

- Packages shipped by courier and valued at less than U.S. \$1,000.

The exclusion of capital and intermediate goods is established by a letter of clarification from the *Secretaría de Comercio y Fomento Industrial (SECOFI)* dated March 10, 1994 which states that this intended use must be demonstrated by a sworn statement. Capital goods, however, are not exempted from certification requirements, if any are applicable.

Exporters can apply to SECOFI for authorization to ship unlabelled products under exceptional circumstances, but such exemptions are unusual.

ENFORCEMENT

The labelling decree contains a number of errors and vague points that led to difficulties and delays at the border during the first few days after it was issued. SECOFI, the government agency responsible for enforcement, issued a series of clarifying letters in March of this year. Customs officers were given some latitude for flexibility during an unofficial grace period. Some officials have reportedly allowed the importation of products with Spanish labels provided separately, to be affixed in Mexico. Canadian officials in Mexico advise exporters to expect the regulations to be fully enforced, and suggest that Spanish labels should be applied before the product leaves Canada.

EXPECTED CHANGES TO LABELLING REGULATIONS

In June 1994, two new labelling decrees were published for "public consultation". They include proposed new regulations for generic products and for food and beverage products. These proposed regulations will become effective only upon final publication, which is expected in November 1994. Grace periods for compliance are anticipated extending into early 1995.

Generic Products

The decree establishes a new *norma*: NOM-050-SCFI-1994, which sets out the minimum commercial information that must be provided on product labels. The new rules will apply to all products not covered by another NOM or regulation.

Under the new rules, Spanish-language labels will have to be "included from ori-

MINIMUM LABELLING REQUIREMENTS FOR TEXTILE PRODUCTS

NOM-004-SCFI-1993

- Brand name
- Content (percentages in descending order)
- Size
- Handling instructions (symbols are permitted in this case provided that they do not require legends)
- Country of origin
- Name and address of importer

Source: Government of Canada translation of Article Four (I) of the March 7 Labelling Decree.

MINIMUM LABELLING REQUIREMENTS FOR LEATHER PRODUCTS

NOM-020-SCFI-1993

- Name of exporter
- Materials (general or specific definition and, if applicable, finishing)
- Country of origin
- Name and address of importer
- Federal Taxpayer Number of the importer and/or registration number of the chamber of commerce to which he/she belongs

Source: Government of Canada translation of Article Four (II) of the March 7 Labelling Decree.

gin". This will formally eliminate the practice of affixing Spanish stickers to English labels. The labels may include other languages as well. In addition, they must meet the metric system requirements set out in NOM-008 and NOM-030.

The most important changes in the proposed rules are requirements for instructions and warranties. The instructions may be on the label or in a separate booklet, and there must be a notice advising the consumer to read the instructions. They must include instructions for use and assembly in Spanish, if applicable.

Warranties will have to be in accordance with the *Ley Federal de Protección al Consumidor* (Consumer Protection Act). They must specify the location of service centres in Mexico. During the term of warranties, manufacturers or importers will be required to replace "any damaged piece or component" free of charge.

Instructions, manuals and warranties must be "incorporated to the product" before

sale, but they will not be required for customs clearance.

The new regulations will also broaden the range of products excluded from the labelling requirements to include the following:

- products imported by Duty Free Shops;
- imports into border cities and zones;
- live animals; and
- books, magazines and newspapers.

The draft regulations also formalize exemptions for a number of other products, such as courier packages, presently included in "letters of clarification".

Food and Beverages

Food and beverages are presently covered by specific NOMs or by other regulations issued by the *Secretaría de Salud*, Secretariat of Health. Proposed general regulations NOM-051 were published in June 1994, covering all food and beverage products, except those sold in bulk.

The regulations require that the labels be in Spanish and that they be affixed at origin. The product description must reveal the product's basic components. In addition to the present regulations for generic products, food and beverage labels will have to include a list of ingredients, the lot number, the expiry date and special instructions for preservation. A "best before" date is optional, and nutritional information is required only if a particular nutritional quality is claimed or advertised.

Outside packages or wrappers must contain all of the required information, or must allow for the visibility of inside labels.

The new regulations also specify certain claims that may not be made on a food or beverage label. They include claims that a balanced diet does not supply adequate nutrition, claims that cannot be proven, and claims that contravene the Health Act.

Implementation

The latest decrees covering generic products (NOM-050) and food and beverage products (NOM-051) were first published on June 20, 1994 and June 22, 1994 respectively. There is a 90 day period of public consultation, followed by a 45-day allowance for government review, which

