

Mexico: A country to rediscover? Indeed An alternative for Canadian companies? No doubt

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The Mexico-Canada relationship has proven to be a successful and profitable one and our links — cultural, economic and political — are rich in co-operation and friendship.

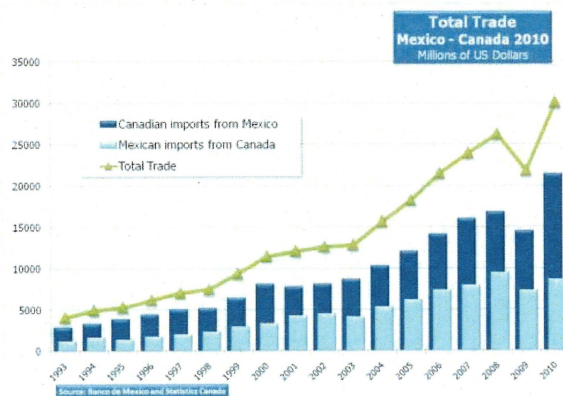
The recent recession was a litmus test to the strength of our business relationship.

Our strong fundamentals, based on the NAFTA and bilateral mechanisms, allowed trade between us to recover beyond the pre-crisis levels. In 2010, our bilateral trade registered an historic level of \$30 billion (US), a surprising jump of 38 per cent compared with the previous year.

Just how integrated our two economies?

Since the NAFTA came into force, Mexico-Canada trade has shown the largest yearly rate of growth in the region with 12.5 per cent, compared with a rate of 9.1 per cent between Mexico and the U.S., or 5.2 per cent between Canada and the U.S.

Canadian exports to the Mexican market are larger than the sales to France, Italy and Germany combined; the rest of the Latin American countries put together as well as Russia, Brazil and India combined.



According to an Export Development Canada survey, Canadian exporters consider Mexico as the third main market after the U.S. and the UK; as well as the third country expected to contribute the most to Canada's exports, after the U.S. and China.

In 2010, for the sixth straight year, Mexico received a record number of tourists from Canada. Approximately 1.5 million Canadians enjoyed vacationing in Mexico and experienced its warmth, hospitality, cuisine and cultural richness. This number represents an

increase of 19.4 per cent in comparison with the number of visitors in 2009 and an increase of 28.52 per cent in comparison to 2008.

As a result of our intense economic activity, more than 2,500 Canadian companies have found in their Mexican counterparts strong and reliable partners, recognizing the advantages of our young and skilled workforce, our domestic market of 110 million, our privileged geographical location

with access to the main world markets and compatible time zones, our economic stability, and our network of 12 Free Trade Agreements that include the U.S. (NAFTA), the European Union, Japan, and other Latin American nations.

Notwithstanding the present success of our relationship, there are still numerous and profitable trade and investment opportunities between our markets to deepen connections,

which must be advertised within our business communities. As government and private sector leaders we can obtain big benefits from further diversifying our trade, promoting the development of successful joint supply chains and deepening the innovation and new technologies in our productive processes. I am sure these favourable conditions will allow our countries to enhance their competitiveness vis-à-vis other regions in the world.

MexDay in Canada — June 13-14

Canadian Manufacturers & Exporters in partnership with the Mexican Embassy in Canada, the Mexican Business Council for Foreign Trade, Investment, and Technology (COMCE), have launched a Business to Business forum, named MexDay in Canada, which will inform CEO's, investors and executives of SME's about the perspectives of doing business in Mexico.

Business opportunities and experiences, from different sectors ranging from mining and agribusiness to IT and aerospace, will be highlighted, including comments and remarks from some Canadian companies already operating in our country.

This event will represent a unique opportunity for Canadian firms to explore the trade and investment potential in the Mexican marketplace, while at the same time, they will be able to have direct face-to-face discussions and dialogue with their Mexican counterparts.

Mexico represents a great option for business expansion.

The economic stability of the Mexican economy, based on fiscal discipline, has contributed to its quick recovery and the most dynamic performance in the last 10 years growing 5.5 per cent during 2010. Based on its outstanding economic achievement, Mexico is positioned as one of the nations with the lowest country risk in emerging economies.

This initiative is one important step to a continued era of cooperation and understanding in which we must keep building on and learning about. Through this communication and approach of our private sectors, we will create links that will allow us not only to identify new areas of cooperation and business opportunities, but also bonds of understanding that will help us to meet the challenges we both face as NAFTA partners, as well as in other international markets.

I am convinced that after reading some of the most relevant success stories from companies doing business in Mexico, you will be looking forward to becoming a participant in this tequila-maple inspired history in the making.

México

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