

MEXICO TRIP REPORT

January 24 - 25, 1994

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Family Planning
Logistics Management
Project

FPLM

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List of Acronyms

A.I.D.	The Agency for International Development
CONASIDA	Consejo Nacional de Prevencion y Control del SIDA
CPSD	Commodities and Program Support Division, The Office of Population
DGPF	Direccion General de Planificacion Familiar
FEMAP	Federacion Mexicana de Asociaciones Privadas
IMSS	Instituto Mexicano del Seguro Social
JSI	John Snow, Inc.
MEXFAM	Fundacion Mexicana para Planeacion Familiar
USAID	United States Agency for International Development, Mexico
V.A.T.	Value Added Tax

EXECUTIVE SUMMARY

During this visit to Mexico, Joerg Meixner, A.I.D. Project Manager from Panalpina and Magda Ruesch, Assistant Database Manager from FPLM/JSI, met with Bonnie Osegueda from USAID/Mexico and representatives from three of the five recipients A.I.D. ships contraceptives to in Mexico. We did not meet with FEMAP because they are on the border near El Paso, Texas and they handle their own customs clearance. To date, there have been no problems that we know about regarding shipments to FEMAP. We also did not meet directly with CONASIDA, but it was agreed that the same decisions reached with DGPF would apply to CONASIDA since DGPF assists CONASIDA with the clearing of their shipments.

As a result of our discussions, the following was agreed upon:

- Panalpina will be the new clearing agent at the border in Laredo, Texas for all recipients with the exception of FEMAP.
- Panalpina will send shipping documents two months prior to any shipment designated for DGPF or CONASIDA.
- Panalpina will send shipping documents one month prior to any shipment designated for IMSS.
- No change is needed in the timing of shipping documents for MEXFAM shipments.

BACKGROUND

In the Spring of 1993, a new freight forwarder, Panalpina, Inc., began to ship A.I.D. contraceptive commodities. The first few shipments to Mexico by Panalpina were taken to Laredo, Texas so that they could be cleared by the Panalpina agent located there. The only problem was that Panalpina was not the designated clearing agent for these Mexico shipments. Instead, according to the information in the NEWVERN database, these shipments were to be cleared by other clearing agents. MEXFAM shipments were to be cleared by Texas Forwarding in Laredo, Texas. IMSS, DGPF and CONASIDA shipments were to be cleared by American Forwarding in Brownsville, Texas. And, FEMAP shipments were sent directly to their warehouse in El Paso, Texas.

It was assumed that each of the recipients had picked the designated clearing agents and that we should not suggest the use of the Panalpina agent for fear of ruining well established relationships between the recipients and their choice of clearing agents. As time went on, Panalpina continued to move shipments to the designated clearing agents for each recipient. It was then discovered that a few shipments were delayed at the American Forwarding warehouse. Several attempts were made by Panalpina to contact

the agent and find the cause for delay. The reasons given for the delay were that: 1) the recipients did not understand why it was necessary for them to pay for the customs clearance fees and 2) shipping documents were not arriving in a timely fashion.

After months of miscommunications and unanswered questions, it was agreed that a trip to Mexico to meet with USAID/Mexico and several of the recipients would help to clarify the problems that we have been experiencing since the summer of 1993 and to find resolutions to these problems.

ACTIVITIES

Meetings were held with USAID/Mexico and representatives from several of the recipients as well as a Panalpina/Mexico representative. Our objectives during these meetings were:

- to clarify shipment concerns shared by CPSD, USAID/Mexico, JSI, Panalpina, DGPF, MEXFAM, and IMSS, and
- to gain insight on the document clearance procedure necessary for shipments to be cleared at the Mexico/U.S. border.

DIRECCION GENERAL DE PLANIFICACION FAMILIAR (DGPF)

At DGPF, we met with Bonnie Osegueda from USAID/Mexico, Act. Yolanda Varela Chavez and Oscar Trocino from DGPF and Jan Schriever from Panalpina/Mexico.

DGPF had two major concerns: 1) who will pay for the customs clearance fees and 2) the issue of documents reaching them after the shipments have arrived at the border.

In regards to the customs clearance fees it was learned that DGPF has no special reason for using American Forwarding as their clearing agent in Brownsville, Texas. Instead, this is the agent that A.I.D.'s previous shipper, Matrix, worked with during their contract and not a specific agent that DGPF chose. As a result of finding this out, it was proposed to DGPF that Panalpina be used as their clearing agent at the border in Laredo, Texas. This would alleviate DGPF from having to pay any fees related to customs clearance. Instead, these fees are automatically covered under the freight rate contract that Panalpina has with A.I.D. DGPF was very receptive to this idea and, therefore, we reached an agreement to use Panalpina as a clearing agent at the border in Laredo, Texas.

The second concern regarding document timing was solved by agreeing that Panalpina will send the documents two months prior to any shipment designated for DGPF & CONASIDA. The reason we chose a two-month lead time was because that is how long it can take for DGPF to get the proper approval documents from the Mexican

Government. These documents consist of a Sanitary Certificate from the Ministry of Health and a Duty/V.A.T. Exemption from the Ministry of Finance for each individual shipment. Once these documents are received, DGPF has a thirty-day window to get their shipments across the border.

The procedure we decided to follow in order to expedite DGPF and CONASIDA shipments is the following:

- 1) JSI will issue a warehouse memo to Panalpina two months ahead of the ship date requested by the recipient;
- 2) Panalpina will send proper documents to DGPF, CONASIDA and USAID/Mexico at that time and pack and hold the designated lots for the shipments to be moved once the clearance is issued;
- 3) DGPF will notify Panalpina once the clearance documents are issued by the Mexican Government; and
- 4) Panalpina will truck the commodities to the Laredo Panalpina agent who will move them across the border.

NOTE: This presumes that product is available in the warehouse at the time the warehouse memo needs to be issued.

INSTITUTO MEXICANO DEL SEGURO SOCIAL (IMSS)

At IMSS, we met with Bonnie Osegueda from USAID/Mexico, Dra. Consuelo Juarez Tovar and Angel Reynoso from IMSS and Jan Schriever from Panalpina/Mexico.

IMSS had very similar concerns to those of DGPF. They were also concerned about who should pay for the customs clearance fees, as well as the arrival of shipments at the Mexico/US border prior to the arrival of shipping documents.

We reached similar resolutions for IMSS as we did for DGPF. It was also learned that they have no special reasons for using American Forwarding other than that is who Matrix used. They were very open to the idea of being consistent and using Panalpina as a clearing agent the border. This will eliminate the cost of paying for customs clearance fees by IMSS.

We learned that it only takes IMSS one month to receive the clearance documents from the Mexican Government in order for their shipments to move across the border. So we chose a one-month lead time for all IMSS shipments. We will follow the exact same procedure for IMSS as stated above (items 1-4) for DGPF and CONASIDA with the only difference being that Panalpina will send shipping documents to IMSS and USAID/Mexico one month ahead of scheduled ship date instead of two months (item

1). Again, this presumes that product is available in the warehouse at the time the warehouse memo needs to be issued.

FUNDACION MEXICANA PARA PLANEACION FAMILIAR (MEXFAM)

At MEXFAM, we met with Bonnie Osegueda from USAID/Mexico, Sra. Irma Bertran and Sr. Roberto Ramirez from MEXFAM and Alejandro Merigo from Panalpina/Mexico.

MEXFAM reported being satisfied with the timing of the shipping documents and reported no problems obtaining clearance documents from the Mexican Government in order to move shipments across the Mexico/U.S. border. MEXFAM reported obtaining from the Ministry of Finance the Duty/V.A.T. Exemption Certificate valid for twelve months. Therefore the only change that was proposed and agreed to was that we will now use Panalpina as the clearing agent in Laredo, Texas as opposed to Texas Forwarding.

In addition, MEXFAM stated that they usually obtain the Sanitary Certificate within two weeks, therefore, we decided not to change the timing we use for sending them the shipping documents.

CONCLUSIONS

The objectives set for our trip to Mexico were met. We gained an insight on the concerns and needs of each individual recipient in which we met with. We feel that we were able to resolve the ongoing problems that have hampered our shipments for quite some time. Having these meetings enabled all of the participants to better understand each other and how we can work better as a team in order to expedite shipments to Mexico.

The following are changes and further considerations as a result of our trip:

- JSI will ensure that all shipments to Mexico are warehouse shipments.
- JSI will implement the proper shipping instructions in the NEWVERN database system to show Panalpina as the new clearing agent in Laredo, Texas. Shipping documents will be issued to Panalpina by designated lead-time for all recipients.
- JSI will assist Panalpina with the follow-up needed regarding the three shipments* which remain at the border in Brownsville, Texas (American Forwarding).

*NEWVERN ID#'s 5081/2, 5594/1, 5595/1 for DGPF remain at the border in Brownsville. Several faxes have been sent and phone call have been made to American Forwarding regarding the reason for delay of these shipments. To date, Panalpina has not been notified to move these three shipments across the border.

- **Panalpina will ensure the proper set-up of their agent in Laredo, Texas as well as provide CPSD, JSI, and USAID/Mexico with the proper contacts for the Panalpina agent in Laredo and the customs agent on the Mexico side.**
- **USAID/Mexico will provide guidance to CPSD on the establishment of procedures for clearing customs for CONASIDA once DGPF is no longer a direct recipient of A.I.D. donated commodities.**
- **USAID/Mexico is asked to confirm by return fax agreement with the procedure by which the recipients can contact Panalpina/Sterling directly once authorization for release of shipments is received from the Mexican Government. This would eliminate the need for USAID/Mexico, CPSD and JSI to be involved in this process.**

ATTACHMENT ONE
PERSONS CONTACTED

PERSONS CONTACTED

Bonnie Osegueda, Program Coordinator, USAID/Mexico
Act. Yolanda Varela Chavez, Subdirectora de Evaluacion, DGPF
Oscar Trocino, Jefe del Departamento, DGPF
Dra. Consuelo Juarez Tovar, Sub-Jefe de Planificacion Familiar, IMSS
Angel Reynoso, Asistencia de la Sub-Jefe de Planificacion Familiar, IMSS
Sra. Irma Bertran, Administrador, MEXFAM
Sr. Roberto Ramirez, Jefe de la Unidad de Admistracion, MEXFAM
Jan Schriever, Director de Mercadeo, Panalpina/Mexico
Alejandro Merigo, Director de Ventas, Panalpina/Mexico

ATTACHMENT TWO
RECIPIENT PROFILE REPORT

Customer

 USAID/Mexico
 Attn: Ms. Bonnie Osegueda
 Box 3087
 Laredo, Texas 78044

Phone: 525-211-0042
 Fax: 525-207-7558

In addition to document distribution instructions specific to each recipient (see below), shipping documents for all commodities ORDERED BY this customer, regardless of intended recipient, will be distributed as shown in the table below:

Name/Address	Bill of Lading		Packing	Export
-----	Negotiable	Copy	List	Invoice
-----	-----	-----	-----	-----
Same as Customer	1	2	2	2

BEST AVAILABLE DOCUMENT

Recipient

 Federacion Mexicana de Asoc. Privadas

Consignee
 (Surface Shipments)

Consignee
 (Air Shipments)

 FEMAP
 Attn: Mr. Jesus Servin
 1477 Loma Land
 B: 3 & 4
 El Paso, Texas

 Same
 as
 Surface
 Consignee

Mark For
 Surface Shipments

Mark For
 Air Shipments

 Attn: Mr. Jesus Servin
 FEMAP
 1477 Loma Land
 B: 3 & 4
 El Paso, Texas

 Same
 as
 Surface
 Markings

Special: Please send Donation Cert., Packing List, Com. Invoice, Lis
 Instructions: of Lot #s, and Quality Control Cert. to USAID and consignee
 as far in advance as possible so that importation permits
 can be obtained prior to arrival of product at US/Mexican
 border. A third set of documents should accompany shipment
 Recipient is responsible for customs clearance.
 Mr. Jesus Servin - Tel: (915) 594-0298; Fax: (915) 594-0299
 Bonnie Osegueda, USAID/Mexico - Fax: 52-5-207-7558

In addition to document distribution instructions specific to the
 customer (see above), shipping documents for all commodities
 CONSIGNED TO this recipient, regardless of how ordered, will
 be distributed as shown in the table below:

Name/Address	Bill of Lading Negotiable	Copy	Packing List	Export Invoice
FEMAP, Attn: Mr. Jesus Servin PO Box 9737, El Paso, TX 79987 Tel (in Cd. Juarez): 011 (52 16) 16-0833 Fax (in Cd. Juarez): 011 (52 16) 16-6535	1	2	2	2
American Embassy/Mexico **VIA COURIER** Attn: Bonnie Osegueda Paseo de la Reforma 305 Colonia Cuauhtemoc, 06500 Mexico D.F.		2	2	2

BEST AVAILABLE DOCUMENT

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Products Currently Shipped to
Federacion Mexicana de Asoc. Privadas

(Products not on this list will
not be shipped to this recipient)

Method	Product Code	Product
Condoms	52NP 52NX	52mm Non Colored Panther 52mm Non Colored, No Logo
Implants	NPLT	Norplant
Intra Uterine Devices	CT38	Copper T, 380
Public Sector Orals	LFMP	Lo-Femenal, Blue Lady
Vaginal Foaming Tablet	VFTP	Conceptrol Foaming Tablet

BEST AVAILABLE DOCUMENT

10

Recipient

 DIRECCION GEN. DE PLAN. FAMIL./CONASIDA

Consignee
 (Surface Shipments)

Consignee
 (Air Shipments)

 CONASIDA

INSURGENTES SUR NO. 1397, PISO 7
 COL. INSURGENTES MIXCOAC
 03960 MEXICO, D.F. MEXICO

 Same
 as
 Surface
 Consignee

Mark For
 Surface Shipments

Mark For
 Air Shipments

 CONASIDA
 INSURGENTES SUR NO. 1397, PISO 7
 COL. INSURGENTES MIXCOAC
 03960 MEXICO, D.F. MEXICO

 Same
 as
 Surface
 Markings

Special: Please send Don. Cert., Packing list, Comm. Invoice to USAI
 Instructions: and consignee 2 months prior to actual shipment (if possible
 include list of lot#'s & Qual. Control Cert. or send these
 later). Wait for clearance instructions from DGPF. A third
 set of docs should be sent with shipment. 1st ship product
 to: 14213 Transportation Ave., Laredo, TX 78041. ATTN: Mr.
 Phil Foster, for customs clearance. Tel: 210-725-5101.
 Fax: 210-825-5102. Then ship to 'mark for' address.

In addition to document distribution instructions specific to the
 customer (see above), shipping documents for all commodities
 CONSIGNED TO this recipient, regardless of how ordered, will
 be distributed as shown in the table below:

Name/Address	Bill of Lading Negotiable	Copy	Packing List	Expor Invoi
----- CONASIDA ADMINISTRACION Y COMERCIO NO. 35 COL. COPILCO UNIVERSIDAD 04360 MEXICO, D.F. MEXICO	1	2	3	3
American Embassy/Mexico **VIA COURIER** ATTN: Bonnie Osegueda Paseo de la Reforma 305 Colonia Cuauhtemoc, 06500 Mexico D.F.	1	2	2	2

BEST AVAILABLE DOCUMENT

Products Currently Shipped to
DIRECCION GEN. DE PLAN. FAMIL./CONASIDA

(Products not on this list will
not be shipped to this recipient)

Method	Product Code	Product
Condoms	52NX	52mm Non Colored, No Logo

BEST AVAILABLE DOCUMENT

Recipient

 Direccion General de Planificacion Fam.

Consignee
 (Surface Shipments)

Consignee
 (Air Shipments)

 Direccion General de Planificacion Fam.
 Attn: Dr. Gregorio Perez Palacios
 Av. Insurgentes Sur No. 1397, Piso 7
 Col. Insurgentes Mixcoac 03920 Mexico DF

 Same
 as
 Surface
 Consignee

Mark For
 Surface Shipments

Mark For
 Air Shipments

 Attn: Mr. Hilario Vazquez
 Almacén de la Direccion de Plan. Fam.
 Calle Barranca No. 6-B
 Col. San Juan Ixtayopan
 Delegacion Tlahuac, Mexico D.F.

 Same
 as
 Surface
 Markings

Special: Please send Don. Cert., Packing List, Com. Invoice to USAID
 Instructions: and consignee 2 months prior to actual shipment (if possible
 include list of lot#'s & Qual. Control Cert. or send these
 later). Wait for clearance instructions from DGPF. A third
 set of docs should be sent with shipment. Product should be
 shipped 1st to: 14213 Transportation Ave., Laredo, TX 78041
 Attn: Mr. Phil Foster for customs clearance. Tel: 210-
 725-5101; Fax: 210-725-5102. Then ship to 'mark for' address

In addition to document distribution instructions specific to the
 customer (see above), shipping documents for all commodities
 CONSIGNED TO this recipient, regardless of how ordered, will
 be distributed as shown in the table below:

Name/Address	Bill of Lading Negotiable	Copy	Packing List	Expor Invoi
Direccion General de Plan. Familiar Av. Insurgentes Sur No. 1397, Piso 7 Col. Insurgentes Mixcoac 03920 Mexico DF Attn: Dr. Gregorio Perez Palacios	1	1	1	1
American Embassy/Mexico **VIA COURIER** Attn. Bonnie Osegueda Paseo de la Reforma 305 Colonia Cuauhtemoc, 06500 Mexico D.F.	1	1	1	1

BEST AVAILABLE DOCUMENT

Products Currently Shipped to
Direccion General de Planificacion Fam.

(Products not on this list will
not be shipped to this recipient)

Method	Product Code	Product
Condoms	52NX	52mm Non Colored, No Logo
Intra Uterine Devices	CT38	Copper T, 380
Public Sector Orals	LFMP	Lo-Femenal, Blue Lady

BEST AVAILABLE DOCUMENT

Recipient

 Instituto Mexicano del Seguro Social

Consignee
 (Surface Shipments)

Consignee
 (Air Shipments)

 Jefatura de Servicios de Plan. Familiar
 Dr. Fransisco Alarcon
 IMSS, Mier Y Pesado, No. 120
 Col. del Valle
 03100 Mexico, D.F.

 Same
 as
 Surface
 Consignee

Mark For
 Surface Shipments

Mark For
 Air Shipments

 Jefe del Almacen, Dependiente del Ing. A
 Valdez Giron, Jefatura de Suministros
 Almacen del Inst. Mex. del Seguro Social
 Calzada Vallejo No. 675
 Col. Magdalena de las Salinas
 07760 Mexico, D.F.

 Same
 as
 Surface
 Markings

Special: Please send Donation Cert., Packing List, Com. Invoice
 Instructions: (include list of Lot #s and Qual. Control Cert. if possible
 or send these later) to USAID and consignee 1 month prior to
 shipment. Wait for clearance instructions from IMSS. A
 third set of documents should accompany shipment. 1st ship
 to: 14213 Transportation Ave., Laredo, TX 78041. Attn: Mr
 Phil Foster, for customs clearance. Tel: 210-725-5101. Fax
 210-725-5102. Then ship to 'mark for' address.

In addition to document distribution instructions specific to the
 customer (see above), shipping documents for all commodities
 CONSIGNED TO this recipient, regardless of how ordered, will
 be distributed as shown in the table below:

Name/Address	Bill of Lading Negotiable	Copy	Packing List	Expor Invo
----- Same as Consignee.	1	2	2	2
American Embassy/Mexico Attn. Bonnie Osegueda Paseo de la Reforma 305 Colonia Cuauhtemoc, 06500	**VIA COURIER** 1	2	2	2
Mexico D.F.				

BEST AVAILABLE DOCUMENT

Products Currently Shipped to
Instituto Mexicano del Seguro Social

(Products not on this list will
not be shipped to this recipient)

Method	Product Code	Product
Condoms	52NX	52mm Non Colored, No Logo
Implants	NPLT	Norplant
Intra Uterine Devices	CT38	Copper T, 380
Ovrette	OVRP	Ovrette
Public Sector Orals	LFMP	Lo-Femenal, Blue Lady

BEST AVAILABLE DOCUMENT

Recipient

 Fund. Mex. Para Plan. Familiar (MEXFAM)

Consignee
 (Surface Shipments)

Consignee
 (Air Shipments)

 MEXFAM
 Attn: Sr. Roberto Ramirez
 Calle Juarez No. 208
 Col. Tlalpan Tel: (525)573-7248/7100
 14000 Mexico, D.F.

 Same
 as
 Surface
 Consignee

Mark For
 Surface Shipments

Mark For
 Air Shipments

 MEXFAM

 JUAREZ NO. 208
 COL. TLALPAN
 14000 MEXICO, D.F. MEXICO
 DONACION: MATERIAL GRATUITO

 Attn: Sr. Roberto Ramirez
 Fundacion Mexicana para la Plan
 Familiar (MEXFAM)
 Calle Juarez No. 208
 Col. Tlalpan
 14000 Mexico, D.F.

Special: Please DHL Donation Cert., Pack List, Com. Invoice (include
 Instructions: list of lot #s and Qual. Control Cert. if possible or send
 these later) to USAID and consignee as soon as whse. memo
 received. Wait for clearance instructions from MFAM. A 3rd
 set of these documents should accompany shipment. 1st ship
 to: 14213 Transportation Ave., Laredo, TX 78041. ATTN: Mr
 Phil Foster, for customs clearance. Tel: 210-725-5101.,
 FAX: 210-725-5102. Then ship to 'mark for' address.

In addition to document distribution instructions specific to the
 customer (see above), shipping documents for all commodities
 CONSIGNED TO this recipient, regardless of how ordered, will
 be distributed as shown in the table below:

Name/Address	Bill of Lading Negotiable	Copy	Packing List	Expo Invo
FUNDACION MEXICANA PARA PLAN. FAMILIAR Calle JUAREZ NO.208 COL. TLALPAN, 14000 MEXICO, D.F. ***VIA DHL*** FAX: 525-573-2318	1	2	3	3
American Embassy/Mexico **VIA COURIER** Attn: Bonnie Osegueda Paseo de la Reforma 305 Colonia Cuauhtemoc, 06500 Mexico D.F.	1	1	2	2

BEST AVAILABLE DOCUMENT

Products Currently Shipped to
Fund. Mex. Para Plan. Familiar (MEXFAM)

(Products not on this list will
not be shipped to this recipient)

Method	Product Code	Product
Condoms	52NP	52mm Non Colored Panther
	52NX	52mm Non Colored, No Logo
Intra Uterine Devices	CT38	Copper T, 380
Public Sector Orals	LFMP	Lo-Femenal, Blue Lady

BEST AVAILABLE DOCUMENT