



Maritime Transport to Mexico

How to get your goods to Mexico is going to depend on a number of considerations: where you are located, what you are shipping, its value, the time-sensitivity of the product, the destination in Mexico.

While transportation by water is the slowest mode today, it remains the most economical and energy-efficient way to move large-volume and high-density bulk commodities over long distances. In addition, the development of containerized shipping of freight has enhanced the importance of maritime transport to Canada's overseas trade.

Shipment by sea is the mode of almost 33 per cent of Canada's exports to Mexico (as of 1992), and while that percentage has dropped since 1988, when it was over 40 per cent, the value of shipments in that period has risen by about 20 per cent. All provinces except Prince Edward Island use the marine option

for some of their exports to Mexico. It may seem surprising that the heaviest users of ocean transport are the landlocked provinces of Saskatchewan and Alberta — until one recalls the major use of ships. The top exports by this mode of transport include wheat and meslin, crude or refined sulphur, and petroleum oils and oils obtained from bituminous materials other than crude.

The marine option works best when time is not the key factor in the shipment of goods, as, to take one example, regular service from Saint John, New Brunswick to Veracruz, Mexico takes eight days.

As to price, maritime shipping rates are very competitive with road and rail rates. For products such as bulk grains, oil, etc., it is a very suitable mode. Containerization and the use of freight forwarders can lead to consolidation of shipments, reducing the rates to shippers by joining their loads to others to achieve volume discounts. And while bulk handling is the major advantage of marine transport, many lines have a capacity for loose freight.

Service from Canada to Mexico exists on both east and west coasts to a range of Mexican ports; options are increased by looking into ships destined for South America with Mexican stops, or by using another mode of transport as far as certain U.S. ports, such as Galveston or

Los Angeles, and shipping by sea thereafter.

Canada's major container terminals — Vancouver, Montreal, Saint John and Halifax — are served by CN or CP Rail (some by both), as well as motor carriers in intermodal operations.

Shipping documents required for exporting to Mexico were discussed in **Access** in December; briefly, the specific requirement in maritime documentation is three originals of the necessary papers, plus three copies. These should be sent through an international messenger service to the importer or customs broker in Mexico.

Marine insurance is an essential element in international trade and transportation, providing financial protection against loss or damage to cargo incurred by reason of maritime peril. It is a specialized field even in the arcane world of insurance, and exporters should consult expert advice in selecting the most suitable package of insurance offered. Freight forwarders can be of great assistance in this area, as well as in the complexities of documentation and in consolidation of shipments.

For further information, and a document on transportation services between Canada and Mexico, contact InfoEx.

For Your Reference Shelf...

*The third, updated edition of **Canada-Mexico — Partnering for Success** will be published this month. This valuable overview of opportunities in Mexico and the strategies for successfully doing business there has been produced by Prospectus Publications, and is sponsored by the Department of Foreign Affairs and International Trade, the Bank of Montreal, Baker & McKenzie, the Atlantic Canada Opportunities Agency and Western Economic Diversification Canada. To obtain your copy, contact InfoEx.*

Access

Access, the newsletter of the new Access North America (ANA) program, is published monthly and only in *CanadExport*. Subscribers to *CanadExport* automatically receive **Access**. It examines opportunities for Canadian businesses, introduces some Canadians already operating in the Mexican market, profiles specific sectors, and notifies readers of forthcoming events related to doing business in Mexico.

Your feedback is welcome. Your correspondence should be sent to: Access, Department of Foreign Affairs and International Trade, Ottawa, Ont., K1A 0G2, Canada, tel. (613) 992-5791, fax, (613) 992-5791.

For further information on the program, or a copy of a brochure on **Access North America**, contact InfoEx at 1-800-267-8376 (In Ottawa 944-4000).



Printed in Canada

(Disponible également en français)