

The integrated producers have their own slaughterhouses and are able to bypass the intermediaries. They distribute approximately 80 percent of their production as carcasses or prime cuts directly to retail stores and food service establishments.

The distribution system for imported meat is much simpler than that for domestic pork. Imports usually go directly to a meat processor or to an abattoir or distributor for sale to supermarkets, butcher shops, hotels and restaurants. In general, this gives imported pork products a cost advantage.

THE REGULATORY ENVIRONMENT

SANITARY INSPECTION

The Mexican *Secretaría de Agricultura, Ganadería y Desarrollo Rural (SAGAR)*, Secretariat of Agriculture, Livestock and Rural Development, requires sanitary inspections for a wide variety of unprocessed animal products. The regulations are subject to change, and exporters will need assistance from the importer and/or a customs broker to determine the specific requirements for each product.

SECRETARIAT OF HEALTH'S SANITARY IMPORT AUTHORIZATION

The *Secretaría de Salud (SS)*, Secretariat of Health's regulations encompass a variety of processed foods and beverages, but most processed foods no longer require prior authorization. Every food importer must register with the *Secretaría de Agricultura, Ganadería y Desarrollo Rural (SAGAR)*, Secretariat of Agriculture, Livestock and Rural Development, and provide notice of all food products that will be imported. Regardless of the product involved, the importer is also responsible for obtaining

authorization for products that require a prior sanitary import authorization.

SECRETARIAT OF AGRICULTURE'S SANITARY IMPORT AUTHORIZATION

Products requiring prior sanitary authorization by the *Secretaría de Agricultura, Ganadería y Desarrollo Rural (SAGAR)*, Secretariat of Agriculture, Livestock and Rural Development, include a variety of unprocessed plant or animal products. SAGAR uses separate application forms for import authorizations for live animals and animal products. In addition to product descriptions, the forms require a specification of the intended use of the product. The authorization received from SAGAR will specify requirements for health and sanitation certificates as well as any restrictions.

LABELLING

Mexican food labelling laws are presently in the process of change. There is one regulation covering all products and another which imposes additional requirements on food and beverage products. Both regulations are expected to be strengthened in 1995, according to draft regulations

that were published for "public consultation" in June 1994.

Under the current regulations, in addition to the generic requirements, food and beverage labels must include the following:

- product description
- date of expiration
- list of ingredients
- nutritional content (if nutritional quality is claimed)

New regulations for both generic and food products are expected in late 1995 or early 1996.

MARKET ENTRY STRATEGIES

Many of the industry experts interviewed for this study expressed surprise that Canada has not been more persistent in promoting its pork products in Mexico. They regard Canadian pork as superior to American products, and believe that it would do well in Mexico, if it were effectively presented. Some observers believe that Canada could claim half of the import market.

Some of the buyers interviewed complained that they knew of no

Minimum Requirements for Spanish Labels (All Consumer Products)

1. Name of the product or good (including a product description, if not described in the name of the product or good).
2. Name or trade name and address of the importer (this information may be displayed on a separate label and may be added after importation).
3. Country of origin of the product.
4. Net contents in accordance with *Normas Oficiales Mexicanas (NOMs)*, official Mexican standards, *NOM 030-SCFI-1993*.
5. Warnings or precautions in the case of dangerous products.
6. Instructions for use, handling and/or preservation of the product.

Source: Government of Canada translation of Article Five of the March 7, 1994 Decree, as amended by letters of clarification from the *Secretaría de Comercio y Fomento Industrial (SECOFI)*, Secretariat of Commerce and Industrial Development.