

**TABLE 1**  
**TOTAL APPARENT CONSUMPTION OF AUTO PARTS**  
(million U.S dollars)

	1986	1987	1988	1989	1990	1994p
Production	5,738	6,462	7,208	8,029	8,090	15,664
+ Imports	640	1,100	1,604	2,215	3,597	6,732
- Exports	1,621	1,870	1,967	2,167	1,961	1,946
<b>TOTAL</b>	<b>4,757</b>	<b>5,692</b>	<b>6,845</b>	<b>8,077</b>	<b>9,726</b>	<b>20,450</b>

Source: American Chamber of Commerce of Mexico, Secretaría de Programación y Presupuesto (SPP) and estimates made by Industria Nacional de Auto Partes (INA); Import-export data as published by "Comercio Exterior", BNCE.

It is worth noting that, in addition to a large local auto parts manufacturing industry, Mexico has a dynamic automotive in-bond or maquiladora industry growing rapidly along the Mexico-U.S. border. This industry, regulated under temporary import permits and the production of which is exclusively for exports, began operating at the beginning of the 80s, together with the export oriented automotive industry. Total maquiladora plants in the automobile and auto parts industry are 129. General Motors has 18 plants under this regime, Ford 6 and Chrysler 2. Total value added by auto parts maquila firms increased from \$127 million in 1981 to \$576 million in 1988.

### 3.1.1 IMPORTS

Imports of auto parts reached an all time high of \$1.9 billion in 1981. Two years later, they diminished dramatically to \$500 million, as a result of exchange controls and import restrictions imposed in response to Mexico's economic crisis of 1982. Such a weak situation was maintained until 1986, when a phase of dynamic growth began. In 1989, imports grew 38% and surpassed their 1981 value, reaching \$2.2 billion. In 1990 they increased another 62% and amounted to \$3.6 billion. January-August data point towards a \$4.8 billion import market in 1991. This process is basically due to a rapid growth in imports by the local assembly plants both of engines and automobiles. Nevertheless, in the future, imports destined to the local market and in particular to the after-market will grow in importance.

Table 2 shows the 27 main imported products, which represent 16.5% of total imports in 1988, as well as the most important end user for each. There are three end user sectors of auto parts: the trade sector composed of distributors of new and used cars and repair shops, which represent 11% of total purchases; auto parts manufacturers 21%, and assembly plants 67%. As can be seen,