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by



**H.E Ms. Claudia Ruiz Massieu Salinas**

Secretary of Foreign Affairs  
United Mexican States

on

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## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### **SLIDE 1. GREETING.**

- It is a pleasure to be here with you today.
- I am grateful to the Indian Council of World Affairs for inviting me to share my thoughts about Mexico's role in the world.

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### SLIDE 2. CONTENTS.

- First of all, I will provide a **general overview** of Mexico and its place in the world.
- I will then explain the bilateral relation with our neighbor to the North, **the United States**.
  - I will emphasize the **migration aspect**, since besides being a country of origin, transit and destination, we have now also become a country of return migration.
- Afterwards, I will briefly talk about Mexico's strategic position in **Latin America**.
- Having talked about our region, I will refer to the **role of Mexico in today's global governance**.
- Finally, I will examine our presence in Asia, with a particular emphasis on **India**.

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### SLIDE 3. MEXICO AT A GLANCE

*Anyone trying to understand the Americas in the XXI century has to understand Mexico, the bridge between the Latin American region and the North American world. Mexico is the unavoidable stop in the continent.*

- We are a one trillion economy, making us the **15<sup>th</sup> economy in the world**.
- **11 Free Trade Agreements**, 31 Reciprocal Protection of Investments Agreements:
  - Preferential access to a **market of 1.2 billion people** in **46 countries**.
  - We are the **key entry point to North and Latin America**.
- We are **expanding** our trade to **Asia** → **TPP**
  - When the TTP enters into force, we will have preferential access to a **market of 155 million people, in addition to the 1.2 billion** to which we already have access with our network of free trade agreements.
  - The TPP + EU Global Agreement, will make us a natural **bridge between Europe and Asia**.
- **5<sup>th</sup> most open economy** of the G-20 after South Korea, Germany, the UK and Saudi Arabia, and **13<sup>th</sup>** globally.
  - 85% of our exports are manufactured products.
  - 64% of the manufactured goods exported by Latin America are Mexican.
  - 36% of Latin America's total trade is Mexican.
- Mexico is committed to free trade. **Trade** represents **63% of our GDP**.
- Compared to most Latin American countries, our **commercial structure has changed**, today **85% of our exports are manufactures**.

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

- In 1982, 70.6% of our exports were oil, and 24.3% were manufactured goods.
- Today, we are the **12<sup>th</sup> world exporter of manufactured goods**, and the **3<sup>rd</sup> largest within the G-20**.
- We are the **13<sup>th</sup> largest recipient of Foreign Direct Investment**.
  - **Foreign Direct Investment is on the rise**, this shows the **confidence of investors in Mexico**.
  - In **2015**, the FDI we received was **25.8% higher than the 2014 forecast**.
  - During President Peña Nieto's administration, the accumulated FDI is 99,736.9 million USD, which is **more than 60% higher** than the amount received in the first three years of his predecessors (61,898.5 million USD).
- **13<sup>th</sup> largest and 11<sup>th</sup> most populated** country in the world:
  - About 12 million first generation Mexicans (those who were born in Mexico) live in the US and counting second and third generations the figure rises to almost 35 million.
- **15<sup>th</sup> largest contributor to the UN budget**.
  - We pay more than 22 EU countries (Germany, France, UK, Italy, Spain and the Netherlands).
- **Along with India**, as well as Brazil, China, Colombia, Congo, Indonesia, and Peru, we are a **megadiverse country**. Mexico is the **4<sup>th</sup> richest country in biodiversity**.
  - We concentrate around 12% of living species in the world.
  - **6<sup>th</sup> country** in the world with most sites in **UNESCO's World Heritage Sites** list.
  - **10<sup>th</sup> most visited country in the world**, 1<sup>st</sup> in Latin America and 2<sup>nd</sup> in the Americas

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- **Strategically located** between the Pacific and the Atlantic oceans and between North and South America, Mexico has what it takes to become the **global logistics hub and an export platform of advance manufacturing**.
  - Connected by 11,000 kms. of coastal limits to the Pacific and Atlantic, the two largest oceans of the world.
  - We share more than 3,000 kms. border with one of the largest markets in the world: the US.
  - More than 4,000 kms. border with Central America, where our investments are considerable.

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### SLIDE 4. MEXICO AT A GLANCE

#### ***Mexico has solid macroeconomic stability.***

- It is the result of an autonomous monetary policy with a flexible exchange rate, healthy public finances and a robust financial system.
- We have an autonomous central bank mandated to maintain price stability.
- Mexico's national debt equals 43% of our GDP. This figure is lower than Switzerland's (46%), Germany's (73%), the European Union (88%), the UK (90%) and the US' (105%).

#### ***Mexico is one of the largest economies in the world.***

- Mexico's GDP: 1.3 trillion USD
- Mexico is Latin America's second largest economy.
- 15th largest economy in the world.
- Mexico is Latin America's second most populated country. It offers a consumer market of 120 million people with a 18,000 USD per capita GDP

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### SLIDE 5. MEXICO'S HISTORICAL TRANSFORMATION

*Mexico is going through a historical transformation. It is rare to see a government that finds the appropriate external conditions to modernize and builds internal consensus for launching integral reform changes. This is precisely the moment that Mexico is experiencing. We are looking for partners to join us and benefit from the many opportunities ahead.*

- The exhaustive and opportune implementation of the **structural reforms**, propelled by President Enrique Peña Nieto and approved by Congress, is **strengthening the performance of key economic sectors**.
- **11 structural reforms** → promote economic competence and inclusive development.
  - Currently in the **implementation phase**, with **tangible results**:
  - **Tax reform has strengthened tax revenues and has facilitated the reduction of dependence on oil revenues.**
    - Currently, less than 20% of the total income derive from oil revenues, in comparison with 39.2% in 2012.
  - **The telecommunications reform has driven investment in the sector.**
    - **Greater investment** in the telecom sector has been recorded, deriving from **foreign corporations**, such as **AT&T, Virgin Mobile and Eutelsat**.
  - According to the **World Bank's** latest annual **Doing Business Report**, obtaining a **credit is easier in Mexico due to the Financial Reform**.
    - The Mexican government **improved access to credit** by executing a proclamation allowing a general description of possessions granted as collateral.



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- In 2015, Mexico **moved up 4 positions on the index of the World Economic Forum's Global Competitiveness Report**
  - Mexico moved up **17 positions in the financial** market development category
  - **6 in the infrastructure and technologic** preparation category, and
  - **4 positions in the goods market** efficiency category.
- The **financial reform has increased credit and decreased its costs for corporations.**
  - The interest rate for corporations decreased by 0.9%.
  - Furthermore, the funding granted to the private sector increased by 5.5 percentage points of GDP.
- **Ease of Doing Business**
  - In **Mexico**, an investor only requires **6 days and 6 procedures** to start a company. In **China** an investor requires **33 days** to start a company and in **Brazil 107 days**.
- **Positive impact for Mexicans, for instance:**
  - The **telecommunications reform has reduced telephone fees.**
    - **40.7%** in tariffs applied to international long distance, **18.2%** in tariffs of the mobile phone sector and 4.2% in tariffs of fixed telephone services.
    - More than **65 thousand** public places will provide free internet access.
  - The **financial reform has increased credit and decreased its costs for households**

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- The interest rate on consumer credit decreased by 1.9% and 0.7% for households.

***Like India, Mexico is a Democracy that relies on its institutions. We have an open government that promotes transparency, accountability, and access to public information in all its federal instances.***

- **Autonomous institutions**
  - National Commission for Human Rights (**CNDH**)
  - National Institute of Transparency, Access to Information and Personal Data (**INAI**)
  - National Council on the Evaluation of Development Policies (**CONEVAL**)

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### SLIDE 6. MEXICO AND THE UNITED STATES: TURNING NORTH AMERICA INTO THE MOST DYNAMIC AND COMPETITIVE REGION

*Our common border is a region of opportunity, prosperity, innovation and growth. Mexico and the US have transformed the paradigm of what an international border crossing should be. Our border, the busiest one in the world, benefits from our cooperation. Today, the crossing of good and people is more secure and agile than ever.*

- **Our border is the motor for economic, commercial and social development for Mexico and the US thanks to the actors and elements that converge within it.**
- **We envision our border as an area of integration that brings our countries together, rather than as a physical division. Mexico and the US have learned how to capitalize on our geographic vicinity.**
  - A deep social and economic integration is already underway.
  - We share a common border of over 3,000 km.
  - There are 58 points of entry along our northern border.
  - There are over 1 million legal crossings per day and over 370,000 vehicle crossings.
  - The border area is home to over 14 million people in Mexico and the US.
  - Every day over 1 million people cross the Mexico-US border legally.
  - Over 70% of all bilateral trade crosses by land.
- **Our economic relation is intense, to say the least. Every minute, our countries trade 1 million dollars.**

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- This number amounts to 1.4 billion dollars in bilateral trade per day.
- Our total bilateral commerce in 2015 was 531 billion USD (we trade more than half a trillion dollars each year).
- Last year alone, we exported 294 billion USD in goods. This figure was 3.1 times greater than Brazil, Russia, India and South Africa combined export to the US.
- Bilateral trade increased 483% within a 20 year period since Mexico, Canada and the US adopted the North American Free Trade Agreement in 1994.
- Mexico is the first or second trade partner to 22 US states.
  
- **We acknowledge and act upon our domestic, regional and global responsibility as a country of origin, transit, destination and return migration.**
  - Mexico has evolved from being mainly a country of outward migration to one that also has significant inward, return and transit of migrants. Our public policies have been adapted to reflect this new reality.
  - There are 35 million people of Mexican origin currently living in the US (this represents 11% of the total population and 63% of the Hispanic population).
    - 11.7 million Mexicans in the US were born in Mexico.
    - Although Mexico is the main country of origin of foreigners living in the US, it is no longer the primary source of migrants.
  
  - Every day more and more Mexicans are returning from the US than those entering it.
    - The main driver of this shift in migration flows is family reunification, followed by the economic situation in the US.

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- Our consuls in the US work tirelessly to represent the interests of Mexico and Mexicans abroad. Mexico has the largest consular network within one single country: there are 49 Mexican consulates in the US.
- We also work hard to fix the underlying issues that cause violence and inequality in the region in order to address the root of problems like irregular migration flows. We have close collaboration projects with different countries in Central America, particularly with Guatemala, El Salvador and Honduras.
- We are helping transform the region's energy mix to increase competitiveness through the construction of a regional gas duct. We are also supporting the electric interconnection between our country and the Central America to reduce production costs for companies and households in the region.

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### SLIDE 7. WHAT CAN MEXICO LEARN FROM INDIA'S EXPERIENCE WITH ITS DIASPORA?

***Diaspora engagement is an area of common interest between Mexico and India. Although each diaspora has different characteristics and each country's migration flows have responded to different push and pull factors throughout history, Mexico can learn much from India on this issue.***

[The slide shows each country's diaspora characteristics and how the Indian and Mexican governments engage with their population abroad.]

I will first explain what we are doing in terms of diaspora engagement. I will then propose a set of open questions on what Mexico and India can learn from each other.

- Mexico is developing strategies on how to engage with second and third generation Mexicans in the US.
  - Dual nationality
  - DREAMER Networks and DREAMER visits to Mexico
  - 3x1 and other remittance investment programs
  - India has the largest diaspora in the world (16 million).
  - Mexico has the second largest diaspora in the world (12 million).
  
- We are shaping public policy so our programs respond to the current international and regional migration context. As I mentioned before, more migrants are returning to Mexico.
  - On average, from 2009 to 2014, 167, 000 migrants returned to Mexico from the US (1 million Mexicans in total during this period).
  
- We are in the process of launching a new program designed particularly for returning migrants. "Open Doors" consists of a one-stop shop in Mexico where migrants can

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receive services from different ministries and government agencies to facilitate their social and economic reintegration.

- This would make the process friendlier and more efficient for migrants.
- We currently offer similar services abroad through our consular network. In each consulate we coordinate:
  - Public Health efforts (Health Window),
  - Education (administrative procedures, scholarships, online education)
  - Economic (financial education)
  - Development efforts (government grants to invest in Mexico)
- The Ministry of Overseas Indian Affairs recently merged with the Ministry of External Affairs in an effort to “minimize government and maximize governance.”
  - Due to the multiplicity of actors involved in all aspects of migration, Mexico would be interested in hearing about India’s experience.
- India has also been incredibly effective in promoting its people’s skills and their contributions to their countries of destination.
  - It can even be said that India has been successful in using its diaspora as a public diplomacy tool.
    - What concrete actions has the government and other sectors taken to make this possible?
    - How has the government used its then Ministry of Overseas Indian Affairs, now Ministry of External Affairs, to create and spread this narrative?

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### SLIDE 8. A LATIN AMERICAN COUNTRY IN NORTH AMERICA

*The region is going through a positive transformation process, propelled by:*

- *The strengthening of democratic exercises; e.g. Argentina's recent general elections in which President Macri was elected and the renovation of the Venezuelan National Assembly with a historic majority of the opposition party.*
- *The opening to international markets; e.g. Despite its early stage, the Pacific Alliance has proven even greater achievements than our predictions. Also, our ongoing reforms, in key sectors such as the energy and telecom, are already opening new international investment opportunities.*
- *Our permanent dialogue; supported by mechanisms such as CELAC, which has been highly effective for establishing political dialogue and drawing a common route.*

#### Pacific Alliance

- **The Pacific Alliance (Chile, Colombia, Mexico and Peru) is the most creative and effective initiative of regional integration worldwide.**
- **Its success can be explained as a result of a common vision and shared values, as well as our focus on clear objectives.**
- **Free trade is our means to social justice, economic growth and inclusive development.**



## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

- **The complementarities of our countries makes us stronger, for they allow us to diversify our commercial exchanges, increasing the presence of our products within the region and abroad.**
- **Our main competitive advantages are in the mining, forestry, energy, agriculture, automotive, fishing and manufacturing sectors.**
- The four countries together, we represent:
  - 36% of Latin American population (214.1 million people).
  - 8th largest economy and the 8th largest exporter worldwide.
  - 38% of Latin America's GDP.
  - GDP per capita: 16,500 dls.
  - 50% of the región's international trade.
  - Attracts 45% of Foreign Direct Investment.
  - The largest stock market in the region with 780 listed companies.

### Cuba

- **Cuba is a strategic relationship for Mexico: they are our key partner in the Caribbean.**
  - Since the re-launch of Mexican-Cuban relations in 2013, we have been focusing our work in revamping our cooperation framework, bilateral trade and investments.

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- The re-launch of the relationship with Cuba has had a cascade effect for Mexico's foreign policy and trade activity:
- The first company authorized to invest in the Special Development Zone "El Mariel" was Mexican and currently there are two Mexican firms that have been authorized to carry out these activities.
- On June 2015, **Cuba and the US reestablished their diplomatic ties** and dialogue; one of the transcendental events in the region.
  - Mexico has welcomed this development and we are ready to accompany Cuba in the transition process.
- *We recognize the advancements that have been achieved; nevertheless, we urge both countries to continue their dialogue to solve some pending issues, such as: 1) the lifting of the economic embargo, 2) the return of Guantanamo and 3) the restitution of property that was expropriated to the US ( 7.6 billion dollars .)*

### Permanent dialogue: CELAC

- **It is the only forum that brings together the 33 Latin-American and Caribbean countries.**
- As part of the commitments made in the 2016 Action Plan, signed in Ecuador, we aim to build a comprehensive scheme that allows to establish external relations that suits the interests of all members of CELAC.
  - During 2016, we have agreed to move forward with Russia, **India**, Korea, Turkey, Japan and ASEAN.

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### SLIDE 9. SHAPING GLOBAL NORMS AND VALUES: MEXICO AND THE GLOBAL GOVERNANCE CLUBS

- Just like India, **our behavior in multilateral fora** has the intention of **constructing global norms and values**.
  - For this reason, we are active members in several “governance clubs”.
- The **UN has traditionally been a natural space of action** for Mexico.
  - We have promoted several initiatives from peace and security, development, and human rights.
- In both the **G-20** and the **Pacific Alliance**, we have witnessed how **political issues have become part of the agenda**.
  - We participate because of the economic nature of both mechanisms, but at the same time we stand ready to discuss political issues.

### MIKTA

- We have created a **new and innovative grouping: MIKTA** (Mexico, Indonesia, South Korea, Turkey and Australia)
  - Together, we are the **third largest economy in the world**, total GDP: 5.8 billion USD, 7.5% of the world economy.
  - We are all **middle powers, open to free trade, emerging economies, democratic systems, regional leaders, potential of high growth, strong internal markets and increasing purchasing power**.
  - These are a some of our objectives:

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

- **Bolster our bilateral relations and political dialogue.**
- Consult each other in order to have **common multilateral positions** in order to find **constructive solutions to global challenges**.
  - In 2016 → **North Korean** nuclear test, Plan of Action to Prevent **Violent Extremism**.
- Develop **joint cooperation projects**.

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### SLIDE 9. OUR ROLE IN GLOBAL GOVERNANCE: SHAPING NORMS AND VALUES

*When there is a will, there is a way for international cooperation. We witnessed this last year in the 2030 Development Agenda and the Climate Change negotiations. There is no single UN issue without Mexican imprint: disarmament, financing for development, human rights, women.*

- Like India, we are within the UN inner circle of the countries that “matter”. Mexico and India are always in the group of countries that are consulted for major decisions within the UN
- In the UN, Mexico and India **share views** on issues such as **development, decolonization** and the **Middle East**.
- Because of the role we both play in international relations, it will be essential to continue our dialogue on multilateral issues such as the following:

#### Sustainable Development Goals

- 2015, **renewed commitment to multilateralism** → **2030 Development agenda + Paris Agreement** (climate change)
- Sustainable Development Goals → “**think global, act local**” → inclusive approach because:
  - Considers both developed and developed countries
  - Vulnerable Groups
  - All stakeholders: governments, local governments, private sector, civil society and academia

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

- Three dimensions of development: economic, social and environmental
- Expectation → **transformative effect in public policies**
- Mexican contributions:
  - **Multidimensional approach** to poverty
  - Recognition of **migrant's** contribution to development
  - **Gender equality** as well as girls and women empowerment

### Energy

- **Climate realities** make us think about **cleaner and greener growth alternatives**.
- Mexico **welcomed** the adoption of the **Paris Agreement**, especially because it applies to both **developed and developing countries**.
- Our energy reform commits us to have cleaner energy in the future.
  - In fact, it is an area of potential investment in Mexico.
  - We are the **3<sup>rd</sup> most attractive country for photovoltaic solar energy** (after South Africa and Turkey).
  - **1<sup>st</sup> place in Latin America** in production of geothermic energy, and **4<sup>th</sup> in the world** (after US, Philippines and Indonesia)
- I am aware of the **French-Indian International Solar Energy Alliance** that can be a **synergy** to work on.
  - For instance, by 2024, by law, we should produce 35% of electric energy from renewable sources, including solar energy.

### Peacekeeping operations

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- In 2015, Mexico **resumed its participation** in United Nations **Peacekeeping Operations**, after the announcement made by President Peña Nieto in the 69<sup>th</sup> General Assembly.
- With this decision Mexico is assuming its **full commitment with** the maintenance of **international peace and security**.
- Today, Mexico is participating with military personnel in the Missions in **Haiti** (MINUSTAH), **Western Sahara** (MINURSO) and **Lebanon** (UNIFIL). On this first stage, we intend to **build capacities in order to increase our participation gradually**.
- As the President announced at the last Peacekeeping Summit in 2015, we will establish **our own Peacekeeping Training Center in 2018**.
- It will be important to **learn best practices** from countries that are **major troop contributors** such as India.

### Security Council Reform

- The reform and enlargement of the Security Council **has traditionally divided Mexico and India**.
- However, at the end of the day, **we both would like to see something very similar: a more representative UNSC**.
- We have **different means**:
  - **India** prefers to have **new permanent members** and aspires to become one of them.
  - **Mexico** and an important group of countries **do not favor new permanent members**.
- Too long discussion → **time to reach an agreement**, the only ones who benefit are the permanent members.

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- Our proposal: a **compromise solution** → creation of **long-term seats, non-permanent, possibility of reelection**.
  - It a **realist solution** that could be achieved in the **short run**.
  - Developing countries can **effectively influence the agenda**.
  - It will preserve **accountability**.
  - It will make the Council more **flexible to adapt** to the reality of the world.
- **Here, in the largest democracy in the world, I underline that elections are the truly essential element. How can we in the 21<sup>st</sup> century promote the permanence and privileges without the scrutiny of the international community?**
  - More permanent members = more paralysis
  - Respect India's aspiration to become a permanent member → but for how long is **India willing to wait?** Do you expect **veto power** to be granted? **What value does permanence have without this power?**
  - Respectfully, we **invite India to consider** the **compromise solution** promoted by Mexico.



## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### SLIDE 10. HOW CAN MEXICO “MAKE IN INDIA”?

*India and Mexico share a vision of the future and their place in it as regional powers and economic hubs. Back home we call this vision “Moving Mexico”, here you call it “Make in India”. Not surprisingly, they run in parallel directions.*

- **One pillar of Make in India is to attract and facilitate investments. In Mexico we also aimed at increase productivity and investments:**
  - We moved up four positions on the Index of the World Economic Forum’s Global Competitiveness Report.
  - 17 positions up in the financial market development category.
  - 6 positions up in the infrastructure and technologic preparation category.
  - 4 positions up in the goods market efficiency category.
  - Obtaining a credit has become easiest in Mexico as a result of the reforms, according to the World Bank’s latest annual Doing Business report.
- **Make in India also aims at training and creating jobs for its youth. In Mexico, we accomplished an ambitious education reform:**
  - More than 3.4 million students have benefited from it.
  - Three more hours of class and additional activities to develop student’s skills.
  - 23,182 full time schools.
- **Business facilitation is an integral part of “Make in India”, as economic competitiveness, fiscal and financial reform for Moving Mexico:**
  - The financial reform has increased credit and decreased its cost for consumers (1.9%), households (0.7%) and corporations (0.9%).
  - The funding granted to the private sector increased by 5.5 points of the GDP.

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- Tax reform endorsed tax revenue making Mexican economy less dependent on oil. Currently less than 20% of the total income derive from oil revenues, in comparison with 39.2% in 2012.
- In 2014 tax collection ranked the best in Mexican history, with 10.5% pf our GDP.
  
- **An important objective of Make in India is to remove obsolete limits to Foreign Direct Investment. In Mexico, with the Energy Reform we opened the energy market to private investors while preserving the interest of the state in this strategic sector:**
  - PEMEX (the state oil company) public and private investment project involved approximately 23 billion dollars. Which will help create over 63,000 jobs.
  - Mexico's government invested 244 million dollars to modernize electric circuits, underground networks and electric power plants between 2010 and 2014.
  - The cost of energy has decreased and investment has increased. For the first time in modern history the price of gas and diesel decreased (by 3%).
  - The funding granted to the private sector increased by 5.5 points of the GDP.
  
- **And while India is launching its Smart Cities Mission in order to create 100 intelligent cities and provide affordable housing, in Mexico we are created the Special Economic Zone (SEZ):**
  - These are areas that possess natural and logistic advantages, and will receive special benefits to turn them into highly productive zones, creating investment and employment.
  - They enjoy special tax and labor incentives.
  - Special tariffs, regulatory provisions and preferential conditions to do business.
  - First class infrastructure.
  - Special programs to create human capital, stimulate financing and innovation.

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### SLIDE 11. MEXICO-INDIA: A MYRIAD OF OPPORTUNITIES AT OUR FINGERTIPS

*Today, Mexico has a clear vision for our common future: through a renewed and strong relationship, both countries must take full advantage of the myriad of opportunities at our fingertips.*

*The relationship between two economies with the size of Mexico and India, deserves to be a priority of our bilateral agendas.*

#### Global markets

**Mexico is a natural bridge for India's dive into the most dynamic regions worldwide. Our network of Free Trade Agreements and strategic alliances make us an entryway to North America and Latin America.**

- Mexico is strengthening its presence in all the regions of the world.
  - **TPP** (North America and Asia), **Pacific Alliance** (Latin America), **Global Agreement** (EU).
  - Being the 15th Economy in the world, we share with India our membership to one of the most exclusive governance clubs: the G-20.
- **Our privileged location and strategic relationships have sparked the interest of many countries that, like India, have a high interest on further involvement in the continent.**

#### Trade and Investment

**Trade between Mexico and India has only grown around 19.2% in the last decade. Again, two G-20 economies, with the size of Mexico and India, should increase their trade figures.**

- The value of Mexican exports to India is US \$1.8 billion, while imports from India are valued around US \$4 billion.

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

- Bilateral trade adds up to US \$5.9 billion (2015 figures).
- We have to **work together and explore new opportunities to deepen our economic and trade exchanges.**
- There are numerous areas in which we could find **complementing synergies.**
  - The **manufacture industry** embodies a clear example: Mexico is mainly an exporter of manufactured goods. On the other hand, the bulk of India's investments in Mexico is precisely in this industry.
- Similarly, our **bilateral investment** reflects an area of opportunity for strengthening our mutual commerce.
  - Mexico is India's second largest Latin American investor, with an FDI of over 282 million USD.
  - In Latin America, Mexico is the second destination for Indian FDI.
- However, we acknowledge that approximately **173 Indian firms**, mainly from the automotive, pharmaceutical and IT sectors, are established in Mexico.
  - These include Tata Consultancy Services (TCS), Claris Life Sciences, Sur Pharma and Aspen Labs.
- India is home to at least 11 Mexican firms from various sectors, including entertainment (Cinepolis and Kidzania) and automobile parts (Metalsa and Nematik), which have experienced a notable expansion in India.
  - Metalsa, Grupo Kuo, Nematik Cooperación EG, Cinépolis, Katcon, Xignux, Gennoma Lab, CEMEX, Indotech, Great Food & Beverages, Homex, Kidzania.

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### Business opportunities

**India and Mexico should double their efforts to promote and exploit business opportunities through the organization of trade fairs, seminars, and fostering the exchange of dialogue among stakeholders in strategic sectors.**

- There are **numerous prospective opportunities** for Indians who wish to engage in business in Mexico. The automotive industry is an example.
  - Our country is achieving **notable developments in manufacturing automotive** and auto parts, a sector in which India has shown a **high interest** in recent years.
  - Tata Motors stands as an example of success found by a multinational Indian company looking to invest in this sector in Mexico.
- In addition to the automotive industry, there are similar **opportunities** for Mexico and India in the **mining industry, and the sectors of IT and Technology**.

### Tourism

**Tourism is a driving force for achieving sustained levels of economic growth, job creation and poverty reduction.**

- In terms of tourism, we have seen an **increase** in the number of visitors from both countries; we want these figures to **keep increasing**.
- In 2015, Mexico welcomed an increase of 22.6% visitors from India, compared to the year prior. Likewise, recent data shows Mexican tourism to India has grown significantly, showing a 24% increase (in 2014, compared to 2012).

## EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE

### Science and technology

**Mexico and India are developing a stimulating relationship in the fields of science and technology. Our space agencies maintain a productive dialogue; they currently work together on disaster management techniques to be used during geological phenomena such as cyclones, floods and earthquakes.**

- In fact, in 2014, Mexico and India signed a **Memorandum of Understanding** between the **Indian Space Research Organization and the Mexican Space Agency**, formally agreeing on **cooperating in areas related to the peaceful use of our outer space.**
- We look forward to collaborating with India further in issues related to scientific and space technology, in which India is undoubtedly a world leader.

\*Full transcript of the Lecture will be uploaded shortly

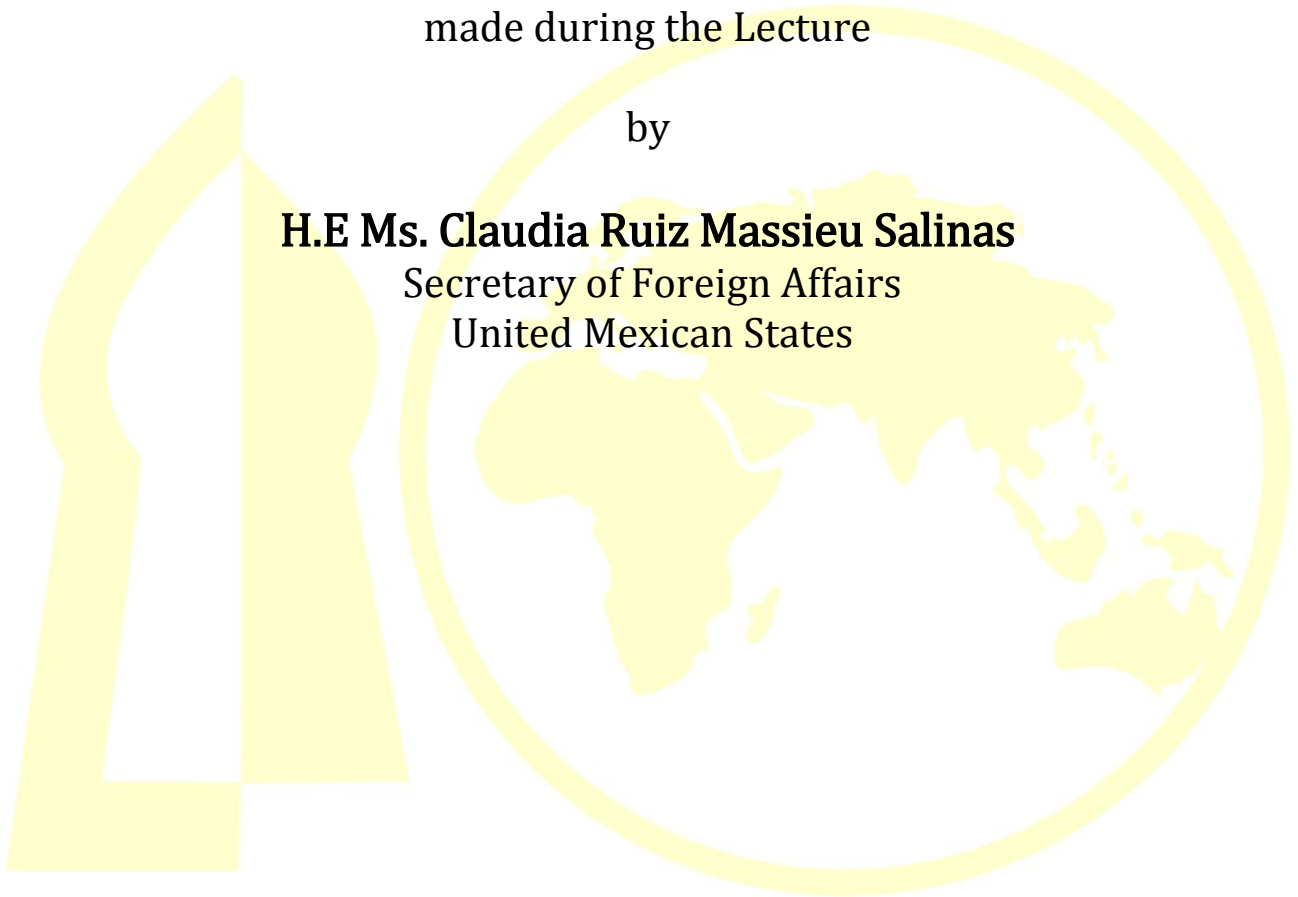


# Power Point Presentation

made during the Lecture

by

**H.E Ms. Claudia Ruiz Massieu Salinas**  
Secretary of Foreign Affairs  
United Mexican States





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# **EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE**

**CLAUDIA RUIZ MASSIEU**

**MINISTER OF FOREIGN AFFAIRS OF MEXICO**

**INDIAN COUNCIL OF WORLD AFFAIRS**



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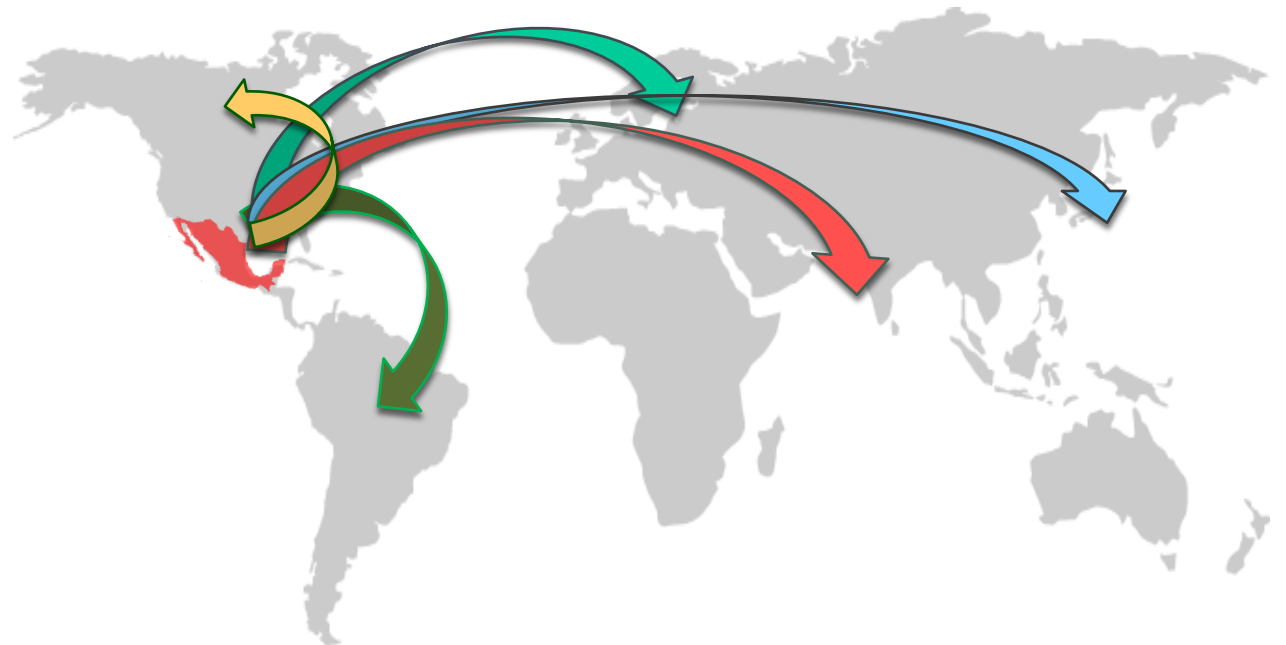
# I. MEXICO AT A GLANCE



- 15th largest economy (1.3 trillion GDP)
- 13th most open economy (11 Free Trade Agreements with 46 countries and a market of 1.2 billion consumers)
- 3rd largest exporter of advanced manufacturing in the G-20 countries (after South Korea and Germany)
- 13th largest recipient of FDI (28 billion)
- 13th largest country (1.9 million square kilometers)
- 11th most populated country (120 million people)
- 15th contributor to the UN regular budget
- 29th contributor to the UN Peacekeeping Budget.
- 4th richest country in biodiversity
- 6th country with the most UNESCO sites (32)
- 2nd country most visited in the Americas

## Strategic location:

- Between the Pacific and the Atlantic Oceans
- A bridge between North and South America,
- A powerhouse in the making with:
  - All requirements to become a **global logistics hub**
  - An **export platform of advanced manufacturing.**



## I. MEXICO AT A GLANCE



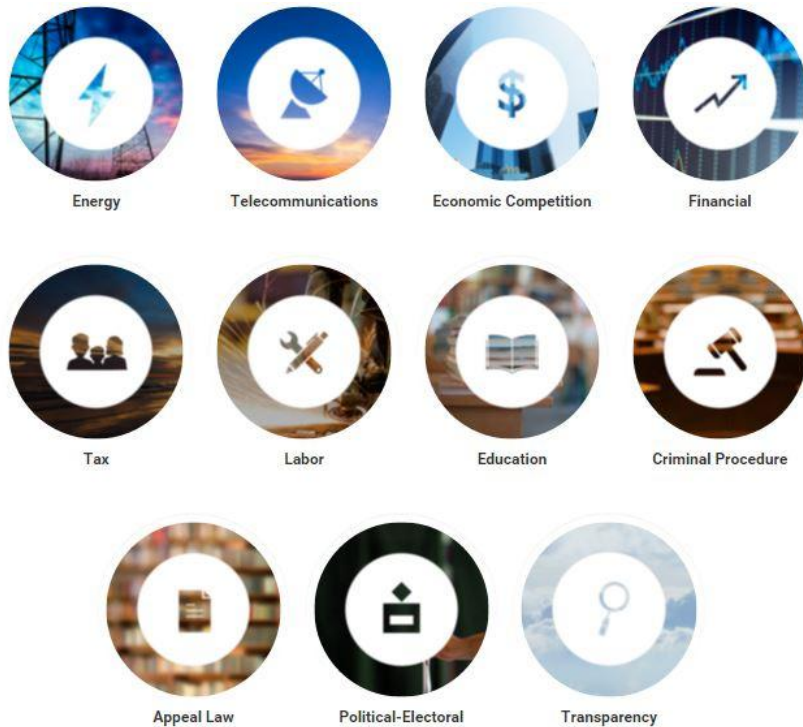
“Mexico is set to become one of the most dominant economic powers of this century” —New York Times

“Mexico will be the 5<sup>th</sup> largest economy in the world by 2050”—Goldman Sachs

“By 2018 America will import more from Mexico than from any other country. “Made in China” is giving way to “Hecho en México”—The Economist

## II. MEXICO'S HISTORICAL TRANSFORMATION

### TRANSFORMATIONAL REFORMS



### KEY CHANGES IN KEY SECTORS

- We are successfully implementing the structural reforms.
- Thus, **Mexico is... delivering:**
  - Strengthening Mexico's performance in key sectors that are triggering technological and financial development.
  - These reforms are not intended **for the next election but for the next generation.**

Increase  
productivity

Expand citizen's  
rights

Strengthen our  
democratic values

# MEXICO AND THE UNITED STATES: TURNING NORTH AMERICA INTO THE MOST DYNAMIC AND COMPETITIVE REGION

Our common border is a region of opportunity, prosperity, innovation and growth.

- **3,000+** km
- **58** ports of entry
- **370,000** daily vehicle crossings
- Over **1 million** legal crossings
- Home to **14+ million** people
- **70%** of all bilateral trade crosses by land.

COMMON  
BORDER

Our economic relation is intense, to say the least. Every minute, our countries trade 1 million dollar.

TRADE

- Total bilateral commerce (2015): **531 billion USD**
- **294 billion USD** in exports to the US (2015): **3.1 x than Brazil, Russia, India, and South Africa combined.**
- **6 million** US jobs are supported by our bilateral trade
- Bilateral trade increased **483%** within a 20 year time frame thanks to the adoption of NAFTA.

We acknowledge and act upon our domestic, regional and global responsibility as a country of origin, transit, destination and return migration.

MIGRATION

- 35 million people of Mexican origin currently live in the US
- From 2009-2014, more Mexican migrants returned from the US than those that left Mexico
- Largest consular network within one single country: 49 consulates
- Regional Cooperation with Central America to address the root causes of migration.



# WHAT CAN MEXICO LEARN FROM INDIA'S EXPERIENCE WITH ITS DIASPORA?

## INDIA

- Mostly high-skilled migrant workers
- Ministry of Overseas Indian Affairs (MOIA) merger with the External Affairs Ministry.
- Youth outreach, creating jobs abroad through Indian companies
- Long tradition of recognizing the value of diaspora abroad for public diplomacy
- 132,888 Indian students in US (2015)

## MEXICO

- Mostly low to mid-skilled migrant workers
- Sub-ministry level diaspora institution
- Long-term empowerment strategy
- Gradual shift from protection to the promotion of migrant integration
- 35,722 Mexican students in the US (2015)

Diaspora engagement

Sharing best practices

Lessons learned

Integrating returning migrants

Creating trust through success stories abroad

## IV.A **LATIN AMERICAN** COUNTRY IN NORTH AMERICA



### THE PACIFIC ALLIANCE

#### A surpassed forecast

- The **most creative and successful initiative of regional integration** with projection to the **Asia-Pacific region**.
- 36% of Latin America's population.
- 8<sup>th</sup> largest economy and the 8<sup>th</sup> largest exporter worldwide.
- 38% of Latin America's GDP.
- 50% of the region's international trade.
- Attracts 45% of FDI
- The largest stock market in the region with 780 listed companies.
- Coincidences are automatically leading us to strengthen **our political like-mindedness**.

### CUBA

#### Re-entry to the hemisphere

- A game changer in the region: **rapprochement of Cuba and the US**.
- Mexico is **ready to strengthen our dialogue with Cuba throughout this transition process**.
- The **first company authorized to invest** in the Cuban Special Development Zone ("El Mariel") was **Mexican....and not by coincidence...**

### CELAC

#### The real Latin American Global South



- A platform that is finally allowing **the region to speak with a single voice**.
- All 33 Latin American and the Caribbean countries.
- Represents 17% of UN member states.
- The region with the largest food production and export in the world.
- 30% of forest area of the globe.
- 33% water resources on earth.
- Reduced hunger from 14.7% to 5.5% since 1990.



# V. SHAPING NORMS AND VALUES: MEXICO AND THE GLOBAL GOVERNANCE CLUBS

UN

OECD

G-20

MIKTA

- Mexico, Indonesia, Korea, Turkey & Australia
- Middle Powers
- Open to Free-Trade
- Emerging economies
- Democratic systems
- Regional leadership
- Potential for high growth
- Strong internal markets
- Growing purchasing power



**MIKTA**  
New Innovative Partnership

Pacific Alliance

**Imperative:** Active contribution to the design and construction of the global normative order.

**Vehicle:** the old and emerging “global governance clubs.”


# V. OUR ROLE IN GLOBAL GOVERNANCE: **SHAPING NORMS AND VALUES**

When there is a will, there is a way for international cooperation.

There is no single UN issue without Mexican imprint.

Like India, we are within the UN inner circle of the countries that “matter”.

Further dialogue  
Mexico-India



## Sustainable Development Goals

- “Think global, act local” defines SDGs.
- Inclusive approach.
- Mexico’s contributions: gender equality, migration, multidimensional approach to poverty.

## Energy

- Climate realities → cleaner and greener growth alternatives.
- Mexico welcomed the adoption of the Paris Agreement.

## Peacekeeping Operations

- Mexico resumed its participation in UN PKOs
- Learning **best practices** from close friends, partners and major troop contributing countries such as India.

## Security Council Reform

- Mexico and India share **the same goal: A more democratic, accountable and more representative UNSC.**
- **Solution:** compromise.

## VI. HOW CAN MEXICO “MAKE IN INDIA?”



### MEXICO

#### *“Moving Mexico”*

Increase productivity and investments

Education reform

Economic competitiveness, fiscal and financial reforms

Energy reform

Special economic zones



### INDIA

#### *“Make in India”*

Increase investments

Train young people

Business facilitation

Remove limits to FDI

Smart Cities Mission

## VI. MEXICO AND INDIA: A MYRIAD OPPORTUNITIES AT OUR FINGERTIPS

*Mexico is a natural bridge for India's dive into one of the most dynamic regions in the world.*

### SHARED OPPORTUNITIES

Global Market

Trade and Investment

Science and Technology

Tourism

Business

Our privileged location and strategic relationships have sparked the interest of those who want to engage with the Americas.

Mexico is India's first largest Latin American investor, with an FDI of over 800 million USD.

India is home to 13 Mexican firms from sectors that go from entertainment to heavy industries.

Approx 60 Indian firms have invested in Mexico, in sectors like IT and automotive.

In 2015:

Mexico welcomed an increase of 22.6% Indian visitors compared to 2014 - Mexican tourism in India increased by 24%.

**BUSINESS OPPORTUNITIES:**

**AUTOMOTIVE INDUSTRY, MINING INDUSTRY, AND THE IT AND TECHNOLOGY SECTORS.**

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# **EXERCISING RESPONSIBILITY: MEXICO IN THE WORLD STAGE**

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