

# SPC&B Update

*January 8, 2015 - In This Issue:*

**AGOA Changes for the New Year**

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**Mexico Tightens Import Requirements for Textiles and Apparel**

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## AGOA Changes for 2015

At the end of the year, President Obama issued a proclamation making certain changes to the coverage of the African Growth and Opportunity Act (AGOA). In the proclamation, the President reinstated Guinea-Bissau as a beneficiary sub-Saharan African country, two years after that country was suspended from the program. In addition, the President suspended South Sudan and Gambia as AGOA beneficiaries effective January 1, 2015.

## Mexico Tightens Import Requirements for Textiles and Apparel

We have previously reported on Mexico's use of reference prices for textile, apparel and footwear imports, as a way to prevent undervaluation in these sensitive product areas. Last month, the Mexican government announced a more comprehensive program for textile and apparel imports, along with additional assistance to be provided to the domestic industry for purposes of development. The import measures are summarized below.

1. Establishment of a new registry for approved textile and apparel importers.
2. As has been done in the footwear and steel sectors, an advance automatic alert system that will allow Mexican Customs officials to verify textile and apparel imports in advance will be established.
3. Mexico's Tax Administration Service (SAT) will implement an ongoing oversight program for importers of undervalued merchandise and their customers.
4. The textile and apparel tariff provisions will be expanded from 8 to 10 digit breakouts.
5. The scheduled duty rate reduction from 25% to 20% for certain specified textiles and apparel provisions is being postponed once again, until the year 2018.
6. Establishment of minimum estimated prices for raw materials and finished products.

For further information on AGOA benefits or on shipping to Mexico, please contact Gail T. Cumins at [gcumins@spcblaw.com](mailto:gcumins@spcblaw.com), Alli Baron at [abaron@spcblaw.com](mailto:abaron@spcblaw.com), or Donna Shira at [dshira@spcblaw.com](mailto:dshira@spcblaw.com), or call us at 212-425-0055.

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