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Mexico and the EU presented a new program to support SMEs

Mexico and the European Union (EU) presented their new Competitiveness and Innovation Program (PROCEI), with the aim of giving a greater boost to the Mexican Small and Medium Enterprises (SMEs) in their efforts to export their products to Europe.

To that end, the Mexican Minister of Economy, Bruno Ferrari, presented the guidelines of this new bilateral economic cooperation program, accompanied by Ambassador Marie Anne Conninx, Chief of the EU Delegation in Mexico, and by Carlos Guzmán Bofill, CEO of ProMéxico.

€18 million will be allocated to PROCEI, equally provided by the Government of Mexico and the European Commission in order to give SMEs advice and specialized technical assistance to help them access new technology that will increase the efficiency of their production processes to fulfill the EU's standards and offer their competitive products and services in the European market.



Mexican Minister of the Economy, Bruno Ferrari, presenting the PROCEI jointly with Ambassador Marie Anne Conninx and Carlos Guzmán, CEO of ProMEXICO.

Mexico and the EU presented a new program to support SMEs

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PROCEI will focus its efforts on the following lines of action:

- **Innovation and technology transfer:** Experts from Pro-México and the EU will focus on identifying innovation and technology transfer needs for SMEs.
- **Certifications:** Specialists will provide Mexican SMEs with advice and support to obtain the certifications needed to trade their products and services in the EU market.
- **Trade and business intelligence system:** The creation of a database with trade and business information tools (such as contacts and market studies, among others) that can be used by companies to design their trade strategies for the European continent.

In its initial stage, PROCEI will benefit 500 companies and, throughout its four years of operation, it is estimated that will support more than 3,500 SMEs, working closely with the regional and local authorities, as well as with business organizations and chambers.

For more information visit:

<http://www.procei.mx>



México adopts the ATA Carnet

Since May 16, 2011, Mexico accepts the ATA Carnet, also known as “merchandise passports” honored in 80 countries and customs territories, allowing temporary imports of professional equipment, demonstration samples and goods for trade shows.

The ATA Carnet is an international custom document, valid for up to 12 months, which can be used to temporary import merchandise duty-free and tax-free (such as VAT), replacing the custom documents normally required. One single Carnet can be used to transport goods to any accepting country, so long as the goods are not sold and leave the country in the same condition in which they were brought in.

The Mexico City National Chamber of Commerce will be the entity responsible to issue and guarantee this customs instrument of trade facilitation.

Thus, Mexico intends to strengthen its international position, being the second Latin American country, after Chile, that set up this instrument, creating new business opportunities.

For more information visit:

<http://www.iccwbo.org/ata/id2965/index.html>



Mexico's Total Trade in March (billion US\$)			
	2010	2011	%
Total	51.8	61.2	18.2
Exports	26.1	31.3	20.1
Exports (excluding oil)	22.7	26.2	15.6
Imports	25.7	29.9	16.3

Source: Banco de México

Mexico's Trade with EU and EFTA (million US\$)			
January –March	2010	2011	%
Exports to the EU	3,230.3	4,215.1	30.5
Imports from the EU	7,209.0	8,222.4	14.1
Exports to the EFTA	271.0	379.8	40.2
Imports from the EFTA	365.0	422.6	15.8

Source: Banco de México

Fostering the Latin American integration through the Pacific Alliance

On April 28, 2011 in Lima City, Peru, the Presidents from Mexico, Peru, Colombia and Chile signed the Presidential Declaration on the "Pacific Alliance" with the purpose of establishing a Deep Integration Area.

This Alliance will be built through a joint political, economic, cooperation and integration process in Latin America, to the end of progressively moving towards the objective of reaching the free movement of goods, services, capital and people.

In the first stage of this pact, priority will be given to the works in the following topics:

- movement of business people and easing immigration transit (including police cooperation),
- trade and integration (taking into account trade facilitation and customs cooperation),
- services and capital (including the possibility to have joint stock exchanges),
- cooperation and dispute settlement mechanism, and
- the establishment of technical groups in each of these areas.

A project of Framework Agreement is expected to be developed based on the homologation of the existing free trade agreements, which should be presented to the Presidents of the four member countries, in December 2011.

In the meantime, it will be promoted the physical and electrical inter-connection processes, through the existing bilateral and sub-regional working groups, which will remain open to any country wishing to take part in this project.

It is stressed the potential and importance of this new integration area in the Latin American region, which represents

more than 200 million people and generates 1.4 trillion dollars of GDP (equivalent to 34% of the Latin American GDP).

Moreover, the four countries together attract roughly 55 billion dollars in direct foreign investment, and their global trade with the world reaches 872 billion dollars (surpassing, for example, the foreign trade of existing regional trade blocs like Mercosur, which amounts 543 billion dollars).

Actually, this new integration project expects to take advantage of and to share, among the member countries, the important economic growth existing in the region, leaving an open invitation to other Latin American countries that share the same interests. In fact, Panama will take part as observer for the future negotiation, with the aim of totally joining as soon as its trade agreements with all of member countries are concluded.

- Declaration text: www.sre.gob.mx



The Presidents of Mexico, Colombia, Peru and Chile signing the Presidential Declaration on the "Pacific Alliance"

Mexico's Economic Indicators

Inflation rate: -0.01% (April 2011); 3.36 % (2011, annual)
Industrial Production: 4.2% (March 2011 / March. 2010) Manufacturing: 6.6%; Construction: 1.8%, Mining: -2.2%
Global Index of Economic Activity: 3.6% (March 2011 /March 2010)
Consumer Confidence Index: 89.7 pts. (April 2011) 7.2 percentage points (April 2011 - April 2010)
Open unemployment rate: 4.6% (March 2011)

Source: INEGI

Mexico's Financial Indicators

Foreign exchange rate: 11.70 peso/dollar (May 24,2011)
International reserves: \$126,699 million dollars (May 20,2011)
Mexican stock market index (IPC): 35,383 (May 24,2011)
Interest rate treasury bonds CETES 28 days: 4.39% (May 26,2011)

Source: Banco de Mexico

Mexico Official Journal

- **01/04/2011** Decree enacting the Agreement for the Promotion and Reciprocal Protection of Investment between Mexico and Singapore, signed in Singapore on November 12, 2009.
- **08/04/2011** National Standardization Program, 2011.
- **08/04/2011** Notice that publicizes the entry into force of the Economic Complementation Agreement No. 55 between Mexico and Paraguay, signed between Mexico, Argentina, Brazil, Paraguay and Uruguay, in which the latter 4 are Member States of the Southern Common Market (MERCOSUR).
- **15/04/2011** Decree announcing the Protocol between Mexico and the United Kingdom that modifies the Agreement to avoid double taxation and tax evasion on income taxes and capital profits, signed in Mexico City on June 2, 1994, endorsed in Mexico City, on April 23, 2009.
- **15/04/2011** Decree enacting the International Coffee Agreement 2007, adopted in London on September 28, 2007 in the framework of the International Coffee Organization (ICO).
- **15/04/2011** Agreement determining the documents and information submitted in case of conducting confined activities, and publicizing single blank forms of confined activities on genetically modified organisms.
- **20/04/2011** Third resolution amending the General Rules for Foreign Trade 2010 and its annexes: defining glossary and acronyms, 1,4,10,13,22,24 and 27.
- **20/04/2011** Agreement that publicizes the environmental requirements to import used vehicles with diesel engines and gross vehicle weight exceeding 3,857 kg.

EU Official Journal

- **04/04/2011 L088** Council Decision of 7 March 2011 on the conclusion of a Geneva Agreement on Trade in Bananas between the European Union and Brazil, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Peru and Venezuela and of an Agreement on Trade in Bananas between the European Union and the United States of America
- **19/04/2011 L103** Commission Implementing Regulation (EU) No 380/2011 of 18 April 2011 opening a tariff quota for certain quantities of industrial sugar for the 2011/2012 marketing year
- **20/04/2011 L104** Council Decision of 12 April 2011 on the signing, on behalf of the Union, of the Agreement in the form of an Exchange of Letters between the European Union, of the one part, and the Palestinian Authority of the West Bank and the Gaza Strip, of the other part, providing further liberalisation of agricultural products, processed agricultural products and fish and fishery products and amending the Euro-Mediterranean Interim Association Agreement on trade and cooperation between the European Community, of the one part, and the Palestine Liberation Organization (PLO) for the benefit of the Palestinian Authority of the West Bank and the Gaza Strip, of the other part
- **27/04/2011 L107** Commission Regulation (EU) No 394/2011 of 20 April 2011 amending Regulation (EC) No 748/2009 on the list of aircraft operators that performed an aviation activity listed in Annex I to Directive 2003/87/EC of the European Parliament and of the Council on or after 1 January 2006 specifying the administering Member State for each aircraft operator as regards the expansion of the Union emission trading scheme to EEA-EFTA countries

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