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Product Labelling

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HIGHLIGHTS

Mexico's labelling regulations for consumer products have been in a state of flux since early 1994, when the government began to enforce them at the border as well as at the store shelf. New regulations which became effective in 1996 and 1997 have clarified the situation. This summary describes three new regulations:

- NOM-050-SCFI-1994, the labelling regulation for generic consumer products;
- NOM-051-SCFI-1994, the labelling regulation for prepackaged food and non-alcoholic beverages; and
- NOM-004-SCFI-1994, the labelling regulation for textiles, apparel and accessories.

BACKGROUND

Mexico has a number of laws for the protection of consumers, and many of them are similar to Canada's. But Mexico's consumer regulations differ in two important respects. First, imports into Mexico can be made only by registered importers who are citizens of Mexico or locallyincorporated companies. Importers are given official registration numbers that they must provide to officials at the port of entry where the goods cross into Mexico. The identity of the importer must be revealed on the product label. Canada has no equivalent requirement. Second, Mexico's labelling laws are enforced both at the border and at the store shelf.

Canada's equivalent laws, such as those requiring bilingual English-French labelling, are applied at the store shelf, not at the border. Both of these distinctions place a greater onus on Canadian exporters for compliance with Mexican law than is the case in the reverse direction.

The labelling issue has arisen since the advent of the North American Free Trade Agreement (NAFTA). Previously, Mexico allowed products to be labelled - typically with adhesive stickers - after they crossed the border. But on 7 March 1994, only weeks after NAFTA went into effect, the government of Mexico issued an executive decree stating that, henceforth, all labelling regulations would be enforced at the border. The decree also included a list of more than 400 products for which certificates of compliance with Mexico's system of quality standards would also be required at the border. Product labelling is further governed by official standards, known as Normas Oficiales Mexicanas (NOMs).

The change was implemented without consultation with Canadian and American officials, as required by NAFTA. It caught many Canadian exporters by surprise, leading to serious delays at the border.

There were many protests about these regulations both from Mexican importers and from foreign exporters. The latter were brought to the attention of the Mexican government by Canadian and American authorities. In response, the Mexican government published a number of new labelling regulations during 1995. A period for public consultation was provided and, when the complaints continued, the draft regulations were further revised.

Eventually, on 24 January 1996, the government re-published a set of three labelling regulations, which

were to go into effect on 1 November 1996. This included a generic regulation as well as specialized rules for food and non-alcoholic beverages, and for textiles and apparel. Further delays occurred, and most of the regulations did not come into effect at the border until 1 March 1997. Other regulations will be phased in during the year and the last comes into force on 1 January 1998.

The final regulations are expected to clarify a situation which has been confused since early 1994.

SUMMARY REPORT

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