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## **Mexico**

**Post:** Monterrey ATO

### **ATO Monterrey's Participation in Agricultural Seminar in Laredo, TX.**

**Report Categories:**

Trip Report

Sanitary/Phytosanitary/Food Safety

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**Report Highlights:**

The Agricultural Trade Office in Monterrey actively participates with other USDA agencies and US Customs Border Protection – Agriculture (CBP) in Trade Facilitation and Border Management activities along the US–Mexico border to promote agricultural trade. In 2017 US agricultural exports to Mexico exceeded \$18B. The port of entry (POE) of Laredo, Texas–Nuevo Laredo, Tamaulipas is the most important inland POE. Over 30 percent of all US agricultural products exported from the US into Mexico cross through this POE. From January – November 2017 Mexico imported over \$5.4B of agricultural products from the US through this POE.

**General Information:**

On February 2018, ATO Monterrey Agricultural Specialist Eduardo Lozano traveled to Nuevo Laredo, Tamaulipas and Laredo, Texas. The purpose of this trip was to participate in the Agricultural Seminar hosted by Customs Border Protection-Agriculture (CBP) and the Laredo Licensed US Customs Brokers Association (LLUSCBA). The trip also provided the opportunity to reinforce and build new working relations with FDA, CBP, APHIS, FSIS, U.S. and Mexican Customs brokers, and with the chief inspector from Mexico's National Service of Health, Food Safety, and Food Quality's (SENASICA) inspection office (OISA) in Nuevo Laredo, Tamaulipas.

**February 15, 2018**

- On this date ATO/ Monterrey presentation focused on the following: An overview on FAS/Mexico mission and ATO Monterrey services, and current U.S. and Mexican regulations involved in the export-import process of agricultural products.
- Guidelines and tips on how to report, avoid, and resolve border trade related issues.
- Examples of real life trade issues ATO Monterrey has worked in, and the importance of effective and prompt communication to resolve them.
- US - Mexico agricultural bilateral trade statistics, and highlighted the importance of agriculture interdependence between both countries.

During the presentation ATO Monterrey stressed that it monitors trade along the entire US-Mexico border and maintains close working relations with Mexican and US authorities, on both sides of the border, and in Mexico City, to help US exporters and Mexican importers resolve border trade related issues.

Participating in border trade facilitation venues permits ATO Monterrey to maintain contact with key players in the international trade supply chain, US and Mexican authorities, and also allows ATO Monterrey to keep abreast of bilateral trade related issues taking place at major ports of entry, where most border trade related issues occur.

In particular the logistics and transportation infrastructure of the Laredo-Nuevo Laredo POE facilitates the export-import process at this border crossing, placing it as the most important inland POE for US agricultural products. From January – November 2017 Mexico imported over \$5.4B worth of US agricultural products through this POE.

**Figure 1.** Major Ports of Entry for US Agricultural Products (Source: INEGI)

<b>Major Border Ports of Entry for US Agricultural Products</b>				
<b>US \$Billions</b>				
<b>Port of Entry (POE)</b>	<b>January - November</b>		<b>Percent Share</b>	
	2016	2017	2016	2017
All POE	17.43	18.21	100	100
Nuevo Laredo, TAMPS.	5.24	5.43	30.15	30.06
Piedras Negras, COAH.	1.7	2.15	9.76	11.86
Cd. Juarez, CHIH.	2.1	2.0	11.94	11.17
Colombia, N.L.	2.04	2.02	11.72	11.11
Tijuana, B.C.	1.3	1.3	7.2	7.36

ATO/Monterrey addressed specific questions related to the export-import process of U.S. and Mexican agricultural products, and offered specific information related to its Trade Facilitation and Border Management services.

Other speakers in this seminar that presented an overview on their roles and responsibilities were CBP Agriculture, Agriculture and Prepared Products Centers of Excellence and Expertise (CEE), APHIS Plant Protection Quarantine (PPQ), APHIS Veterinary Services, FSIS, FDA and the Laredo Health Department also gave. Over 90 attendees including U.S. customs brokers, freight forwarders, Mexican customs brokers, and representatives from verification and inspection points operating on the Mexican side of the border attended the seminar.

**Cattle Inspection Fees: Impact on Two-way Trade?**

The general manager for the livestock export pens in Colombia, Nuevo Leon mentioned that USDA/APHIS should reconsider the way inspection fees are structured. He feels that USDA/APHIS inspection fees should be calculated by the actual time spent by APHIS inspectors inspecting cattle and revising paper work at the export pens in Colombia, however, charging commute time to and from the livestock pens has led to an increase in fees of 40 percent. Obviously this expense will be shouldered by U.S. cattlemen who purchase the steers, many of which will eventually return to Mexico as fresh beef cuts. Demand-elasticity for high-end beef cuts might have an impact on U.S. meat exports.

The export livestock pens in Colombia, Nuevo Leon are managed by the [Unión Ganadera Regional de Nuevo León](#) (UGRNL). According to the UGRNL, from January to February 2018 the number of cattle that crossed into the US (through POEs located in the border area between Del Rio and Pharr, Texas, including the POE of Colombia, NL.) reached 27,000 head, of which 47 percent of the cattle was exported through the export pens in Colombia, Nuevo Leon.

**Figure 2.** Border area between Del Rio and Pharr, TX.

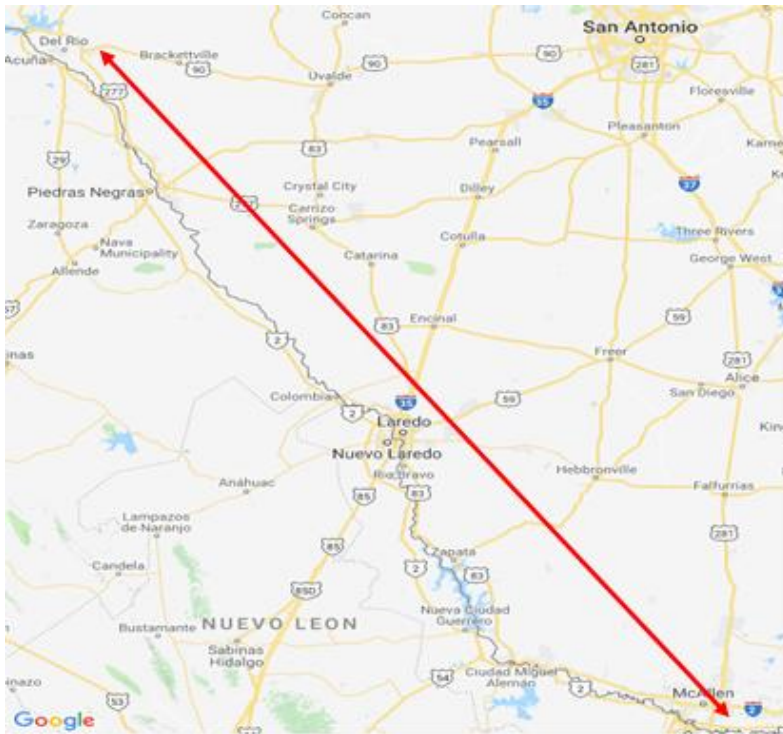


Figure 3. Eduardo Lozano (front row 4<sup>th</sup> from left to right) with USDA and CBP presenters.

