

certain other products. By October 2003, final certification arrangements had been worked out between Canadian and Mexican regulatory officials and trade was able to resume. During 2004, Mexico agreed to resume trade in a few additional beef products such as veal meat (bone-in and boneless) from calves under nine months of age; tripe, cheek and meat products containing beef and prepared beef (marinated or otherwise prepared) from animals under 30 months of age; fetal bovine serum; tallow for industrial use; pet food; sheep offals (head); and sheep and goat meat, carcasses and viscera. Canada has been working with both Mexican and U.S. officials to secure a resumption of trade in additional beef products and live animals. Mexico has indicated its willingness to reopen the border for live animals and additional beef products as long as this does not change Mexico's BSE status vis-à-vis the United States, thereby jeopardizing Mexico's own access to the U.S. market. Bilateral and trilateral discussions are continuing to address these issues.

Avian Influenza

Following the Canadian Food Inspection Agency's confirmation of highly pathogenic avian influenza in the B.C. Fraser Valley on March 9, 2004, Mexico imposed a ban against all poultry products from Canada (except for cooked poultry products subject to pasteurization or to a temperature of at least 60°C for 10 minutes, and registered biological poultry products for veterinary use). Other trading partners also imposed measures against Canada, but some limited their measures to imports from British Columbia. In early April 2004, Mexico agreed to restore access for duck meat from Canada. However, Mexico continues to ban imports of other poultry products from Canada.

New Mandatory Technical Regulation for Meat

The Mexican Ministry of Health (Salud) published, on September 18, 2004, a new mandatory technical regulation (NOM 194) that would establish new sanitary provisions for domestic and imported meat. Implementation is set for one year from the publication date. One of the main concerns regarding the proposed NOM is the requirement of zero tolerance for salmonella in uncooked meat, which is not based on sound science and is inconsistent with

international sampling protocols. Canada has made several representations before Salud and submitted comments regarding its concerns about the proposed regulation for meat. Although Salud agreed to consider Canada's comments and consult Canada before publication, no prior notification was given and the comments were not considered. Canada will continue engaging Salud to ensure that the NOM does not adversely affect Canadian meat exports to Mexico and that the NOM respects Mexico's international trade obligations.

Consolidation of Animal and Animal Product Import Requirements Under NOM 66

Mexico has proposed the consolidation of over 7,000 Hojas de Requisitos (sanitary import conditions for all animal and animal products) under one NOM, as a way to reduce costs to importers and provide for more efficient administration of its import laws. Canada (along with other affected export countries) has concerns that the individual import conditions for each country will be lost under this approach, leading to potential losses in market access for many products. This issue will need to be monitored closely to ensure that any new NOM offers acceptable import conditions for Canadian products.

On October 22, 2004, Salud announced in the Official Gazette the cancellation of several proposed NOMs that included sanitary specifications for cheese, fishery products, snacks and confectionery products. This measure is positive for trade, since the NOMs would have generated additional administrative procedures for importers and were of concern to Canada.

Regulation of Biotechnology

Mexico is in the process of creating a legal framework for the regulation of biotechnology and the products of biotechnology (e.g. food based on genetically modified organisms—GMOs). Canada has been lobbying Mexican legislators, as well as Mexican authorities, expressing concerns about the new framework and has shared information regarding Canada's own biotech regulatory experience. A draft Biosafety Law was tabled in the Mexican Senate in November 2002, on which Canada provided formal comments. Although the Biosafety Law passed the Senate in April 2003, the Lower House committee did not