

COMPANY	INV. \$	LOCATION	PRODUCT	CAPACITY	YEAR
Nissan	220	Aguascalientes	4c motors	750,000	1983
	<u>1,000</u>		Stanza	200,000	1991
	1,220				
Renault	300	Gómez Palacio	motors	300,000	1983
Mercedes Benz	146		trucks,	1,500	1993
			buses	1,500	
TOTAL	4,606				

Source: Nueva manufactura, globalización y producción de automóviles en México. Jordy Michel, 1991

Additionally, a large end user of auto parts and of maintenance equipment is represented by distributors and workshops (see Table 2). There are an estimated 50,000 shops throughout the country, 20,000 of which are concentrated in Mexico City. Additionally, the large car manufacturers all have several distributors throughout the country, most of which also act as specialized workshops for their brand cars. Following is the number of distributors by company:

Volkswagen	300
Nissan	160
Chrysler	140
Ford	110
Chevrolet	80
TOTAL	790

5. MARKET ACCESS

As a result of Mexico's accession to GATT, the Mexican government has gradually opened the economy to international markets. Tariffs have been lowered from a maximum 100% in 1983, to 20% since December, 1988. The official price system has been totally eliminated and import permits are required on only 198 of the total 11,812 items in the Mexican Harmonized Tariff System.

The import climate for auto parts and automobile maintenance and repair equipment has improved significantly as a result of this commercial liberalization. Therefore, imports of equipment for this industry are subject to an ad valorem duty of maximum 20% assessed on the invoice value. In addition, a customs processing fee of 0.8% is assessed on the invoice value. A 10% value added tax (recently reduced from 15%) is then assessed on the cumulative value of both taxes in addition to the invoice value. Some manufacturers who use imported inputs for their products under a Mexican Government approved manufacturing plan may have the duty and/or VAT waived or rebated. Raw materials,