

cars into Mexico (*despachio previo*) has greatly improved rail efficiency and border crossing times. Railway cars, and in some cases locomotives, now cross into Mexico with minimum delay. As a result, rail shipments can clear the border as fast as or faster than truck shipments.

Shipping. Maritime shipping rates are very competitive with rail and road rates, although marine shipping is slower. For some shipments however (e.g. bulk grains, oil) marine transport is highly suitable, and for particularly large shipments of any kind, marine transport rates can be very competitive. For containerized cargo, direct scheduled service exists between Saint John, New Brunswick and Veracruz. For general cargo entering Mexico by sea, exporters can expect a four- to five-day delay, in addition to transit times of 10-20 days, as goods clear customs and are moved to an importer's warehouse. Most marine shipments are transferred to trucks at Mexican ports for shipment into the interior.

Early in 1993, a rail-barge service was inaugurated between Galveston, Texas and several Mexican ports for onward movement by rail.

Air. Air transport is often used for the movement of high-value items (e.g. electronics, aircraft parts, pharmaceuticals, precious stones and metals, flowers) between Canada and Mexico. In addition to direct scheduled air services between Vancouver and Toronto and Mexico City, Canadian shippers can increase their capacity and frequency options to Mexico by using Air Canada or Canadian Airlines in conjunction with the interline services of U.S. carriers such as American Airlines, Delta, Northwest and others to connect from points in the United States to points in Mexico.

Administrative and customs clearing procedures at Mexican airports can be accomplished within hours with the proper documentation, otherwise the procedure can take up to three days.

Price Quotations

Exporters have three main options with respect to terms of sale: Free on board (FOB) the Canadian plant; Cost, insurance, freight (CIF) at the U.S.-Mexico border; or CIF at the Mexican destination.