

Materials for display at conventions and trade fairs are allowed duty-free entry into Mexico on a temporary basis.

Documentation for such goods should clearly indicate the use and destination for which they are intended. A bond is usually placed on capital goods to be exhibited at such events. The bond is cancelled upon re-export of the goods.

Transportation

In recent years, improvements in the transportation system between Canada and Mexico, along with reforms to Mexico's customs procedures and transport legislation have combined to provide the exporter with a wider range of options and enhanced service when shipping cargo to Mexico. Road transport is the primary mode for the movement of goods to and from Mexico, handling 45 percent of Canada's exports (by value) and 66 percent of imports from Mexico.

Truck. Currently, Mexican transportation laws require that all goods be transported in the country by a Mexican carrier over national highways. The law does not restrict the use of a foreign trailer to move goods from a border point to a destination inland provided the cab has Mexican registration and the driver is a national. Over a 10-year period, the NAFTA will allow Canadian trucking firms greater access to the Mexican market. This should increase the choices available to Canadian cargo shippers and allow for goods to be delivered directly into Mexico from Canada by one trucking company. Domestic carriers within each country will maintain exclusive rights to haul domestic cargo on domestic routes. However, for international traffic, as of December 17, 1995 Canadian and U.S. truck operators will be able to provide cross-border truck deliveries of international cargo to, and pick up international cargo in, all the Mexican border states. Beginning January 1, 2000, Canadian and U.S. trucking firms will be allowed to make cross-border pickups and deliveries of international cargo to or from any point in Mexico.

Rail. Goods move regularly by rail from Canada to Mexico via the U.S. railway systems, which provide service to the principal points of entry along the Mexico-U.S. border — Laredo/Nuevo Laredo, Brownsville/Matamoros, Eagle Pass/Piedras Negras, El Paso/Ciudad Juárez, Nogales and Tijuana. The Mexican railway system connects Nogales, El Paso, Piedras Negras and Nuevo Laredo with the principal cities and urban communities in the interior. The customs pre-clearing system for entry of rail