

Mexico To Boost Agricultural Exports To Japan

MEXICO CITY (Dow Jones)--Mexico and Japan have strengthened a trade agreement to increase commerce between the two countries with new quotas for Mexican beef, pork, chicken, oranges and other agricultural products, Mexico's Economy Ministry said Thursday.

By 2014, Mexico's preferential export quota of pork meat to Japan will increase to 90,000 tons from the current 80,000 tons. By 2016, the preferential export quota of chicken meat will reach 9,000 tons, up from this year's 8,500 tons. The preferential export quota for beef to Japan will rise to 15,000 tons in 2015 from 10,500 next year. Preferential export quotas for other products will also be increased.

For example, an export quota for agave syrup will open for the first time in 2012, for 50 tons that year and rising to 90 tons in 2016. The additions to the agreement are also expected to accelerate the process of allowing Mexican imports of certain Japanese industrial products. Costs of importing from the Japanese car industry are expected to drop in Mexico as a result.

The trade agreement became active in April 2004 in order to bring the economies of the two countries closer together, according to the ministry. "The Japanese market represents a grand opportunity for the diversification of Mexican agricultural markets," the ministry said in a press release.

Japan is the third-largest importer of Mexican agricultural products, with Mexico being its main provider of mangos, avocados, melons and other products.

Bilateral trade between the two countries has increased 45% since the agreement was created in 2004, to \$18.49 billion in 2010, the ministry said. Last year, bilateral trade in the food industry reached a record value of \$733 million, most of which were Mexican exports to Japan.

Meanwhile, Mexico's imports of Japanese products jumped 42% during the period to \$15.01 billion.

Source: Nikkei English News. 23-09-11.