

As can be seen, local production clearly dominates domestic consumption. Although Mexico's export capacity is increasing, in particular in the case of poultry, it still is rather small. Imports are slowly increasing their participation, from 8.1% in 1988 to 9.6% in 1990 and are expected to reach 523,400 metric tons by 1994 after a 13% annual increase. This estimate is based on the expectancy of a growing economy, the coming into effect of the free trade agreement and the gradual change in consumer habits towards American style prime cuts. Local production, on the other hand, is expected to grow 5% annually given the surge in demand expected as a result of the growth in GDP and disposable income.

### 3.1 IMPORTS

Mexican imports of meat have traditionally complemented local production to satisfy domestic demand. The Mexican government has stressed the desire for self-sufficiency in meat products, however this has not been the case in the last decade. On the one hand, droughts and other natural conditions have made this impossible during certain years and, on the other hand, imports have been used as a safety valve either to complement domestic production when it was insufficient or to depress prices when this was deemed necessary. The federal government has traditionally regulated imports of certain products through the use of import barriers, such as the prior import permit, which is presently required for imports of poultry, but not on those of beef and pork. With the free trade agreement, however, trade barriers are expected to be lifted.

The following table shows imports by category in volume and value for the 1988-1990 period, including live animals and cold cuts, which are not included in Table 1.

**TABLE 2**  
**IMPORTS OF LIVESTOCK PRODUCTS**  
Volume and Value

(thousand head, million tons and million U.S. dollars)

| CATEGORY    | 1988<br>vol | 1989<br>vol | 1990<br>vol | 1988<br>value | 1989<br>value | 1990<br>value |
|-------------|-------------|-------------|-------------|---------------|---------------|---------------|
| <b>LIVE</b> |             |             |             |               |               |               |
| Bovine      | 205.9       | 95.0        | 463.5       | 176.4         | 84.7          | 66.0          |
| Pork        | 204.4       | 102.6       | 24.3        | 14.1          | 7.8           | 6.2           |
| Poultry     | 1436.6      | 1165.5      | 203.7       | 5.8           | 3.6           | 7.5           |
| Total       | 1846.9      | 1363.1      | 691.5       | 196.3         | 96.1          | 79.7          |
| <b>MEAT</b> |             |             |             |               |               |               |
| Bovine      | 26.0        | 38.9        | 41.2        | 57.7          | 85.6          | 98.3          |
| Pork        | 54.1        | 56.4        | 26.9        | 75.5          | 82.7          | 48.7          |
| Poultry     | 78.0        | 42.4        | 39.1        | 63.8          | 31.6          | 34.4          |
| Total       | 158.1       | 137.7       | 107.2       | 197.0         | 199.9         | 181.4         |