



KEYNOTE ADDRESSES

THE MEXICAN ECONOMIC EXPERIENCE FROM 2008-2010

THURSDAY 14 OCTOBER 2010

Speaker:

- Mr. Bruno FERRARI, Secretary of Economy, Mexico

Building a more prosperous future for everyone

Mexico has faced external shocks over the past two years, which have affected its trade, investment and tourism sectors. However, the country has survived the global economic crisis and is looking toward a bright future. At the same time, it is of utmost importance to seize the opportunities of global economic cooperation.

“We have big challenges to face and overcome and we are still hearing voices calling for protectionism. This will damage the welfare of consumers,” Mr. Ferrari told participants. “It is important to look into how [TPOs] have responded by developing alternative strategies in trade and investment promotion.” He called for a strengthening of economic links to benefit from economies of scale and contribute to the consolidation of worldwide economic recovery.

Mexico is focusing on “a new development” of its exporting sector, thus increasing the benefit for Mexican enterprises. ProMéxico is also working to increase access of goods and services to the largest and most dynamic markets.

“We believe in the benefits of international trade and foreign investment. This generates one out of five jobs in our country, with wages that are 30 per cent higher than the national average,” he said.

Mexico offers great growth opportunities and has kept its economy stable – as a result it can offer opportunities. It is a safe country for investment, which is synonymous of the confidence and strength to do business, and country risk rates are at historically low levels. More than 720,000 jobs have been created since the crisis and Foreign Direct Investment is up 30% over last year. Other advantages include:

- the US and Latin America countries;
- Record levels of investment in infrastructure in roads, airports and seaports;
- A demographic bonus of a young labour force until 2030;
- Young Mexicans are better educated for the future;
- Twelve international trade treaties facilitate trade with 44 countries; and,
- Reduced import tariffs.

Mexico has a track record of impressive achievements in a myriad of sectors. For example, it is the leading supplier of auto parts in US – 1 in 7 parts sold in the US are manufactured in Mexico. In sectors such as aerospace, electronics and consumer goods, it is growing in importance. The country ranks fourth worldwide of the least risk for investment in the mining sector.

“We are a country with a future vision, with a promising future that we are building on a daily basis,” Mr. Ferrari told participants.

The focus is less on “privilege and more on transparency.” The government is promoting economic growth in cities with full human development. The Minister noted, “companies should be at the service of the people, not the other way around.”

Mr. Ferrari concluded: “The exchange of experiences and ideas at this conference, as well as ideas for new business opportunities, will allow us to better respond to the needs of the present, and help us to build a more prosperous tomorrow for everyone.”