USDA United States Department of Agriculture
Foreign Agricultural Service

GAIN Global Agricultural Information Network

**Voluntary Report –** Voluntary - Public Distribution **Date:** March 06,2020

**Report Number:** MX2020-0011

# **Report Name:** Maritime Ports of Veracruz and Lazaro Cardenas

**Country:** Mexico

**Post:** Monterrey ATO

**Report Category:** Agricultural Trade Office Activities, Grain and Feed, Planting Seeds, Poultry and Products, Sanitary/Phytosanitary/Food Safety

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**Report Highlights:**

The following document reports on the maritime ports of entry (MPE) of Veracruz and Lazaro Cardenas, through which agricultural products transported by vessel arrive to Mexico. The information in this report is useful for U.S. exporters who currently export or wish to export agricultural products to Mexico by vessel. In 2019, the United States exported more than USD 20 billion of agricultural and food products to Mexico, of these approximately USD 2.3 billion corresponded to exports by vessel.

**Executive Summary:**
Maritime infrastructure is one of Mexico´s key components in its supply chain operations for international trade of agricultural and food products. As part of its trade facilitation and market intelligence activities, the Agricultural Trade Office in Monterrey, Mexico (ATO MTY), visits maritime ports of entry (MPE) to get a firsthand account of the latest developments.

This document contains information on the maritime ports of Veracruz, Veracruz and Lazaro Cardenas, Michoacán. Veracruz is the most important MPE for U.S. agricultural products; while Lazaro Cardenas is Mexico´s maritime port with the best infrastructure, deepest navigational channels, with the largest waterfront and wharf space, enabling the maneuverability of heavy lift vessels. The Port of Lazaro Cardenas can be used by U.S. exporters as an alternative route for shipping to inner Mexico, especially when capacity in the Port of Manzanillo is saturated. Texas cotton exporters have also used it as a gateway to Asia when the ports in the Gulf of Mexico are overwhelmed

In 2018, the United States exported over USD 2.7 billion of agricultural and food products to Mexico by vessel. More than USD 1.3 billion or 48 percent of all U.S. maritime agricultural exports entered Mexico through the seaport of Veracruz. In 2018, total U.S. exports through Lazaro Cardenas reached USD 338 thousand. However, it is important to highlight that from January to June of 2019 (the latest data available) U.S. exports through this port surpassed USD 15.7 million, consisting primarily of powdered milk.

The reader should note that 2019 statistical data for Mexico´s **maritime ports of entry**, is only available from January to June 2019, due to lack of updated data from Mexican sources.

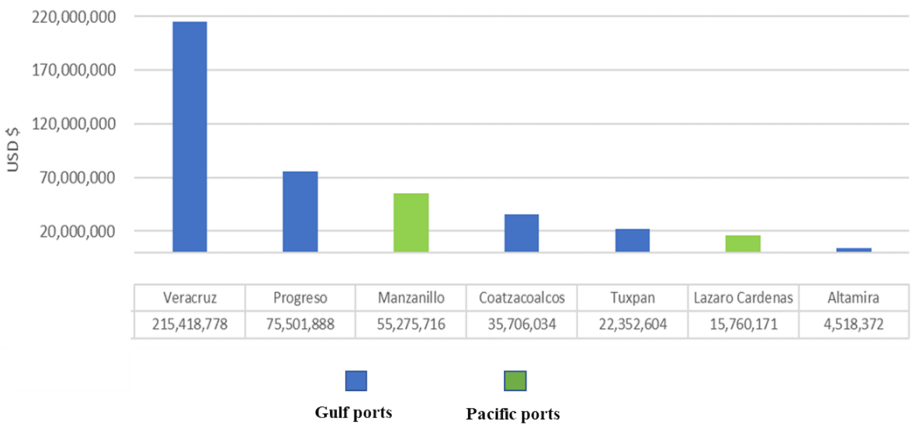
**General Information:**
In Mexico, maritime port operations fall under the Secretariat of Communications and Transportation (SCT) through the Integrated Port Administration or API´s who assume responsibility over the administration of port premises. Port premises are regulated as a foreign-trade zone by the Ministry of Economy. Within port premises, privately owned companies (concession holders) operate and manage its facilities; offering a complete range of services that enables for an efficient export/import process by vessel.

The Ministry of Agriculture and Rural Development's (SADER), National Service of Health, Food Safety, and Food Quality (SENASICA) is responsible for inspecting and ensuring imported agricultural and food products are safe and wholesome and in compliance with Mexican regulations. Wood and wood products are regulated by the Ministry of Environment and Natural Resources (SEMARNAT). Inspectors from the Federal Prosecutor for Environmental Protection (PROFEPA), SEMARNAT's operating arm, enforce the corresponding wood and wood products regulations at ports of entry. SENASICA and PROFEPA inspections take place upon arrival at privately owned inspection facilities known as Verification and Inspection Points (VIPs) (See Mexico Fairs Report).

From January to June 2019, Mexico imported over USD 424 million of agricultural products from the US by vessel. Major maritime ports in the Gulf of Mexico receiving U.S. agricultural imports in order of importance are Veracruz, Veracruz; Progreso, Yucatan; Coatzacoalcos, Veracruz; and Tuxpan, Veracruz. In the Pacific coast the two most important seaports for U.S. agricultural imports are: Manzanillo, Colima;

and Lazaro Cardenas, Michoacán. See figure 1 for major Mexican MPE for U.S. agricultural products, ranked in terms of value from January to June 2019.

**Fig. 1 Mayor Mexican maritime ports for U.S. agricultural exports ranked by value from January to June**




**Source: INEGI *January to June 2019 is the only data available to due to lack of updated data from sources in Mexico.**

## Veracruz and Lazaro Cardenas Maritime Ports of Entry

ATO chose to visit Veracruz and Lazaro Cardenas ports of entry, as the former is undergoing key infrastructure developments to accommodate its surging trade volume. Meanwhile, Lazaro Cardenas has the best infrastructure of all Mexican maritime ports, yet it is being underutilized despite having logistical advantages, especially for companies wanting to ship or shipping from the West Coast.

**Fig. 2 Geographical location of Lazaro Cardenas and Veracruz seaports.**


### Overview of Veracruz Maritime Port of Entry

Located in the state of Veracruz, the port of Veracruz is Mexico´s most important point of entry for U.S. agricultural exports to Mexico by vessel.

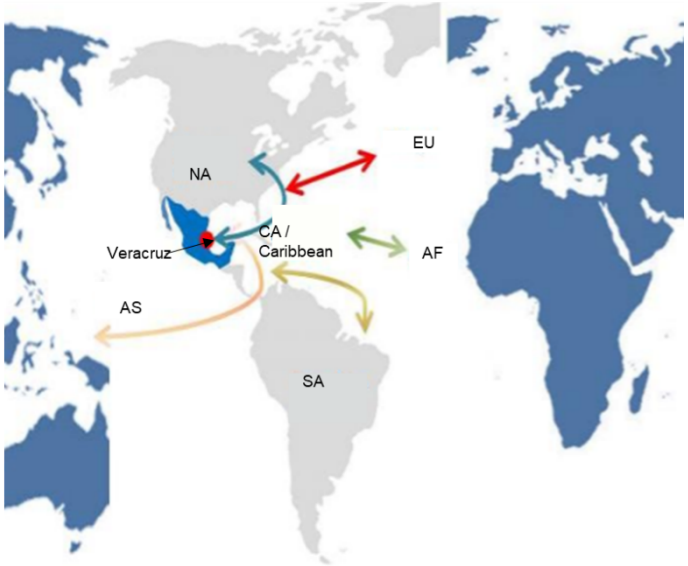
The port's infrastructure is suitable for receiving Handymax/Supramax bulk cargo ships with 35,000 to 40,000 deadweight tonnage capacity: and Ultra Large Container Vessels with a capacity of 18,270 twenty-foot equivalent containers (TEU).

Veracruz's hinterland covers 15 states, being Veracruz, Mexico City, Michoacán, Nuevo Leon, Guanajuato, Queretaro, and San Luis Potosi the more relevant states. (see figure 3).

**Fig. 3 Port of Veracruz Hinterland.**

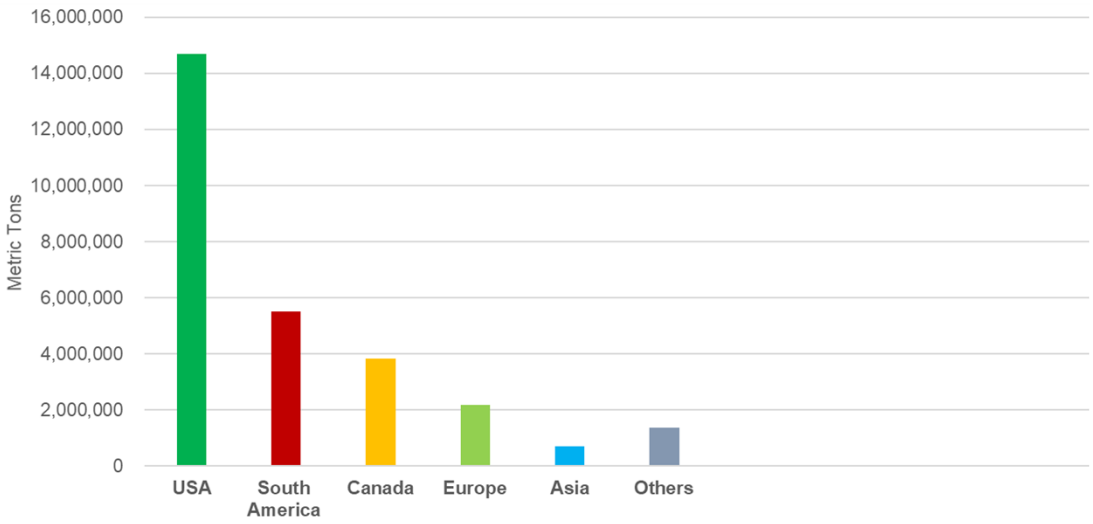

Veracruz foreland markets linked by shipping services, include North America, Central America, Caribbean, South America, Africa, Europe, and Asia (see figure 4).

**Fig. 4 Port of Veracruz Foreland.**



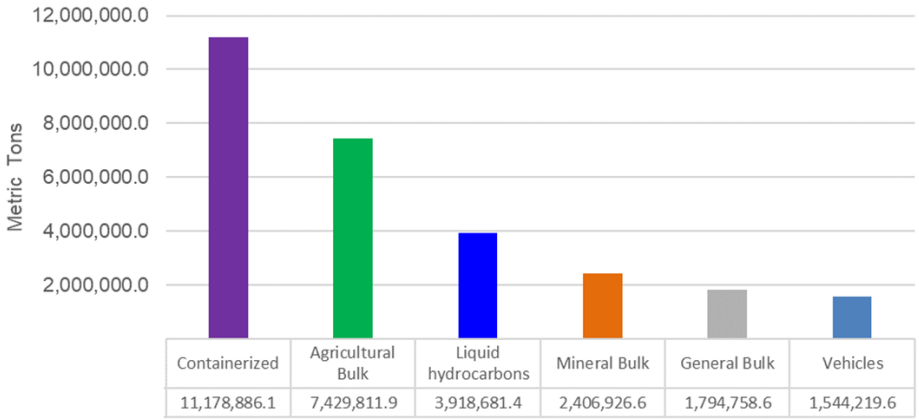
In 2019, total trade operations in Veracruz exceeded 28 million metric tons. The most important countries/regions using this maritime port of entry in 2019, in order of importance by volume, were the US with more than 50 percent of total commercial operations, followed by South America, Canada, Europe, Asia, and others (see figure 5). For operations by type of cargo see figure 6.

**Fig. 5 Total operations in Veracruz by country/region in 2019.**




**Source: API Veracruz**

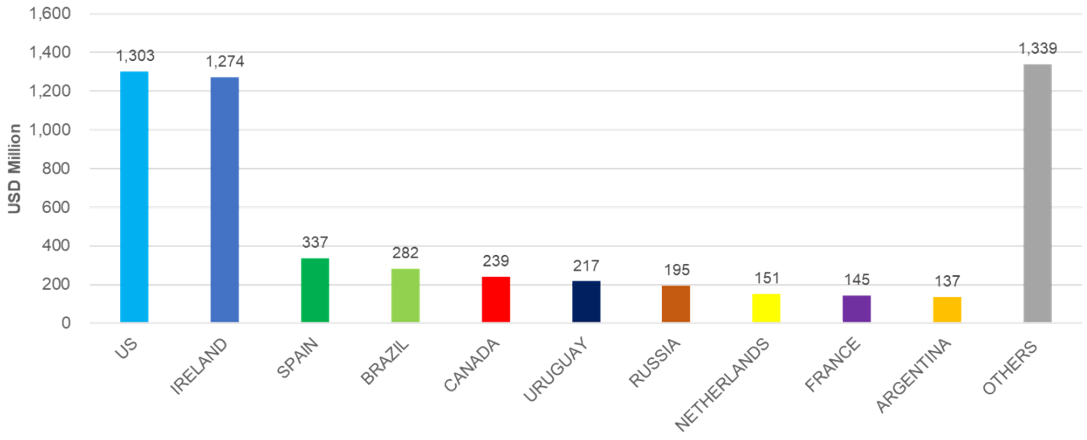
**Fig. 6 Total Operations by Type of Cargo 2019**




**Source: API Veracruz**

In 2018, total agricultural imports by vessel through Veracruz exceeded USD 5.6 billion, U.S. agricultural exports corresponded to 23 percent of the total value or USD 1.3 billion. Figure 7 highlights agricultural imports through Veracruz and major exporting countries in terms of value in 2018.

**Fig. 7 Total agricultural imports in 2018 in Veracruz by country**

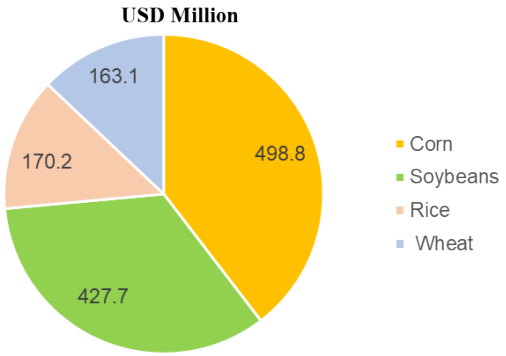



**Source: INEGI**

## U.S. agricultural exports by vessel to Veracruz

In 2018, U.S. agricultural exports by vessel to this maritime port of entry (MPE) surpassed 1.3 billion. The top four U.S. agricultural products imported through Veracruz in 2018 in terms of value were corn, soybeans, rice, and wheat (see figure 8). The imported corn leaves the port by rail destined to feed lots in central Mexico and by truck to feed lots in Veracruz.

**Fig. 8 Top U.S. agricultural exports to Veracruz in 2018.**

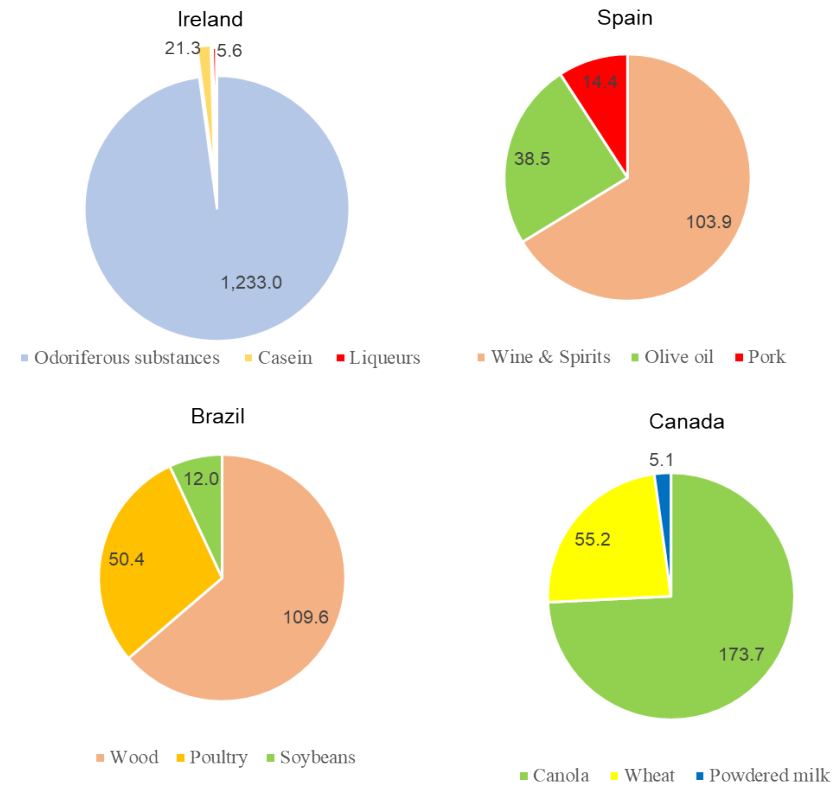



**Source: INEGI**

## Non - U.S. agricultural exports by vessel to Veracruz

In 2018, major imports of agricultural products through the Port of Veracruz correspond to Canada, Ireland, Spain, Uruguay, Brazil, Netherlands, Colombia, France, Germany, Italy, Costa Rica, Argentina, and Russia. For top four countries and their products ranked by value see figure 9.

**Fig. 9 Top countries/products by vessel to Veracruz in 2018.**




**Source: INEGI**

## Verification and Inspection Points in Veracruz

There are eight establishments approved by SENASICA to operate as verification and inspection points (VIPs) for agricultural products. Inside the foreign-trade zone of the MPE, there are six concession holders that operate verification and inspection points for animal products and byproducts, plant and plant products, and used agricultural machinery. Vips operating inside the port are Hutchison Ports), Reparación Integral de Contenedores, Almacenadora Golmex, CIF Almacenajes y Servicios, Corporacion Integral de Comercio Exterior, and Terminales de Cargas Especializadas. The VIPs offer services for agricultural products arriving in bulk, breakbulk, or containerized shipments (dry or refrigerated).

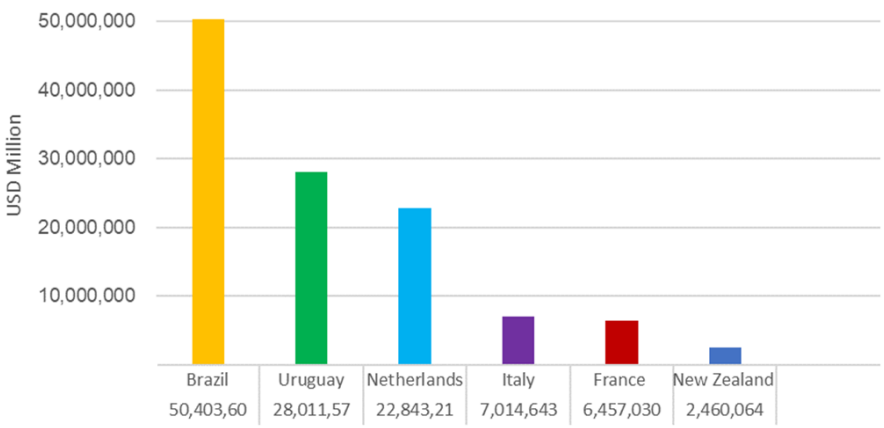
Outside the port premises there are two VIPs authorized for dry plant and plant byproducts and used agricultural machinery. These are Compañía de Equipamiento de Comercio Integral, and Logística Agroalimentaria del Golfo. See Annex I for more information on each of the VIPs in this MPE.

## Infrastructure and Logistics Inside the Port Foreign-Trade Zone

This MPE has three grain terminals capable of moving grain from ship hold to silos, rail cars, and trucks. Total static grain storage capacity inside the terminal is 320,000 tons; companies managing silos at this port are Cargill de México, Terminal de Carga Especializada, and Terminal Maritima de Veracruz.

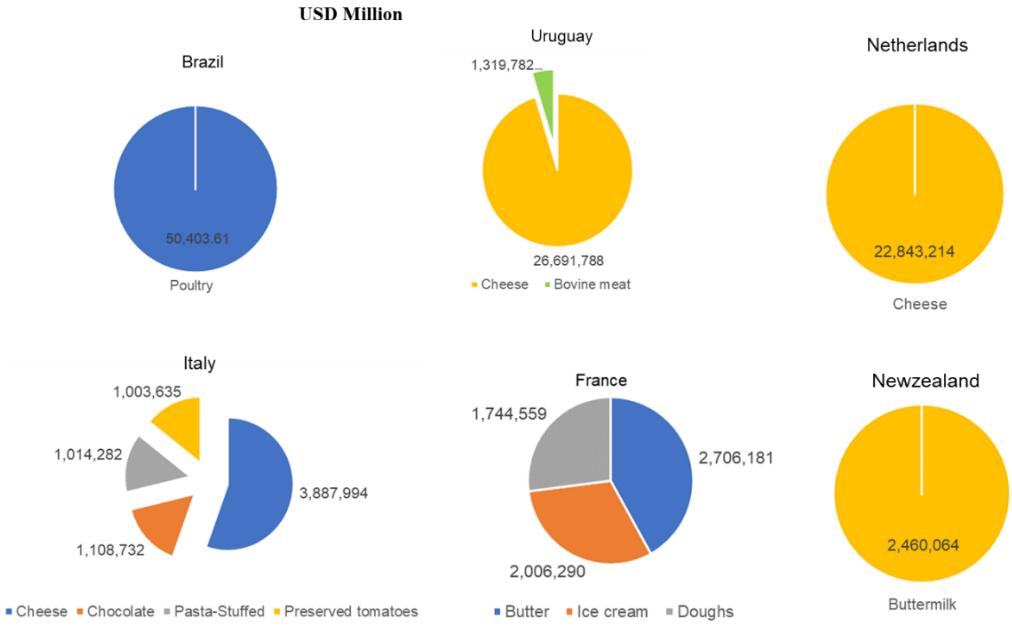
Refrigerated and frozen perishable products are inspected at temperature-controlled verification and inspection points. These facilities are also suited for the temporary cold storage of goods. In 2018, around USD 143.79 million of refrigerated food products entered the port of Veracruz. The top origins of refrigerated or frozen products were: Brazil, Uruguay, Netherlands, Italy, France, and New Zealand (see figure 10). For type of refrigerated product by country see figure 11.

**Fig. 10 Major Exporters of Refrigerated Products in 2018**




**Source: INEGI**

**Fig. 11 Principal refrigerated products by country through Veracruz in 2018.**




**Source: INEGI**

At this port grain and container terminals are complete with on-dock and near-dock intermodal rail yards that have direct access to the express railway connecting the port to rail hubs in major cities of central, south and northern Mexico.

Most of the grain imported through Veracruz leaves the port by rail to Central Mexico also known as Bajio. Kansas City Southern de Mexico and Ferrocarril Mexicano (Ferromex) provide rail service from the port to Puebla, Mexico City, Hidalgo, Queretaro, Nuevo Leon, Guanajuato, San Luis Potosi, and Michoacán (see figure 12).

**Fig. 12 Rail system from the Port of Veracruz to Mexico and the US.**


From the MPE main gate, trucks have immediate access to the port boulevard, a confined and exclusive access connecting the port to the Cardel-Xalapa expressway that links to main highways leading to Veracruz, Mexico City, Puebla, Guanajuato, Queretaro, and Aguascalientes.

**SENASICA Inspection Office in Veracruz**

SENASICA officials are stationed in the SADER building inside the Maritime Port of Entry. SADER's working hours are from 9:00 am to 19:00 pm Tuesday to Thursday; and from 09:00 am to 20:00 pm Monday and Friday. SENASICA has on-call personnel available 24/7 for inspecting grains arriving in bulk vessels. For additional information on SENASICA's and the Port Authority's schedule call 52 (229) 923-2170.

**Overview of Lazaro Cardenas Maritime Port of Entry**

Located in the state of Michoacán, the port of Lazaro Cardenas is Mexico´s fastest growing maritime port for imports and exports, between 2017 and 2018, total operations increased approximately by 20 percent.

The port infrastructure features modern technology and is the only port with a 59 "ft" draft depth, capable of receiving heavy lift vessels up to the Ultramax class vessels. The port has "STS Super Post Panamax" dock cranes for loading and offloading containers from ships of 22 or more containers wide. Concession holders at this port provide a whole range of services for the expedient handling of agricultural products arriving in bulk, breakbulk, and containerized vessels.

Lazaro Cardenas infrastructure allows for the efficient maneuvering of containerized and bulk agricultural cargo, making the inspection and clearance process quicker and more efficient than other Mexican seaports. Containerized agricultural cargo can be inspected and released by SENASICA and Mexican Customs (SAT) in three to four days; in contrast, the inspection and clearance process of containerized agricultural cargo arriving to the port of Manzanillo takes up to 10 days.

It would behoove U.S. agricultural exporters to explore the feasibility of using this port to export dry, refrigerated, or frozen containerized products to the interior of Mexico. It can also be leveraged as an alternative when the ports of Veracruz and Manzanillo are saturated. Lazaro Cardenas is also an efficient gateway for U.S. products going to Asia. In the past, cotton from Texas has been shipped to Asia through Lazaro Cardenas, when Gulf ports are saturated.

Lazaro Cardenas main hinterland covers 9 states including Michoacán, Jalisco, Mexico City, Estado de Mexico, Nuevo Leon, Guanajuato, Puebla, San Luis Potosi, and Queretaro among other states; its foreland includes the West Coast of North America, Central America, South America, and the Eastern Pacific Basin (see figure13). Via rail the Port of Lazaro Cardenas also connects to eastern US (see figure 14).

**Fig. 13 Port of Lazaro Cardenas Hinterland and Foreland**.

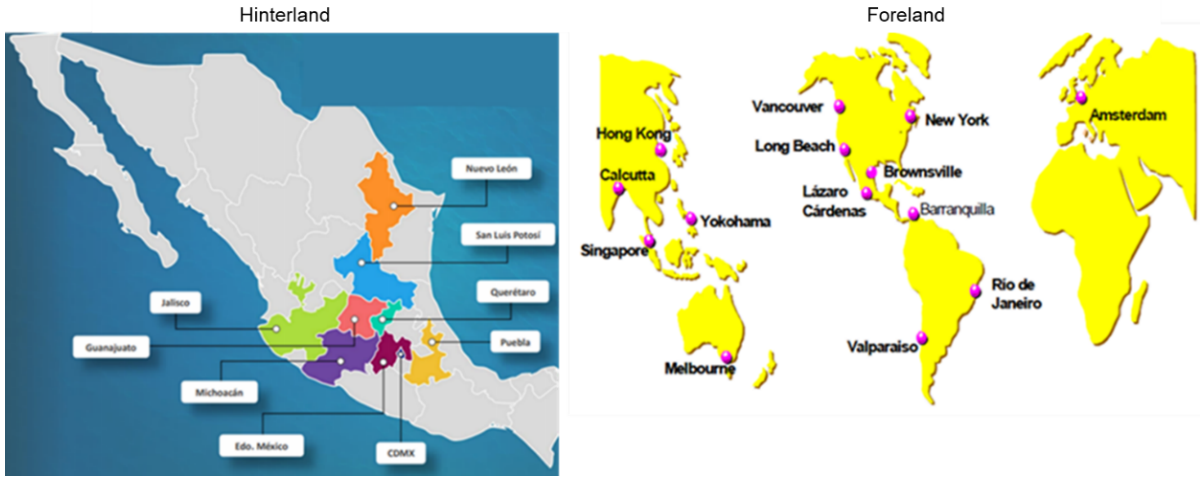
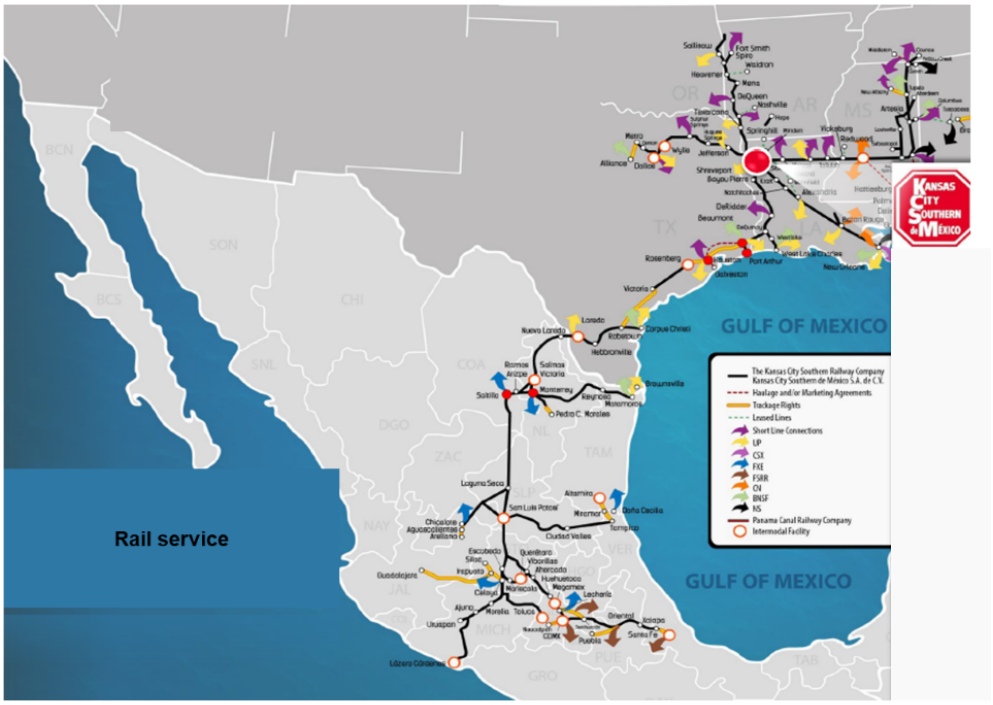
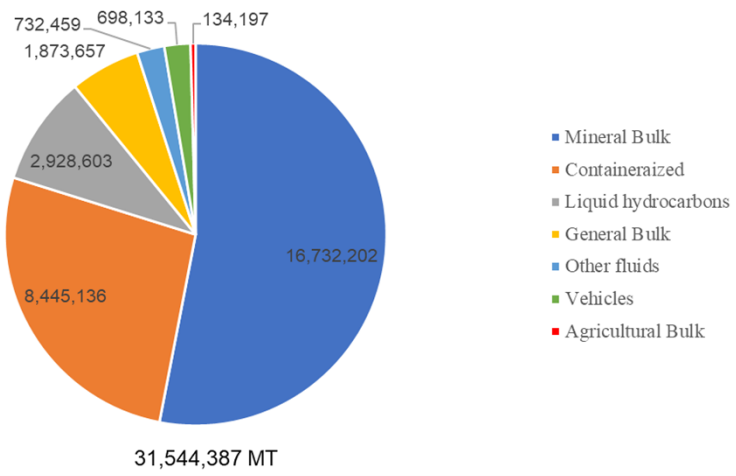



**Fig. 14 Rail system from the Port of Lazaro Cardenas to Mexico and the US**.



In 2019, total trade operations in Lazaro Cardenas surpassed 31 million metric tons. Figure 15 presents data by type of cargo.

**Fig. 15 Total operations in Lazaro Cardenas by type of cargo in 2019.**




**Source: INEGI**

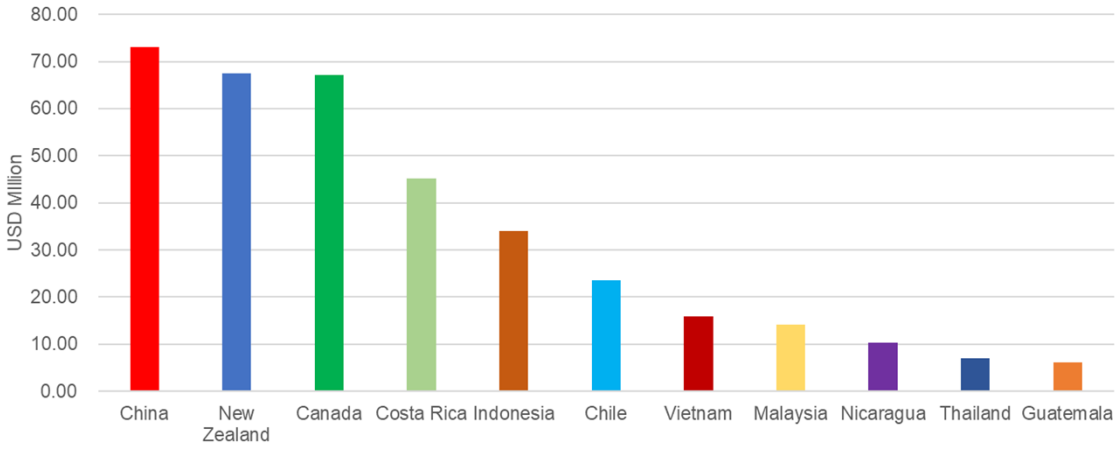
## U.S. Agricultural Exports by Vessel to Lazaro Cardenas

In 2018, from January to June the U.S. exported USD 104 thousand of agricultural products by vessel to the Port of Lazaro Cardenas. In the same period of 2019, U.S. agricultural exports to this port increased significantly to more than USD 15.7 million, driven by powdered milk exports.

## Non - U.S. Agricultural Exports by Vessel to Lazaro Cardenas

In 2018, major agricultural imports in terms of value through Lazaro Cardenas correspond to China with 18.7 percent, New Zealand with 17.3 percent, Canada with 17.2 percent, and Costa Rica with 11.6 percent (see figure 16).

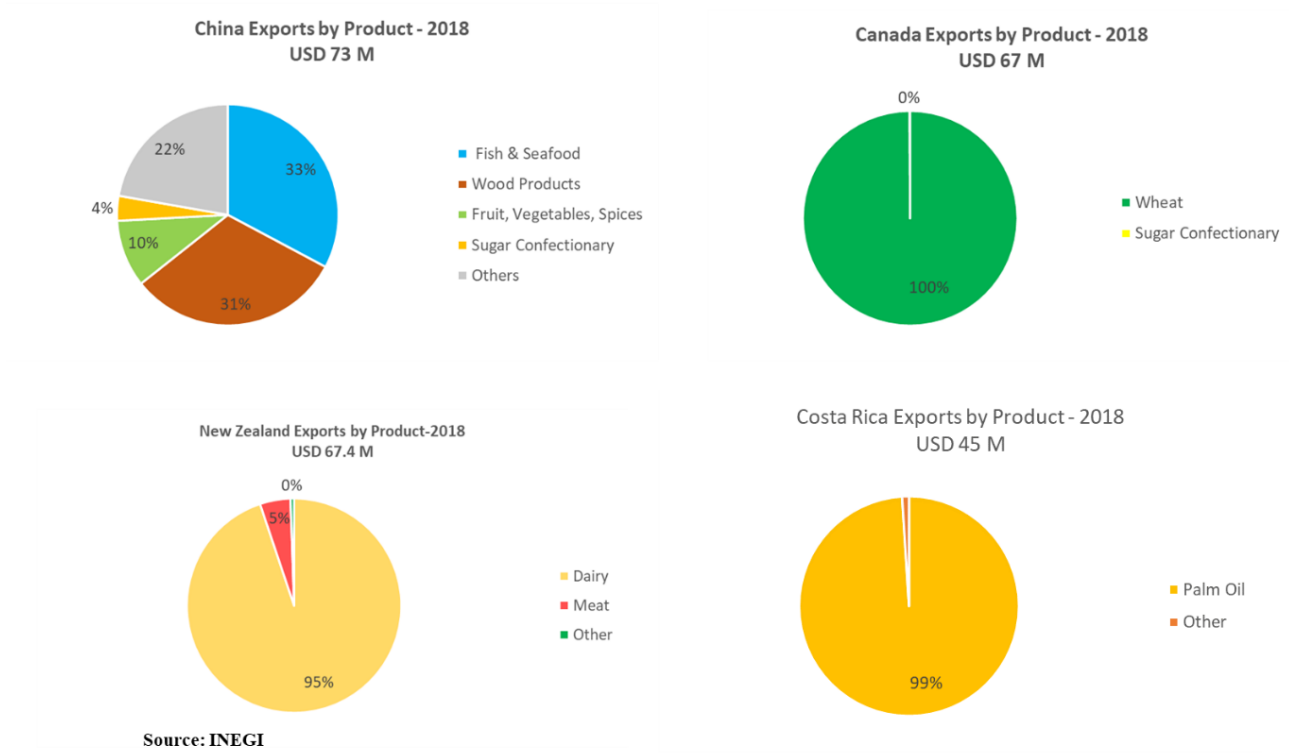
**Fig. 16 Principal exporting countries of agricultural products through Lazaro Cardenas in 2018.**




**Source: INEGI**

Figure 17 highlights the top four exporting countries through Lazaro Cardenas and their main products in 2018.

**Fig. 17 Major exporting countries and products through Lazaro Cardenas in 2018.**




**Source: INEGI**

## Verification and Inspection Points in Lazaro Cardenas

At the time of this report in Lazaro Cardenas there are two establishments inside the MPE foreign-trade zone approved by SENASICA to operate as verification and inspection points (VIPs) for agricultural products. These VIPs are approved for animal products and byproducts, plants, and plant products. Concession holders managing these VIPs are LC Terminal Portuaria de Contenedores (Hutchinson Ports) and Frigorifico UTTSA. Both companies offer services for containerized refrigerated and dry agricultural products. Terminal Portuaria de Contenedores is licensed to operate a fumigation area for the application of methyl bromide and aluminum phosphate, in case actionable pests are found in the shipment. See Annex I for more information on each of the VIPs in this MPE.

## Infrastructure and Logistics Inside the Port Foreign-Trade Zone

This maritime port of entry has one grain terminal owned and managed by Infraestructura Portuaria del Golfo (IPG) capable of moving grain from ship hold to silos, rail cars, and trucks. IPG has thirty-six silos with a total static storage of 80,000 MT of grain.

Hutchinson Ports and UTTSA have temperature-controlled facilities suited for inspection of fresh and refrigerated animal and plant products. UTTSA is also authorized for inspection of caprine and ovine half-carcasses. Both companies are also authorized to inspect dry plant products and grains.

The grain and container terminals are complete with on-dock and near-dock intermodal rail yards with direct access to the express railway connecting the port to rail hubs in Mexico City, Toluca, Queretaro, San Luis Potosi, Monterrey, Guadalajara, Altamira, Nuevo Laredo, and Houston. Most of the grain leaves the port by rail to Mexico City and Central Mexico. Kansas City Southern de Mexico provides rail service at this MPE.

From the port's main gate, trucks have immediate and exclusive access to the port boulevard that connects to the expressway known as Autopista Siglo XXI, linking the port to the main thoroughfares to important commercial markets like Guadalajara, Mexico City, Toluca, Queretaro, and San Luis Potosi.

**Considerations-Conclusion**

U.S. exporters from the West Coast can explore the opportunity of exporting containerized product by vessel to Lazaro Cardenas through the coast of Washington, Oregon, and California. Aside from dairy products, exporters of fresh and frozen fruit and vegetables, processed and ready to eat products, pet food, wheat, softwood, and animal feed should consider using Lazaro Cardenas to reach markets in Central and Southern Mexico. SeaLand, the regional ocean carrier of Maersk Group, offers direct service from Port of Hueneme, California to the Port of Lazaro Cardenas for refrigerated and non-refrigerated containerized cargo. Other providers offer service from Portland.

**SENASICA Inspection Office in Lazaro Cardenas**

SENASICA officials are stationed in the SADER building inside the Maritime Port of Entry. SADER's working hours are from 9:00 am to 19:00 pm Tuesday to Thursday; and from 09:00 am to 20:00 pm Monday and Friday. Upon request SENASICA has staff available 24/7 for receiving grain arriving in bulk. For additional information on SENASICA's and the Port Authority schedule call (753) 533-0700.

For images on available infrastructure in the Port of Lazaro Cardenas and the Port of Veracruz see Annex II.

**Annex I**

| Veracruz, Veracruz | | | |
|---|---|---|---|
| **NAME** | **LOCATION** | **WEBSITE** | **PRODUCT** |
| Almacenadora Golmex, | Foreign-Trade Zone | http://www.golmex.com.mx | Frozen, fresh and dry plant products.<br><br>Fresh, frozen, and dry animal and animal byproducts. |
| CIF Almacenajes y Servicios | Foreign-Trade Zone | www.cif-almacenajes.com.mx/ | Dry plant and plant products.<br><br>Dry animal and animal byproducts. |
| Corporación Integral de Comercio Exterior | Foreign-Trade Zone | https://www.grupocice.com/homecice/ | Dry plant and plant products.<br><br>Dry animal and animal byproducts. |
| Internacional de Contenedores Asociados de Veracruz - Hutchinson Ports | Foreign-Trade Zone | https://hutchisonportsicave.com/en/ | Dry plant and plant products; and used agricultural machinery.<br><br>Dry animal and animal byproducts. |
| Reparación Integral de Contenedores | Foreign-Trade Zone | http://ricsa.mx/ | Frozen, fresh and dry plant products.<br><br>Fresh, frozen, and dry animal and animal byproducts. |
| Terminales de Cargas Especializadas | Foreign-Trade Zone | NA | Bulk plant products. |
| Compañía de Equipamiento de Comercio Integral | Outside the port | http://www.grupocice.com/homecice/ | Bulk and packaged dry plant products; and used agricultural machinery<br><br>Dry animal and animal byproducts. |
| Logística Agroalimentaria del Golfo | | NA | Dry plant and plant products.<br><br>Dry animal and animal byproducts. |

| Lazaro Cardenas, Michoacán | | | |
|---|---|---|---|
| LC Terminal Portuaria de Contenedores | Foreign-Trade Zone | http://hutchisonportslct.com/en/ | Frozen, fresh and dry plant products.<br><br>Annex IFresh, frozen, and dry animal and animal byproducts. |
| UTTSA | Foreign-Trade Zone | http://uttsa.com.mx/ | Frozen, fresh and dry plant products.<br><br>Fresh, frozen, and dry animal and animal byproducts.<br><br>Fresh frozen half-carcasses. |

# Annex II

**Fig. 18 Grain terminal and internodal rail yard inside the Port of Veracruz.**

**Fig. 19 Refrigerated terminal and verification and inspection point inside the Port of Veracruz.**

Fig. 20 Containerized terminal and verification and inspection point for dry goods inside the Port of Veracruz.

Fig. 21 Grain terminal inside the Port of Lazaro Cardenas.

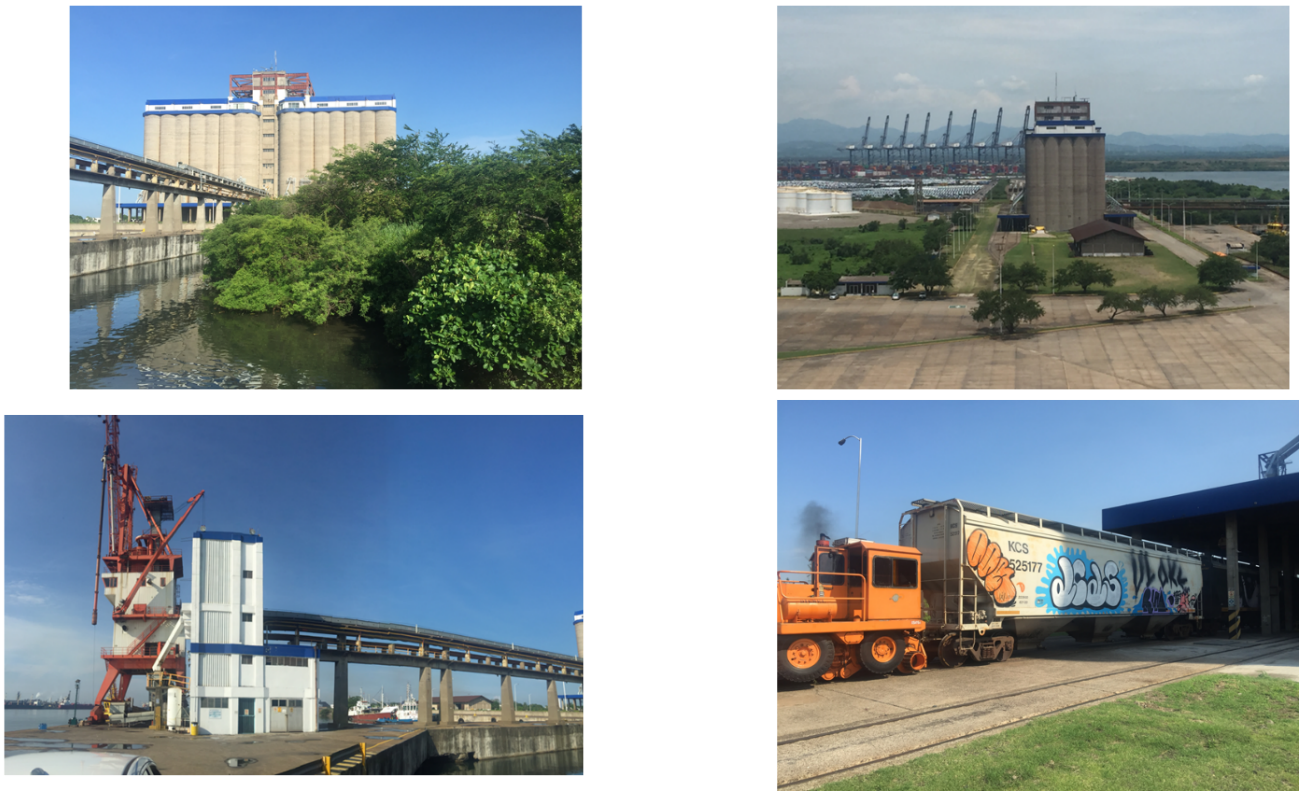
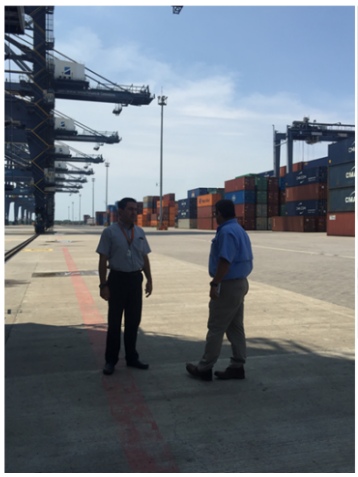
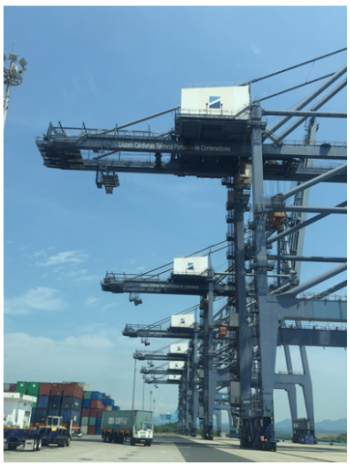


Fig. 22 Refrigerated container lot, and refrigerated verification and inspection point inside the Port of Lazaro Cardenas.


Fig. 23 Super cranes and container dock inside the Port of Lazaro Cardenas.





**Attachments:**

No Attachments.