

DOING BUSINESS IN

México

ERNESTO CÉSPEDES

Ambassador of Mexico

Tallin, September 20th, 2017

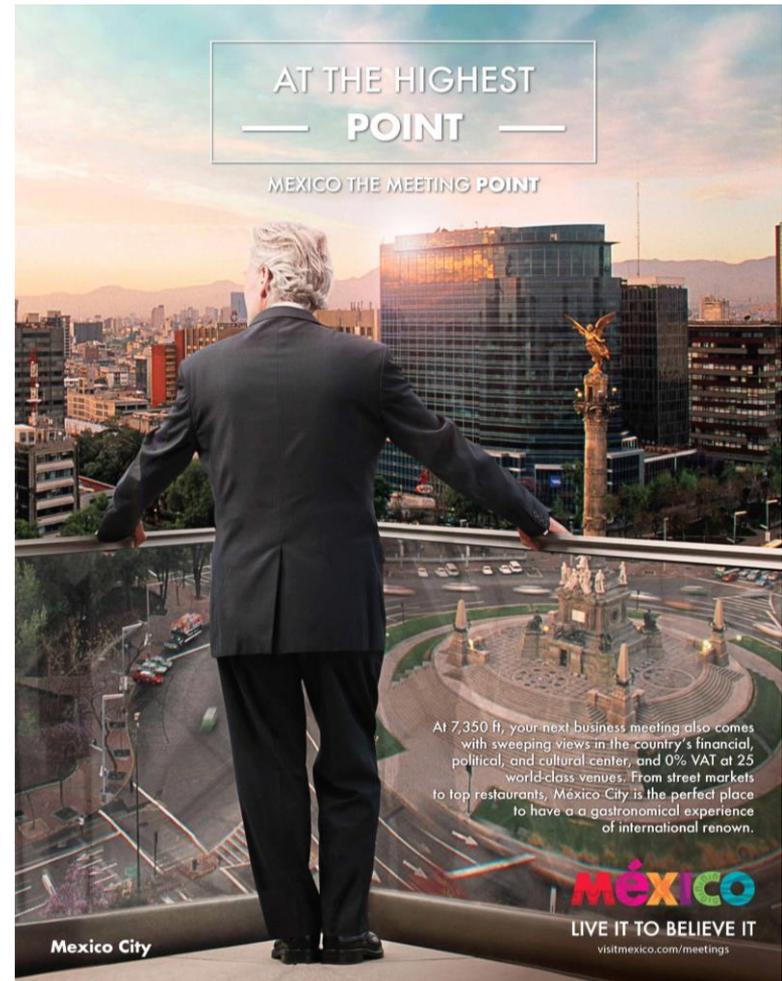
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 /Embassy of Mexico in Finland

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I. Mexico at a glance...



13th largest country with **1,964,375 km²** of land area.

Population: **127 million**
10th most populated country

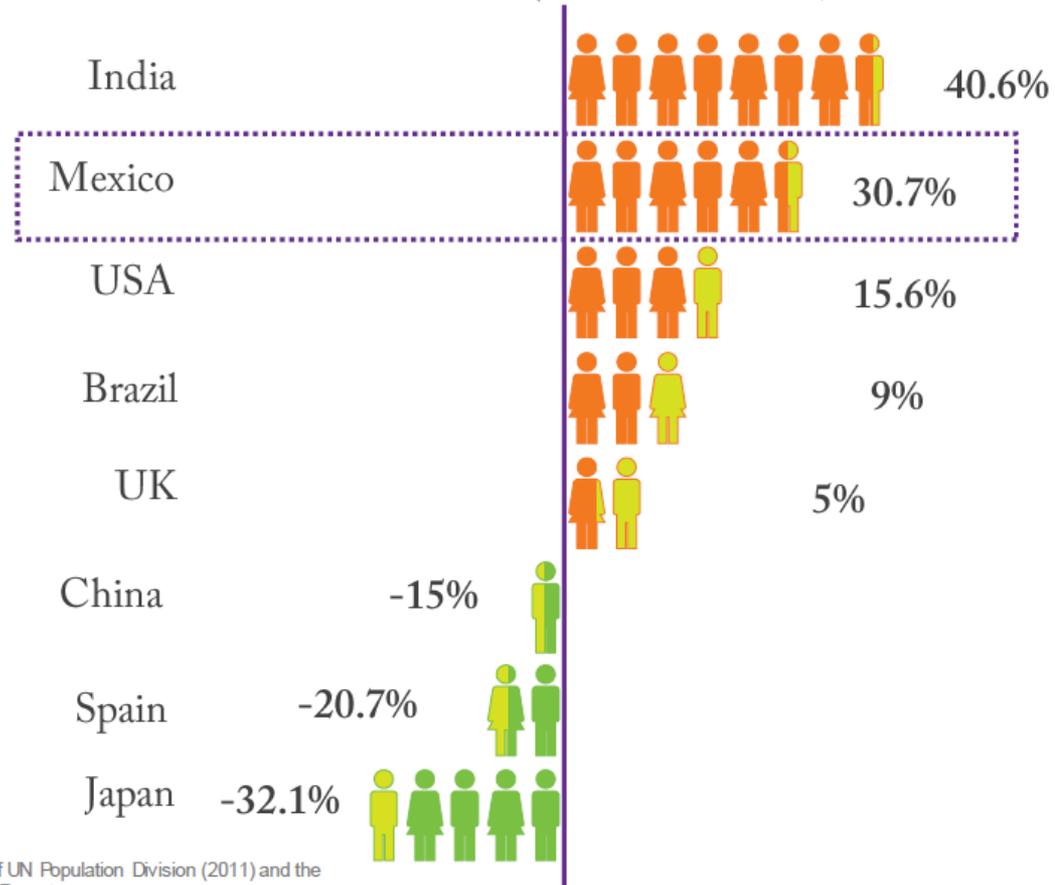
Average age: 26 years

Political division:
- 32 Federal entities

Mexico at a glance...

WORKING AGE POPULATION PER COUNTRY

WORKING-AGE POPULATION (2010 TO 2035, % CHANGE)



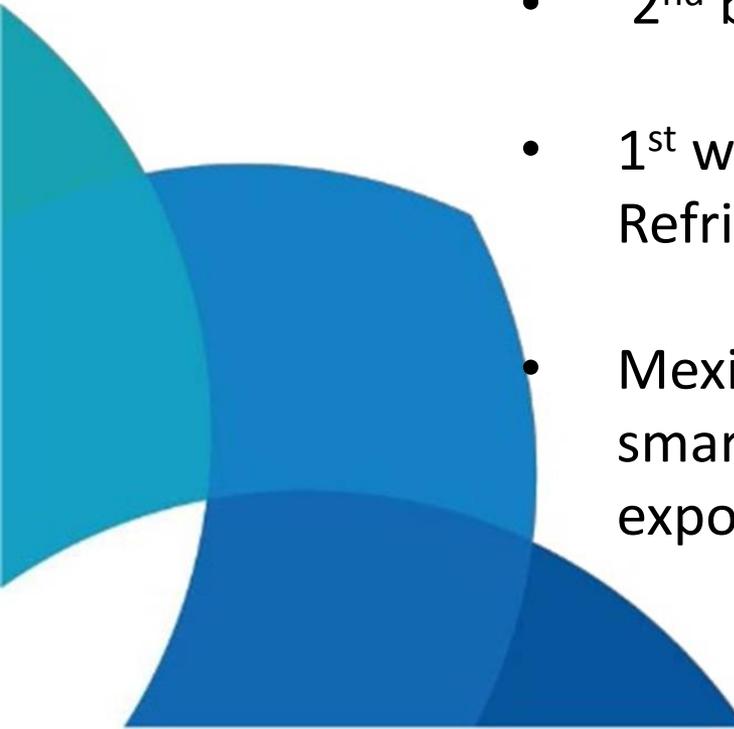
Source: ProMéxico with information of UN Population Division (2011) and the Economist Intelligence Unit in a KKR Report.



Mexico and Estonia

	MEXICO	ESTONIA
Territory (km2)	1,964,380 (13°)	45,230 (130°)
Population	127 million (10°)	1.3 million (153°)
Population growth	1.3%	0.0%
Life expectancy	76.9	77.1
Unemployment	4.3%	6.9%
GDP growth (2016)	2.3%	1.6%
GDP p/capita (PPP)	18,463 usd	29,312 usd
Inflation rate	3.4%	2.4%
FDI (2016)	30.3 millions usd	0.2 million usd
Human Development Index	77°	30°
Doing Business Ranking	47°	12°
Competitiveness Report (WEF)	51°	30°

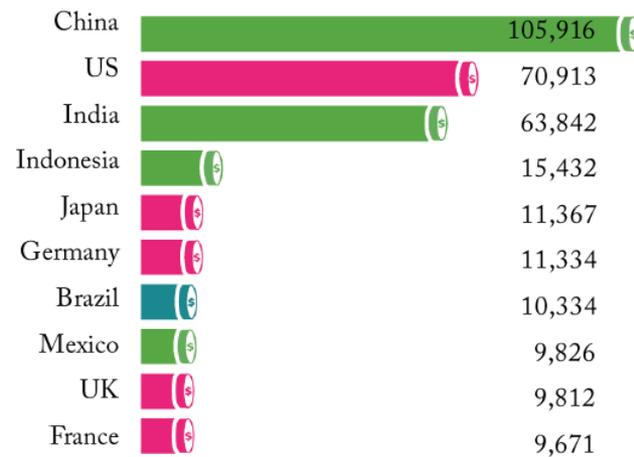
Mexico at a glance...

- 15th largest economy in the world (1.04 Trillion USD GDP/2016)
 - \$18,462 GDP p/capita (PPP) (Estonia = 29,312 usd)
 - Strong commitment to open market economy with 12 FTA with 46 countries.
 - Political and economic stability.
- 2nd biggest economy in Latin America.
 - 1st world exporter of: Silver, Beer, Flatscreen TV's, Refrigerators, Avocados.
 - Mexico is also the **third** largest exporter of smartphones and **fourth** largest automobile exporter.
- 

Mexico at a glance...

MEXICO WILL BECOME THE 8TH LARGEST ECONOMY

2050



- Economy moves up rankings
- Economy moves down rankings
- Economy remains at rankings

GDP GROWTH
10 YEAR VS. 2015

Country	2015		10 yr avge
China	6.9	↘	10
Turkey	4	↘	4.8
Sweden	3.9	↗	1.9
Colombia	3.20	↘	4.8
Mexico	2.6	=	2.6
Australia	2.5	↘	3
New Zealand	2.3	↗	1.9
United States	2.1	↗	1.8
European Union	1.9	↗	1.1
Japan	1.6	↗	0.8
Canada	1.2	↘	2
Russia	-4.1	↘	3.8
Brazil	-4.5	↘	3.6

Source: World Bank Data, Economy & Growth Indicators 2015

Mexico at a glance...



12 Main Mexican Exports to the World (%) Share of total world exports

Source: ProMéxico with information from the Global Trade Atlas 2013. * Percentage of value in total exports.

Mexico at a glance...

Medium and High Added Value Sectors

Medium Technology (MT):

- Specialty Chemicals
- Machinery, Equipment, Appliance
- Electrical Industrial Machinery
- Motor Vehicles & Parts Total
- Motorcycles & Transport. Equipment
- Railroads & Equipment

High Technology (HT):

- Aircraft & Spacecraft
- Advanced materials
- Computers & Office Machinery
- Communication Equipment
- Medical, Precision & Optical

No.	Country	% GDP
1	Germany	28.2%
2	South Korea	27.2%
3	Mexico	19.3%
4	China	18.3%
5	France	13.1%
6	Canada	11.6%
7	Japan	10.6%
8	Italy	10.5%
9	United Kingdom	9.9%
10	Indonesia	7.0%
11	United States	5.5%
12	Turkey	5.2%
13	India	4.0%
14	Brazil	3.5%
15	Russia	3.0%

Mexico at a glance...

MEXICO'S GLOBAL LEADERSHIP



AEROSPACE

- Mexico is the 6th supplier to the American aerospace industry.



AUTOMOTIVE AND AUTO PARTS

- 8th producer and 4th exporter globally of new light vehicles in the world.



ELECTRIC-ELECTRONIC

- Leading flat television screen exporter in the world.



IT

- 3rd largest exporter in the world.

380 billions in exports in 2013
50% in medium and high-tech manufactures

II. The Reforms



Energy



Telecommunications



Economic Competition



Financial



Tax



Labor



Education



Criminal Procedure



Appeal Law



Political-Electoral



Transparency

— STRAIGHT —
TO THE POINT

MEXICO THE MEETING POINT

Meet the fourth "Smartest City in the World" due to its promising sustainable growth capacity. Monterrey has venues with the appropriate spaces equipped with modern technology for expos, conventions, meetings, congress and more. Every year, the hotel supply for business tourism grows more than 20%.

Monterrey

méxico
LIVE IT TO BELIEVE IT
visitmexico.com/meetings



III. Business Opportunities

Mexico and Estonia Trade

Year	Exports	Imports	Total	Balance
1993	0	50	50	-50
1994	0	4,652	4,652	-4,652
1995	0	1,510	1,510	-1,510
1996	69	4,662	4,731	-4,593
1997	0	7,377	7,377	-7,377
1998	245	2,043	2,288	-1,798
1999	26	3,357	3,383	-3,331
2000	193	5,071	5,264	-4,878
2001	1,125	5,792	6,917	-4,667
2002	587	2,339	2,926	-1,752
2003	144	9,603	9,747	-9,459
2004	683	10,019	10,702	-9,336
2005	872	28,484	29,356	-27,612
2006	2,922	22,443	25,365	-19,521
2007	9,177	26,288	35,465	-17,111
2008	6,995	159,364	166,359	-152,369
2009	2,066	33,781	35,847	-31,715
2010	6,041	34,624	40,665	-28,583
2011	4,292	31,507	35,799	-27,215
2012	8,742	151,409	160,151	-142,667
2013	7,015	127,082	134,097	-120,067
2014	3,295	147,225	150,520	-143,930
2015	8,590	113,980	122,570	-105,390
2016	16,581	346,431	363,012	-329,850
2017 /1	2,063	81,484	83,547	-79,421



Mexico and Estonia



Mexico recently underwent a Telecommunications Reform and this will open up many opportunities for foreign companies.

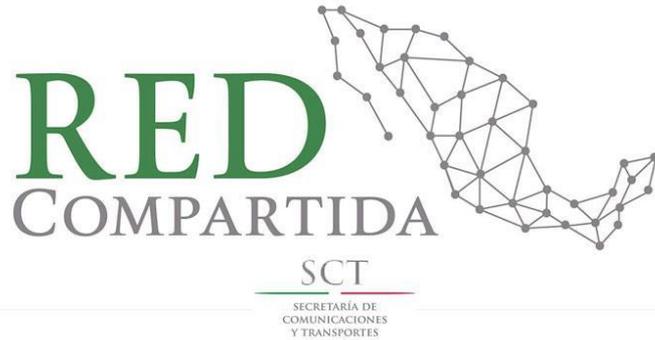


Estonia is a flagship country in terms of cybersecurity. Opportunity for Mexican defense forces and law enforcement agencies.



Mexico is focused on integration in international value chains. Mexico has competitive costs, skilled labor, great location, and vast network of FTA.

Examples



<http://www.aeropuerto.gob.mx/>

LOS "CINCO ELEMENTOS" COMO FUENTES DE PODER

El 2014 podrá verse como el año en que México comenzó a tomarse en serio la búsqueda de fuentes de energía renovables. Y puede decirse que avanzó con iniciativas que involucran a tres de los cuatro elementos clásicos: el fuego (energía solar), la tierra (energía geotérmica) y el aire (energía eólica). Pero además se espera que en este año se incorpore el cuarto elemento, el agua (energías del océano), y el no tan clásico quinto, que no es una persona, es la vida (bioenergéticos).



Source: El Economista.

Mexico Project Hub Website

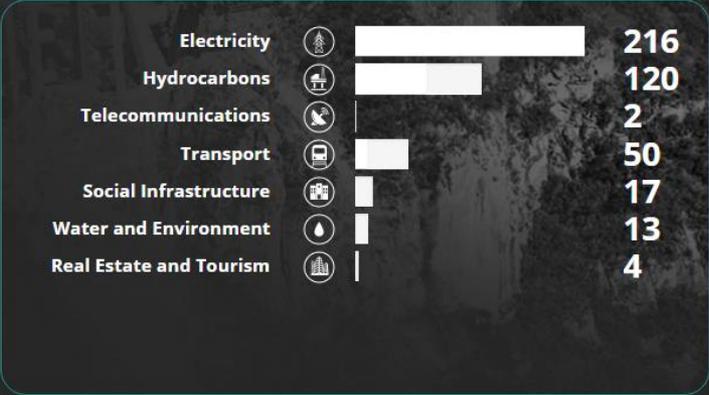


NEW PROJECTS

PROJECTS IN OPERATION

LISTED VEHICLES

TOTAL 422 NEW PROJECTS



SEARCH

www.proyectosmexico.gob.mx/en/projects-hub/



- Federal government agency in charge of export promotion and stimulating foreign direct investment towards Mexico.

SUPPORTS AND SERVICES FOR FDI



<http://promexico.mx/>



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No. 2/2017
 México está abierto a los negocios
 Mexico is open for business
 Seminario sobre la Alianza del Pacífico
 Pacific Alliance seminar
 El negocio de las desechos
 Waste business
 Empresas finlandesas en México
 Finnish companies in Mexico
 Empreendimientos mexicanos en Finlandia
 Mexican businesses in Finland
 Entrevista a ProMéxico
 Interview with ProMéxico

MEXICO IN THE NORTH

Boletín de la Embajada de México en Finlandia
 Newsletter of the Embassy of Mexico in Finland
 Meksikon Suomen-suurlähetystön uutiskirje

NOTA DESTACADA | IN THE SPOTLIGHT



México está abierto a los negocios
 Mexico is open for business

México, 7 de marzo 2017.- México ofrece un mercado con amplio potencial y de muchos incentivos para empresas finlandesas de vasto tipo: energía, alimentos y otros, con miras a atraer a buscar socios comerciales mexicanos. El Grupo Adven, Interchem, ProMéxico y la Embajada de México

organizaron el seminario "Emerging Mexican Circular Economy" en las instalaciones del grupo financiero Op. Con un auditorio lleno, diversas instituciones públicas y privadas de México y Finlandia hablaron sobre el potencial de México en el sector de economía circular, además de que el

programa fue enlazado con la visión sobre México de empresas finlandesas que han invertido en el país. Con conexiones críticas para las más de 40 empresas que asistieron al seminario, se centró en la intención para hacer negocios en México, país con una admirable relación fiscal y libre comercio.

Helsinki, March 7th, 2017.- Mexico offers a market with great potential for Finnish companies from the waste-to-energy, chemicals and other sectors, which are looking to invest or find new partners in Mexico. The Adven Group, Interchem, ProMéxico and the Embassy of Mexico organized the seminar "Emerging Mexican Circular Economy" in the headquarters of the Op Financial Group. Several public and private institutions from Mexico and Finland spoke before a full auditorium on Mexico's potential in circular economy. The program was enriched with a round table session from Finnish companies, which have invested our country.

An invitation to do business in Mexico, a country deeply committed to free trade, was extended with practical advice to over 40 companies attending the seminar.

INTERCAMBIO COMERCIAL | BILATERAL TRADE



NEGOCIOS | BUSINESS

Entrevista a Carlos Pérez-Cirera, de ProMéxico | Interview with ProMéxico's Carlos Pérez-Cirera

ProMéxico se encarga de la situación de inversión, comercio de exportaciones y apoyo a las internacionalización de empresas mexicanas. En Finlandia ha sido muy activa en cuanto al establecimiento de alianzas estratégicas entre empresas e instituciones como Fipro.

"La relación comercial y el interés por México crecen rápidamente y se transmiten de boca a boca entre los empresarios", afirma Carlos Pérez-Cirera. "Las empresas grandes conocen muy bien a México y se interesan muy bien del país. Por el lado de los exportadores, hay cada vez más interés por los productos autóctonos mexicanos".

Pérez-Cirera destaca que el mercado finlandés es atractivo para México debido a su poder adquisitivo y estabilidad. Sugiere al empresario mexicano prepararse para exportar a la UE a través de certificadoras como Global GAP y de especialistas locales. Para exportar carne, requiere los sellos de serpiente de PE, frutas, hortalizas y alimentos congelados. Energía, agua, mineral, telecomunicaciones, industrial forestal y educación son sectores estratégicos para inversión en México.

ProMéxico es la agencia en charge de la promoción económica, cooperación y internacionalización de Mexican companies. The office has been active in Finland, establishing strategic alliances with companies and institutions like Fipro.

"The trade relation and interest in Mexico is growing quickly and it is spreading among the 'big brass' community", says Carlos Pérez-Cirera. "Larger companies know Mexico very well and have many good things to say about the country". As for exports, there is more demand for authentic Mexican products.

Pérez-Cirera states that the Finnish market is attractive for Mexico due to its purchasing power and economic stability. He suggests to Mexican exporters to have the right certifications required by the EU like the Global GAP and other social responsibility accreditations. Export opportunities include IT services, fruits, vegetables, and frozen foods.

Energy, water treatment, mining, telecommunication, and education are strategic sectors for investment in Mexico.



Inversión mexicana en Finlandia

México es uno de los países más grandes del mundo y tiene una fuerte industria que ha propiciado el surgimiento de empresas transnacionales mexicanas. En Finlandia, actualmente operan dos grupos empresariales mexicanos: CEMEX y Mexkem.

La cementera mexicana CEMEX es de las únicas empresas latinoamericanas que tiene inversiones en Finlandia. CEMEX Embra Oy es la importadora de cemento más grande de Finlandia al contar con tres terminales en las localidades de Jorvas, Louisa y Naantali. CEMEX es un jugador de escala global en la industria cementera, ocupa el primer lugar en preparaciones de cemento y es el sexto productor de cemento a nivel global, con cerca de 43 mil colaboradores y relaciones comerciales con 104 países.

En 2012 el grupo Mexkem adquirió a Wavin Groups que tenía bajo su control a la empresa finlandesa Wavin-Labko Ltd. Con 60 años de experiencia, la empresa finlandesa pasó a formar parte de Grupo Mexkem. Wavin-Labko tiene una trayectoria de más de 50 años en el diseño, manufactura y marketing de productos plásticos en el campo de soluciones ambientales. Actualmente cuenta con dos plantas en Finlandia en Joutsa y Kangasala y emplea a más de 50 personas.

Mexico is one of the largest economies worldwide thanks to a strong industrial sector which has also created many important Mexican transnational firms. Currently, two Mexican holdings are present in Finland: CEMEX and Mexkem.

Mexican cement company CEMEX is one of the few Latin American companies with investments in Finland. CEMEX Embra Oy is the biggest cement importer in Finland with three terminals in Jorvas, Louisa and Naantali. CEMEX is a global player in the cement industry, making the first choice in cement preparations. It is the sixth cement producer in the world, a company with close to 43 thousand employees and commercial relations with 104 countries.

In 2012, Mexkem Group acquired Wavin Groups, which had the Finnish company Wavin-Labko Ltd. under its control. With 60 years of experience, the Finnish company became part of the Mexkem Group. Wavin-Labko has long trajectory of over 50 years in designing, manufacturing and marketing various plastic products for environmental solutions. The company has two production sites in Finland in Joutsa and Kangasala and employs over 50 people.

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Trade and Investment

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Tallin, September 20th, 2017



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