

An Executive Decree on labelling was issued on March 7, 1994. This was not the subject of consultation as required by the NAFTA, because the Mexican government took the position that it merely formalized existing regulations that had not been previously enforced. The decree stated that effective immediately, both the generic labelling requirements and those set out in the *NOMs* would be enforced at the border. This means that compliance has effectively become the responsibility of the Canadian exporter. The decree contained so many ambiguities and errors that it had to be modified by a series of letters of clarification later that month. There were serious delays at the border because of confusion over the requirements.

Three months later, in June 1994, the government issued a new set of draft labelling regulations. Under Mexico's legal system, these were subject to a 90-day public consultation period. Among other things, it required full Spanish labelling to be affixed at the point of origin as well as several additions to the information to appear on product labels. These regulations were originally expected to come into force in 1995. There was, however, considerable debate about these regulations within Mexico and there were submissions from Canada and the US under the terms of the NAFTA. As a result, the draft regulations were never implemented.

In addition, a new labelling regulation for textile and apparel products (*NOM-004-SCFI-1994*) was published on November 22, 1995 and became immediately effective. There were strenuous objections to it and it was withdrawn one month later on December 22, 1995.

The Mexican government subsequently re-considered all of its labelling regulations and on January 24, 1996, it issued three major new regulations. These are subject to an implementation period ranging from six months to one year. Although some provisions are not effective until 1998, most are scheduled to come into force on November 1, 1996. But on the basis of past experience, it cannot be assumed that all of these requirements will be implemented on schedule or exactly as originally issued.

The following section describes the labelling laws as they existed in August 1996. This is followed by a description of the new regulations, most of which will come into force in November, 1996 or later.