

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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**Date:** 10/30/2012

**GAIN Report Number:** MX 2076

## Mexico

**Post:** Mexico

### MY 2012-13 Sugarcane Reference Price Up Slightly

**Report Categories:**

Sugar

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**Report Highlights:**

The National Committee for the Sustainable Development of Sugarcane (CONADESUCA) through the Secretariat Economy (SE) published [the sugarcane reference](#) price for MY 2012/13 in the *Diario Oficial* (Federal Register). This reference price is also the price that should be used to calculate final sugarcane payments for the MY 2011/12 crop. The reference price is \$10,617.72 pesos per MT (US\$827.56/MT at \$12.83 pesos per dollar exchange rate), up slightly from last year.

**General Information:**

**Introduction:** This report summarizes an announcement from the Secretariat of Economy the sugarcane reference price for MY 2012/13, published in Mexico's "Diario Oficial" (Federal Register) on October 26, 2012.

**Disclaimer:** This summary is based on a cursory review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

**Title:** Announcement of the Reference Price of Sugar- Standard Base- for payments of sugarcane for MY 2012/13 as Proposed by the National Committee for the Sustainable Development for Sugarcane.

**Executive Summary:** The Secretariat of Economy published an announcement in the *Diario Oficial* (Federal Register), on October 26, 2012 that states the reference price of sugar -standard base- that should be used to calculate sugarcane payments for the MY 2012/13 crop. The reference price is \$10,617.72 pesos per MT (US\$827.56/MT at \$12.83 pesos per dollar exchange rate) which is 2.40 percent more from last marketing year price of \$10,368.58 pesos per MT (US\$768.61/MT at \$13.49 pesos per dollar).

According to what has been established by the National Committee, this reference price will also be the definitive reference price of sugar for the final adjustment payment for MY 2011/12 sugarcane.

The sugar reference price is based on a complex formula involving, amongst other data, the average price of semi-refined (estandar) sugar in different regions of the country, as determined by CONADESUCA. The reference price is important because, according to Article 58 of the Law of Sustainable Development of Sugarcane, approximately 57 percent of this set reference price is paid to growers for their sugarcane.

**For More Information:**

**FAS/Mexico Web Site:** We are available at [www.mexico-usda.com](http://www.mexico-usda.com) or visit the FAS headquarters' home page at [www.fas.usda.gov](http://www.fas.usda.gov) for a complete selection of FAS worldwide agricultural reporting.

**FAS/Mexico YouTube Channel:** Catch the latest videos of FAS Mexico at work <http://www.youtube.com/user/ATOMexicoCity>

**Useful Mexican Web Sites:** Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at [www.sagarpa.gob.mx](http://www.sagarpa.gob.mx) and Mexico's equivalent to the U.S. Department of Commerce (SE) can be found at [www.economia.gob.mx](http://www.economia.gob.mx). These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on the mentioned sites.

**Other Relevant Reports Submitted by FAS/Mexico:**

<b>Report Number</b>	<b>Subject</b>	<b>Date Submitted</b>
<a href="#">MX2068</a>	Sugar Semi-Annual 2012	09/27/2012
<a href="#">MX2057</a>	Mexico Takes Steps to Privatize State-Owned Sugar Mills	08/01/2012
<a href="#">MX2019</a>	2012 Sugar Annual.- Production and Exports Forecast to Rise Next Year	04/10/2012
<a href="#">MX2002</a>	Mexico Rolls Out Electronic Sugar Marketing Platform	01/09/2012
<a href="#">MX1093</a>	Sugar Included in Mexico-Central America FTA	12/07/2011
<a href="#">MX1081</a>	2011 Sugar Reference Price	11/01/2011