General Customs Administration of Mexico

Regional Integration

September, 2013
The General Customs Administration of Mexico has engaged in several projects to enhance trade facilitation and control:

- Process simplification
- Use of Non-Intrusive Technology
- Implementation of the Authorized Economic Operator
- Modernization of infrastructure
- Platforms and data bases integration
- Customs international cooperation
Bilateral Strategic Plan-Border Integration

Cargo Pre – inspection:

Project under the U.S.-Mexico Customs Bilateral Strategic Plan, consisting of customs procedures that allow for the inspection and clearance of shipments at the customs facilities of the exporting country, by the customs authorities of both the exporting and importing country, simplifying the inspection procedures and reducing transactional costs.

The three locations selected for the pilot programs are:

• Laredo, Texas Airport, for air cargo operations destined to seven Mexican airports (Chihuahua, Toluca, Queretaro, San Luis Potosi, Guadalajara, Guanajuato and Hermosillo). The pilot program will begin with shipments of the electric, electronic, automotive and aerospace industries.
• Facilities at the Tijuana Port of Entry, at Mesa de Otay, for customs clearance of Mexican agricultural shipments with destination to the United States.
• FOXCONN facilities near to the San Jerónimo border crossing in Cd. Juárez, Chihuahua, for computer shipments destined to the USA.
Port Security Committees

These committees were created at the 19 border Ports of Entry with the U.S. and they have participation of both Mexican and American port directors, jointly with their operational and security personnel. The main objective is: to discuss regional security concerns, maintain and update business resumption protocols, as well as to address these issues and help in the development of open and consistent communication between government authorities that have equities in and around the ports of entry. These Committees gather together at least once a month.

Single Rail Manifest

The objective of the Single Rail Manifest is to allow companies of both countries to present the same information, in the same electronic format and at the same time, to both U.S. and Mexican authorities. The pilotage stage began in Nogales in June 2013 and in September the project is the stabilization stage. The technical guidelines for the clearance of goods by rail were published at the Single Window Portal on September 2nd, 2013. Later on, SAT and CBP will develop a crosscheck mechanism.
Operation Sovereign Resolve (Southbound operations)

It was decided to implement coordinated operations between SAT and CBP, with the purpose to inspect passenger vehicles, cargo trucks and passengers entering to national territory, in order to reduce the illegal movement of weapons, cartridges, money and other prohibited goods.

These operations began in June 2009. Since then and until July 2013, there have been 590 operations.

Capacity Building

Since the signature of the Customs Bilateral Strategic Plan, until July 2013, 442 SAT officers have participated in 33 courses offered by ICE and CBP. It is important to emphasize the given support to strengthen the training curriculum for the Foreign Trade Officials, throughout “train-the-trainers” programs, allowing for the Mexican instructors to train more than 2,800 SAT officials.
Authorized Economic Operator.

• NEEC* is the Authorized Economic Operator (AEO) program. It began operations in January of 2012. Since then and up to July of 2013, 264 companies have been certified and other 86 are in the final stage of the approval process (most of these companies are C-TPAT).

• SAT has been working closely with CBP to promote within the C-TPAT members operating in Mexico, their participation in the NEEC program. As well, a series of outreach events took place, among which are:
  ✓ SAT’s participation at the CBP West Coast Commerce Conference to promote the NEEC program
  ✓ SAT’s specialists participated on a trip to four border cities organized by the U.S. Department of Commerce
  ✓ CBP Trade Consultation Committee
  ✓ NEEC’s Second Seminar at Ciudad Juarez, Chihuahua

• SAT and CBP developed a Working Plan in order to sign a Mutual Recognition Agreement that began implementation in 2013.

* NEEC stands for New Scheme for Companies’ Certification
The Customs General Administration of Mexico, as Permanent Secretariat of the Multilateral Agreement on Cooperation and Mutual Assistance between the Customs Administrations of Latin America, Spain and Portugal (COMALEP), is responsible for leading the development of projects and programs tending to increase trade facilitation and enhances Customs control for its 21 members.

Some of these projects are:

- Electronic exchange of information
- Exchange of Maritime Alerts Protocol
- Nomenclature Committee
- International transit procedures (TIM)
- Coordinated border operations (Guatemala)
- Business Resumption (Guatemala)
- Capacity building.
Electronic exchange of information (INDIRA, by its Spanish acronym)

- Mexico is working on a project with Argentina in order to implement a platform developed by South Cone Common Market (MERCOSUR).
- This Platform represents an opportunity to standardize the data to be exchanged among the Customs administrations of COMALEP.
- INDIRA may become a Utility Block for the Globally Networked Customs project of the World Customs Organization.

Exchange of Maritime Alerts Protocol

- Through COMALEP, Mexico is leading the development of a Protocol aiming to establish the procedure to exchange information on high-risk maritime operations in the region.
- This Protocol has been negotiated between de 21 Customs members of COMALEP and its already working between Mexico and Guatemala as a pilot program.
Nomenclature Committee:

- COMALEP has created a Committee for translating to Spanish the Harmonized Commodity Description and Coding System and its Explanatory Notes.
- With this translation, the region currently has a single version of the Harmonized System and its Explanatory Notes, which are an official document recognized by the WCO.
- The Committee gathers yearly to update the HS Spanish version, as well as the Explanatory Notes, according to the WCO HS Group.

International Transit Procedures (TIM):

- In coordination with the Inter-American Development Bank (IADB), the region is developing a system for ground transportation of good across multiple borders in the region (currently from Mexico to Panama).
- This project facilitates trade flow by harmonizing procedures and requirements of the multiple border authorities in the region, as well as the development of an electronic platform that registers every transit operation;
- Currently, Mexico is working with IADB and Colombia to perform the first intermodal operation using this tool.
Regional Integration- Southern Border (Guatemala)

- Coordinated border operatives in the south border in six strategic locations with the border of Guatemala.

- Joint plan for Business Resumption.

- Joint capacity building plan.
Infraestructure projects in the Southern Border

- New interior inspection sites
  1. Huixtla (began operations in May 2013)
  2. Trinitaria (1st stage concluded, 2nd began last June)
  3. Catazajá (1st stage concluded, 2nd began last August)

- New border crossings
  1. Nuevo Orizaba (touristic)

- Ongoing projects:
  1. Rodolfo Robles (Touristic). Reorganization
  2. Suchiate II (Cargo). Improvement of migration area
  3. Talismán (Touristic). Maintenance

- Without infrastructure project
  1. Cd. Cuauhtémoc (Touristic)
  2. Carmen Xhan (Touristic)
  3. El Ceibo (Touristic)

- Sites in negotiation
  1. Palenque (inspection site)

- Ecotrustic crossing
  1. Frontera Corozal-Bethel

- BELIZE
  2. Subteniente López I (Touristic)

Touristic: includes passengers, light vehicles and coaches
Regional Integration with Asia-Pacific

• Since 2012, Mexico engaged in the negotiations of the Trans-Pacific Economic Partnership Agreement.

• The Customs General Administration of Mexico is participating on the negotiation forums for different chapters:
  ✓ Customs Administration and Trade Facilitation
  ✓ Rules of Origin
  ✓ Market Access
  ✓ Intellectual Property

• Also, Mexico, Peru, Chile and Colombia are working on the development of the Pacific Alliance Partnership Agreement.