

Table 21: LOCAL PRODUCTION OF PAPER

	1988 (000 tons)	1988 (%)	1991 (000 tons)	1991 (%)
Writing & Printing	826.8	31.9	891.9	30.8
Paper	794.0	30.6	840.5	29.0
Air and copy	15.0		5.6	
Bond	371.2		396.1	
Printing	5.3		6.6	
Coated	51.0		43.5	
Newsprint	319.1		346.1	
Textbook	42.1		42.6	
Paperboard	32.9	1.3	51.4	1.8
Coated	21.2		27.2	
Uncoated	11.7		24.2	
Packaging	1,359.4	52.4	1,581.2	54.6
Paper	1,089.0	42.0	1,291.9	44.6
Sacks	167.3		182.8	
Bags	47.3		62.8	
Wrapping	40.6		43.3	
Boxes (liner)	552.2		609.5	
Corrugated	281.6		358.7	
Cones & tubes	0		34.8	
Paperboard	270.4	10.4	289.3	10.0
Uncoated duplex	17.6		19.5	
Coated duplex	193.6		254.3	
Grey	21.6		14.5	
For edible fluids	37.6		1.1	
Sanitary & Tissue	359.5	13.9	388.0	13.4
Special	47.8	1.8	34.9	1.2
Glassine	7.0		6.4	
China	1.7		1.1	
Other	24.5		20.3	
Silicone base	3.3		1.9	
Impregnating kraft	1.6		1.0	
Gumming base	4.5		0	
Cigarette paper	3.4		4.1	
One time only	1.8		0	
	2,593.6	100.0	2,895.9	100.0

Source : Memoria Estadística 1992, CNICP

Total local production of paper has been increasing steadily since 1982, at an average annual rate of 4.3 percent, from almost two million tons in 1982 to 2.9 million tons in 1991. Mexico's paper production is concentrated in packaging papers and paperboard, which have accounted for over 52 percent of total production in the past decade. Within this group, and of all production groups, the largest category is liner boxes, which account for 21 percent of total production. It is followed by corrugated paper and sacks, within wrapping and packaging papers, and coated duplex paperboard, within packaging paperboards. The second-largest group is writing and printing paper, dominated by bond paper and newsprint. Sanitary and tissue paper are the third-

largest product group, and special papers close the list (see Table 21).

In 1991, sixteen states accounted for the local production of paper, the most active of which were Mexico (27.3 percent), Querétaro (11.3 percent), Nuevo León (10.3 percent), Veracruz (10.1 percent), Jalisco (7.1 percent), Mexico City (6.9 percent), San Luis Potosí (5.4 percent), Oaxaca (5.3 percent), Durango (4.1 percent), Chihuahua (3.6 percent) and Michoacán (3.2 percent). Writing and printing paper comes mostly from Veracruz (20.6 percent), Oaxaca (17.3 percent), San Luis Potosí (15.9 percent) and Mexico (14.1 percent); packaging paper and cardboard from Mexico (33.6 percent), Nuevo León (16 percent) and Jalisco (13 percent), sanitary and tissue paper from Mexico (30.8 percent), Querétaro (26.5 percent) and Veracruz (20.8 percent), and special papers from Mexico (36.6 percent), Nuevo León (32.3 percent) and Mexico City (21.3 percent).

The local paper industry relies predominantly on locally-manufactured machinery and equipment, as is the case with pulp, but imports have played a more significant role in this industry (see Table 22).

Table 22: IMPORTS OF PAPER MANUFACTURING EQUIPMENT
(U.S.\$ thousands)

	1988	1989	1990	1991
To make paper & paperboard	5,657	3,611	7,668	7,223
To finish paper & paperboard	2,906	5,166	10,189	10,901
Parts of machinery	5,374	7,556	10,040	8,230
Subtotal	13,937	16,333	27,897	26,354
Cutting machines	9,844	10,655	16,120	15,087
Bag & box-making machines	7,527	5,549	7,212	9,310
For moulding paper articles	65	512	2,656	1,993
Other machines	2,552	2,859	4,947	5,875
Parts	2,696	2,620	3,489	4,785
Subtotal	22,684	22,195	34,424	37,050
TOTAL	36,621	38,528	62,321	63,404

Source : Secretaría de Comercio y Fomento Industrial

In correspondence with the steady growth of the local paper industry, imports of machinery and equipment for the industry have increased significantly since 1988, from \$36.6 million to \$63.4 million in 1991. In 1989, imports grew by 5.2 percent, although paper-making machinery imports increased by 17.2 percent. Paper-product-making machinery imports fell by 2.2 percent, particularly bag-, sack-,