

## Overview of the EU-Mexico modernised global agreement

### I. Concessions

#### Tariff rate quotas

The following product categories will benefit from a duty-free quota with quantity rising over 1/5/7 years:

##### ➤ *Milk & cream*

Year	Aggregate quantity (in litres)
1	100 000 l
2	125 000 l
3	150 000 l
4	175 000 l
5 & each subsequent year	200 000 l

Exports outside of the quota will remain subject to 10% base rate duty.

##### ➤ *Milk powders*

Year	Aggregate quantity (in tonnes)
1	30 000 t
2	35 000 t
3	40 000 t
4	45 000 t
5 & each subsequent year	50 000 t

Exports outside of the quota will remain subject to 50% base rate duty for SMP & WMP (lower duties applied to other products under 0402).

➤ **Butter & other fats & oils derived from milk; Dairy spreads**

Year	Aggregate quantity (in tonnes)
1	1 500 t
2	1 667 t
3	1 833 t
4	2 000 t
5	2 167 t
6	2 333 t
7 & each subsequent year	2 500 t

Exports outside of the quota will remain subject to 20% base rate duty (+ \$0.36/kg for dairy spreads).

➤ **Fresh, grated or powdered & processed cheese**

Year	Aggregate quantity (in tonnes)
1	2 500 t
2	3 125 t
3	3 750 t
4	4 375 t
5 & each subsequent year	5 000 t

Exports outside of the quota will remain subject to the following base rate duty:

- 45% for 0406.10 & 0406.30
- 20% for 0406.20

➤ **Other cheese**

Year	Aggregate quantity (in tonnes)
1	6 000 t
2	9 500 t
3	13 000 t
4	16 500 t
5 & each subsequent year	20 000 t

Exports outside of the quota will remain subject to the following base rate duty:

- 20% for 0406.90.04
- 45% for 0406.90.05, 0406.90.06 & 0406.90.99

➤ **Other dairy products – 1 year**

Product	Aggregate quantity (in tonnes)
Evaporated & condensed milk	200 t
Whey	5 000 t
Dairy-based preparations:	
1901.90.03	3 000 t
1901.90.05	10 000 t

Exports outside of the quota will remain subject to the following base rate duty:

- Between 15% and 45% for evaporated & condensed milk
- Between 10% and 20% for whey
- 10% for 1901.90.03
- 45% for 1901.90.05

### Tariff reduction

**Infant formula:** a tariff reduction of 50% will be applied on the base rate of 10% in 5 equal stages, resulting in a final duty of 5%.

### Tariff elimination

The product categories found in the below table will benefit from tariff elimination in equal annual stages (5/7). These products will be duty-free on 1 January of the year mentioned in the table.

Staging category	Product	Base rate
5	• Lactose	10%
	• Casein for industrial use (3501.90.01)	10%
7	• Blue cheese	20%
	• Yogurt	20%

### Already duty-free

The following products already benefit from 0% duty:

- Butteroil
- Casein (excl. casein for industrial use)
- Caseinates
- WPC

## II. Quota administration

Mexico reserves the right to allocate TRQs through **auctioning** from the entry into force of the agreement for a defined period of time. The duration of the allocation through auctioning would depend on the product category\*:

- Max 3 years for milk powders, butter & cheeses
- Max 5 years for milk & cream, whey & dairy-based preparation

Subsequently, TRQs shall be administered on a **first-come, first-served basis**.

\*The quota for evaporated & condensed milk is not subject to any commitment regarding the administration method and is likely to be allocated through auctioning.