

60 and 120 square meters, and includes an additional bedroom and bathroom. Luxury houses are about 5 percent of the total. These units average 250 square meters in size with five bedrooms and three or four bathrooms.

6. MARKET ACCESS

As a result of Mexico's accession to GATT, the Mexican government has gradually opened the economy to the international marketplace. Tariffs have been lowered from a maximum 100 percent in 1983 to 20 percent since December 1988. The official price system has been totally eliminated and import permits are required on only 198 of the total 11,812 items in the Mexican Harmonized Tariff System.

The import climate for furniture has improved significantly as a result of this liberalization. Furniture imports are subject only to an *ad valorem* duty of a maximum 20 percent assessed on the invoice value. A customs processing fee of 0.8 percent is also assessed on the invoice value. A 10 percent value added tax (recently reduced from 15 percent) is then assessed on the cumulative value of both taxes in addition to the invoice value. Furniture is classified under numbers 9401 to 9405 of the Harmonized System Nomenclature.

Formerly, in order to bid on tenders and sell to a government agency or decentralized company, foreign manufacturers were required to have a local resident agent, and to have the foreign supplier registered and accepted by the Secretariat of Planning and Budgeting (Secretaría de Programación y Presupuesto [SPP]). As of July 1991, the requirement for prior registration with SPP has been eliminated.

The new procedures now in force require the foreign supplier to have a local agent or representative. The foreign supplier must also be registered through the local representative as an accepted supplier with each government ministry and/or decentralized agency, according to the international tender requirements. These requirements are currently under review.

International tenders financed by the World Bank or the International Development Bank are open to all member countries of these institutions. Recently, the World Bank, in cases where it has supplied

credit, has required that bid documents should include an affidavit confirming that the bidder is a bona fide Canadian company with an official residence in Canada and that Canada is recognized as a contributing member to the World Bank.

There are no official metric requirements applicable to imports into Mexico. However, the metric system of units is, by law, the official standard of weights and measures in Mexico. Importers will usually require metric labelling for packaged goods, although the English system is also used. Dual labelling is acceptable.

Imported products should be labelled in Spanish and contain the following information, as applicable: name of the product, trade name and address of the manufacturer, net contents, serial number of equipment, date of manufacture, electrical specifications, precautionary information on dangerous products, instructions for use, handling and/or product conservation, and mandatory standards.

Mexico adheres to the International System of Units (SI).

Electric power is 60 cycles with normal voltage being 110, 220 and 400. Three-phase and single-phase 230 volt current is also available.