Bolivia
- Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua
- The European Community, Andorra, The Republic of San Marino
- The Republic of Peru
- Japan
- The region made up of Mexico, Australia, Brunei, Canada, Chile, Japan, Malaysia, New Zealand, Peru, Singapore and Vietnam
- The Republic of Colombia
- The Oriental Republic of Uruguay

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

Through each of the Agreements, it is stated that according to the International Agreements and Treaties between Mexico and these countries, the import of goods, regardless of its tariff classification in the TIGIE, will be exempt from payment, with the exceptions established in this agreements.

To review the complete official publication use the following link (available only in Spanish):

- http://dof.gob.mx/index\_113.php?year=2020&month=12&day=27
- <a href="http://dof.gob.mx/index\_113.php?year=2020&month=12&day=26">http://dof.gob.mx/index\_113.php?year=2020&month=12&day=26</a>

# XIX. Regulation of goods by the Ministry of Environment and Natural Resources ("SEMARNAT" by its acronym in Spanish).

On December 26, 2020, the "Agreement that establishes the goods whose import and export are subject to regulation by the Ministry of Environment and Natural Resources" was published in the Federal Official Gazzete. By means of which, it is established all the tariff classifications that are subject to regulation by such Ministry, whose compliance must be accredited to the authorities at the entry into Mexican territory.

The Federal Attorney for Environmental Protection ("PROFEPA" by its acronym in spanish) will carry out the authenticity verification and the compliance with the corresponding procedures. The permits, certificates and authorizations for the import of forest raw materials, products and by-products issued by SEMARNAT, will include the measures and requirements for the import or export of goods.

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608831&fecha=26/12/2020.

#### XX. Regulation of goods by the Ministry of Energy

On December 26, 2020, the "Agreement that establishes the goods whose import and export are subject to regulation by the Ministry of Energy" was published in the Federal Official Gazzete. By means of which, it is established all the tariff classifications that are subject to regulation by such Ministry and the National Commission for Nuclear Safety and Safeguards, whose compliance must be accredited to the authorities at the entry into Mexican territory.

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

The analysis of this publication will be issued on December 30, 2020.

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608832&fecha=26/12/2020.

#### XXI. Regulation of goods by the Ministry of Health

On December 26, 2020, the "Agreement that establishes the goods whose import and export are subject to regulation by the Ministry of Health" was published in the Federal Official Gazzete. By means of which, it is established all the tariff classifications that are subject to regulation by such Ministry and the Federal Commission for the Protection of Sanitary Risks, whose compliance must be accredited to the authorities at the entry into Mexican territory.

Importers and exporters of the goods listed this Agreement must process prior to the import or export, the sanitary authorizations at the automatized foreign trade system ("VUCEM" by its acronym in Spanish) or before health authorities and must provide it in electronic or digital version, as an annex to the corresponding import declaration.

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608830&fecha=26/12/2020.

# XXII. Regulation of goods by the Ministry of Agriculture and Rural Development and certificates of origin.

On December 26, 2020, the "Agreement that establishes the goods whose import and export are subject to regulation by the Ministry of Agriculture and Rural Development and the emission of the certificates of origin to export coffee" was published in the Federal Official Gazzete. By means of which, it is established all the tariff classifications that are subject to regulation by such Ministry and the emission of the certificates of origin to export coffee, whose compliance must be accredited to the authorities at the entry into Mexican territory.

The applications must be submitted at the VUCEM or at the corresponding office. The Certificate of Origin must be processed through VUCEM and once obtained; the exporter must provide it in electronic or digital version, as an annex to the corresponding export declaration.

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608829&fecha=26/12/2020.

# XXIII. National Notes for the General Import and Export Tax Rate (TIGIE by its acronym in Spanish)

On December 26, 2020, the "Agreement that establishes the National Notes ("Notes") from the tariff rates of the General Import and Export tax Law ("LIGIE" by its acronym in Spanish)" was published in the Federal Official Gazzete.

We must point out that the National Notes are used for interpretation and uniform application of the tariff classification of goods according to the LIGIE, since they allow the description of scientific and commercial aspects of the main goods that are imported and exported to and from Mexico, the procedures for their extraction or elaboration, as well as their common uses.

This agreement also establishes that the Notes will be considered as the official interpretation of the TIGIE and their application will be mandatory to determine the tariff classification.

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608825&fecha=26/12/2020.

#### XXIV. Prior permission and a maximum quota for the export of sugar

On December 27, 2020, the "Agreement that modifies the diverse by which the export of sugar is subject to prior permission and a maximum quota for its export is established" was published in the Federal Official Gazzete. Amending points 3 and 4 of Chapter II and Point 12 of Chapter III of the Agreement by which the export of sugar is subject to prior permission and a maximum quota for its export is established published in the Federal Official Gazzete on October 5, 2017.

In this sense, any previously issued document will continue to apply until its expiration and may be used as the description of the goods indicated in the document matches to the ones presented to customs authorities.

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608869&fecha=27/12/2020.

#### XXV. Prior permit for the export of steel goods.

On December 27, 2020, the "Agreement that modifies the diverse by which the export of steel goods is subject to prior automatic permission" was published in the Federal Official Gazzete. By means of which the "Annex 1" of the Agreement is subject to prior automatic permission to export various steel goods, published in the Official Gazette of the Federation on August 28, 2020.

In accordance with this Agreement, the validity of the measure for the merchandise listed in subsection A) of Annex I of such agreement, referring to semi-finished products, will expire on December 31, 2020.

In this sense, any previously issued document will continue to apply until its expiration and may be used as the description of the goods indicated in the document matches to the ones presented to customs authorities.

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608870&fecha=27/12/2020.

#### XXVI. Export of dual-use goods, software and technologies

On December 27, 2020, the "Agreement that establishes the dual-use goods, software and technologies whose import is regulated by the Ministry of Economy" was published in the Federal Official Gazzete. By means of and due to compliance with the obligations between Mexico and the UN, the tariff classification for the export of dual-use goods, software and technologies that are susceptible to diversion for the proliferation and manufacture of conventional weapons and weapons of mass destruction are established.

In this sense, the goods that need a prior export permit issued by the Ministry of Economy are established, as well as those leaving Mexico, that will need permits for export issued by the Ministry of Economy establishing all the requirements, processes necessary to obtain them and aspects related to such permits.

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

In this regard, all goods exempted from obtaining a prior export permit issued by the Ministry of Economy, are established.

To review the complete official publication use the following link (available only in Spanish): <a href="http://dof.gob.mx/2020/SEECO/SEECO">http://dof.gob.mx/2020/SEECO/SEECO 27122020 n5.pdf</a>.

# XXVII. Rules and General Criteria in International Trade Matters of the Ministry of Economy.

On December 27, 2020, the "Agreement that modifies the diverse by which the Ministry of Economy issues General Rules and Criteria in International Trade Matters". By means of which certain content from the Rules published in the Federal Official Gazzete on December 31, 2012 and its subsequent modifications are amend, added or abrogated.

Among the main changes, there are international trade procedures carried out before the Ministry of Economy, such as import and export permits, certificates of origin, refund of the general import tax request, PROSEC, IMMEX and among others, to adapt them to USMCA text.

In this sense, any previously issued document will continue to apply until its expiration and may be used as the description of the goods indicated in the document matches to the ones presented to customs authorities.

To review the complete official publication use the following link (available only in Spanish): <a href="http://dof.gob.mx/2020/SEECO/SEECO">http://dof.gob.mx/2020/SEECO/SEECO</a> 27122020 n7.pdf.

#### XXvIII. Different Agreements related to preferential duty treatment

On December 27, 2020, different agreements were published in the Federal Official Gazzete. By means of which, they are established different tax benefits to the TIGIE, for the import of goods from the following countries:

- The Republic of Argentina
- The Federative Republic of Brazil
- The Republic of Paraguay
- The Oriental Republic of Uruguay
- The Republic of Ecuador
- The Republic of Cuba
- The Republic of Panama

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

Through each of the agreements, it is stated that according to the International Agreements and Treaties between Mexico and this countries, the import of goods, regardless of its tariff classification in the TIGIE, will have preferential duty treatment, with the exceptions established in this agreements.

To review the complete official publication use the following link (available only in Spanish): <a href="http://dof.gob.mx/index113.php?year=2020&month=12&day=27">http://dof.gob.mx/index 113.php?year=2020&month=12&day=27</a>

#### XXIX. Regulation of goods by the Ministry of National Defense.

On December 27, 2020, the "Agreement that establishes the goods whose import and export is subject to regulation by the Ministry of National Defense" was published in the Federal Official Gazzete. By means of which, it is established all the tariff classifications that are subject to regulation by such Ministry, based on the Federal Law on Firearms and Explosives.

The goods from "Annex I" must comply with its regulation when they are destined to the customs regimes of definitive or temporary import and export, fiscal warehouse, transit of goods, elaboration, transformation or repair in a Tax warehouse and strategic tax warehouse. In this sense, those interested in importing or exporting the merchandise of such annex, must obtain the corresponding permit.

Goods that have been exported and then return to Mexico must present at its importation the document that certifies compliance with the corresponding regulation, issued by the Ministry of National Defense ("SEDENA") complying with all provisions related.

This agreement will not apply to all goods that have been temporarily imported for elaboration, transformation or repair in IMMEX Programs and are going to be transferred when they comply with the corresponding regulation at the time of its import to Mexico.

It must be noted that this agreement does not exempt from compliance with non-tariff regulations, in terms of the Free Trade Agreements by which Mexico is a Party, the Foreign Trade Law, the Customs Law and other applicable provisions.

### **Legislative Update**

# **Customs and International Trade**

Mexico City, December 30, 2020

To review the complete official publication use the following link (available only in Spanish):

http://dof.gob.mx/nota\_detalle.php?codigo=5608886&fecha=27/12/2020.

\* \* \*

This document is a summary for disclosure purposes only. It does not constitute an opinion and may not be used or cited without our prior written permission. We assume no responsibility for the content, scope or use of this document. For any comments regarding this memorandum, please contact any partner of our firm.