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Exporter Guide

US-México Border Update: Tijuana, Baja California Norte/San Ysidro, California.

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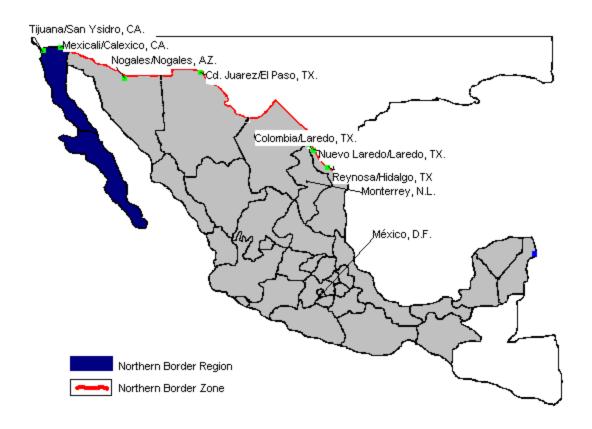
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Report Highlights: This report is an overview of the Tijuana/San Ysidro border crossing point for US food and agricultural exports to Mexico. Whether you are a seasoned exporter or are considering exporting US food and agricultural products for the first time, the information in this report is provided to help facilitate your exporting process through the Tijuana/San Ysidro border crossing point and make it through until your products gets to the Mexican customer.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Mexico ATO [MX2], [MX]

Disclaimer. This summary is based on personal meetings conducted with various private industry representatives and US and Mexican government officials and should not, under any circumstances, be viewed as a definitive source on border crossing procedures or implications for U.S. agricultural export trade interests.

Map and Overview of US/Mexico Border Crossing Points



Note: This map indicates the most important ports of entry into Northern Mexico for US food and agricultural products that are to be transported by truck or railroad. It does not show other maritime ports or airports that are also important within the Northern Mexican region. The Northern Border Region includes the States of Baja California Norte, Baja California Sur and the San Luis Rio Colorado region in the State of Sonora.

Overview: The Northern Border zone is a 20 km (12.5 mile) wide strip that runs along and inside the Mexican side of the physical border between the Mexican States of Sonora, Chihuahua, Coahuila, Nuevo Leon and Tamaulipas and the United States. US exporters whose target market is located within this border zone should be aware that Mexican sanitary and phytosanitary requirements for the importation of food products remain the same as the rest of the country.

Prior to the market access benefits of NAFTA, products entering this border zone and not shipped beyond the 20 km line were not subject to the same taxes, tariffs or labeling requirements as products imported for distribution in the interior of the country. The reason for this differential treatment was due to the very small or absence of agricultural production, processing and distribution in these regions, resulting in the Mexican Government allowing for incentives which would permit Mexican retail and food service businesses to better compete with the US businesses on the other side of the border.

Although NAFTA eliminated most tariffs on agricultural products, and only a slight advantage on IVA or Federal taxes remains on products traded along the border, consumers within this region have grown accustomed to the variety of US consumer-oriented food products, thus maintaining their demand. Moreover, products imported from the US into the border region are likely to be more competitively priced than Mexican products manufactured in the center of the country and have to be transported to the border regions.

Tijuana/San Ysidro Port of Entry: In value terms of total US food and agricultural exports to Mexico, Tijuana/San Ysidro is the third most important border crossing point after Nuevo Laredo/Laredo and Reynosa/Hidalgo. Fruits and vegetables account for 40 percent, meat products for 30 percent (Tijuana is Mexico's leading importer/consumer of imported raw chicken leg quarters) and grains, seeds, cattle and feed meals for another 30 percent of the volume of US food and agricultural product exports that enter Mexico at this border crossing point. Most of these products stay in the Tijuana metropolitan area serving the demand of 1.2 million consumers (according to official census of 2000) in Mexico's eighth largest city. Products not sold in Tijuana are distributed by truck to serve the retail and HRI markets throughout Baja California Norte and Sur. Transportes Ferroviarios de Mexico (TFM) is the only rail line that provides southbound and northbound service through Tijuana, and virtually all of their cargo consists of corn, sorghum, dry beans, wheat and barley for malt.

Verification Inspection Points (VIPs) located in Tijuana: As of October 11, 2002, the Mexican Government's Animal Health Law requires that the inspection of all animal and animal by-product exports to Mexico be inspected on the Mexican side of the border. Previously, these inspections were conducted on the US side of the border at the freight forwarders' facilities. Since the implementation of the law, however, most of the facilities have moved to the Mexican side of the border, although a few remain operating on the US side under court injunctions (amparos) that were requested and obtained prior to the law's implementation. Although US animal and animal by-product exports are currently the only products inspected at the VIPs, the Mexican Ministry of Agriculture (SAGARPA) has indicated that the inspection of all food and agricultural exports to Mexico will eventually be subject to inspection at the VIPs.

There are four VIPs in Tijuana, although only one of them is located inside Mexican Customs' bonded area, an advantage for US suppliers in case their product is rejected. In this case, the rejected product has not been officially imported and can be returned to the United States without the need for re-export documentation. The name of this facility is GICONSA (property of SuKarne). The other three VIPs are Harvest, La Canasta and USPASA. In Chula Vista, California, there are two VIPs operating under amparos. One is Am-Mex and the other M&M. Neither California facility is authorized by SAGARPA to inspect chicken or turkey products.

SAGARPA personnel in Tijuana: For imported food and agricultural products, there are 15 SAGARPA inspectors, six of which are assigned full time to the six Verification and Inspection Points (VIPS) on both sides of the border. The Animal and Plant Health Inspection office of SAGARPA is located within the Border Port Building at the Otay Bridge. SAGARPA's hours at the VIPs are from 08:00 to 16:00, Monday through Friday (see contacts section at the end of this report), and from 06:00 to 22:00 at the Mexican Customs facilities at the crossing points.

US food and/or agricultural products prohibited from entering Mexico via Tijuana: Table eggs.

Traffic-trade trends at Tijuana: Soon, both VIPs on the US side will lose their authorizations to continue to conduct Mexican inspections when their court injunctions expire. Four VIPs are already operating on the Mexican side of the border. Currently, there are no projects that the ATO is aware of to construct additional VIPs. However, GICONSA is expanding its' facility from four to sixteen receiving doors, all of which are intended to be used to inspect meat products. In addition, GICONSA plans to request authorization from SAGARPA to inspect imported fruits, vegetables, fish and seafood.

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VERIFICATION AND INSPECTION POINTS

Name	Telephone	VIP Location			SAGARPA Office Location	No. Of Doors
		Bonded Area	Border	With Amparo		
Harvest Meat SA de	(664) 623 - 3411				Tijuana, BCN	4
CV	*(664) 623 - 3321					
USPASA	(664) 623 – 8201 al 03				Tijuana, BCN	2
La Canasta	(664) 621 – 1461				Tijuana, BCN	4
M&M Imp/Exp	(619) 710 – 0178				San Diego, CA	9
Am-Mex	(619) 426 - 6992 (619) 420 – 2307				Chula Vista, CA	9
Giconsa	(664) 647 - 5974/73				Tijuana, BCN	4
W&T Distributors	(619) 357 66 33/84				Calexico, CA	4
A&T Baja Exports	(760) 768 – 1164/1261 (760) 768 – 0355				Calexico, CA	8
Bodega 29	(686) 551 - 9111				Mexicali, BCN	6
Sana International	(653) 534 - 5161		•		San Luis Rio Colorado, Son.	2
Maymar	(631) 315 – 9175/73		1		Nogales, Son.	8
Serv. de Almacén Fiscalizado de Nogales SA de CV	(631) 315 – 9158				Nogales, Son.	6
Frase	(656) 616 – 0088				Cd. Juárez, Chih.	2
Corporativo de Negocios de Comercio Exterior	(656) 682 – 2658				Cd. Juárez, Chih.	2
Empacad. Superior	(656) 637 – 1907 (656) 619 – 6121				Cd. Juárez, Chih.	6
D'Allende	(915) 533 – 6202				El Paso, TX	6
Grupo Ad. Amigo	(915) 351 – 1149/75				El Paso, TX	8
Insp. Fitosan. De Nuevo Laredo	(867) 724 – 2081/84				Nvo. Laredo, Tamps.	38
Dicex Integraciones	(867) 734 – 0099				Colombia, N.L.	20
Palos Garza (Servicios de	(867) 724 – 2020 (867) 715 – 8288				Nvo. Laredo, Tamps.	23
Logística) S.R. Asesores Aduanales de N. Laredo. S.C.	(867) 734 – 0211/12	•			Colombia, N.L.	30
Mercury Fwd	(956) 721 – 5102		1		Laredo, TX	10
Esquivel Fwd	(956) 722 – 2654				Colombia, NL	8
Continental Serv.	(956) 724 – 5672				Laredo, TX	8
North American Fwd	(956) 791 – 3402/93				Laredo, TX	8
Abanto y Asoc.	(899) 946 – 0139/41 (899) 921 – 1994				Reynosa, Tamps.	11
EB Int.	(956) 843 – 9279/7777				Hidalgo, TX	4
Hidalgo Logistics de Mexico	(899) 958-1449				Reynosa, Tamps.	8
Frigoríficos Especializados de Tuxpan, Ver.	(55) 5673-5545 Ext. 221				Tuxpan, Ver.	10

Source: USAPEEC Mexico. Sept. 2003.