



Border Trade Alliance

Presents:

Trade & Security: 
The Impact On Logistics

August 2, 2012
Four Seasons Hotel
Mexico City



Mexico's Trade & Security

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Mexico City, August 2012



MEXICO

Challenges & Strengths

SOME SECURITY PROGRAMS



Mas de 14 Países con Programas de Seguridad			
USA		Customs- Trade Partnership Against Terrorism (C-TPAT)	2002
Canadá		Partners in Protection (PIP)	2002
Nueva Zelanda		Secure Export Scheme (SES)	2004
Jordania		Golden List	2005
Japón		AEO	2006
Argentina		Sistema Aduanero del Operador Confiable (SAOC)	2006
Singapur		Secure Trade Partnership (STP)	2007
Unión Europea		AEO	2008
China		Classified Management of Enterprises	2008
Korea		AEO	2009
Noruega		AEO	2009
Guatemala		AEO	2009
Costa Rica		AEO	2010
Colombia		AEO	2011

164 Países firmaron Carta de Intención

AlixPartners Analysis *

- 87% operations outside the United States & 83% by outsourcing outside
- 42% of outsourcing operations in countries on the same time zone.
- Of these, 63% have selected Mexico as their first choice VS 19% who chose USA

Why to establish in Mexico:

- Lower transportation costs
- Speed of access to the marketplace
- Keeping lower inventory costs
- Ease of administrative coordination
- An American type business culture

AlixPartners Analysis

The main concerns when deciding on whether to set in Mexico

- Security, 38%; 45% of surveyed people feel there will be an improvement over the next 5 years; 29% think it will be similar to the current situation; and 14% believe the situation may deteriorate.
- Extending the supply chain, 17%

Why the conjunction Trade & Security?

- The maquila platform in Mexico is building high competitiveness of NAFTA industrial goods.
- NAFTA countries are natural trade partners to compete as a region in the global economy.
- In spite of safety and security problems, Mexico continues to be the destination of preference to stay close to the objective market.

challenge: extending the supply chain

- NEEC could reinforce incubation and acceleration of domestic suppliers.
- By the way CENADEP objectives:
 - To be an axis in public policy for industrial and economic development
 - to awaken domestic competitiveness
 - to identify ad hoc markets for Mexican inputs.

How Index has been participated in NEEC ?

- Affiliated companies served as a pilot during the instrumentation, its certification and subsequent registration.
- Involving more sectors-companies
- SECIIT companies are example of transparency and security



Why address these important challenges / opportunities ?

Maquila Generations

Assembled in Mexico

- Increasing labor intensive work
- Simple assembly

Made in Mexico

- Rationalization of labor
- Manufacturing
- Adopting new technologies.

Created in Mexico

- Increasing knowledge
- Research
- Development and design

Coordinated in Mexico

- Centralized activity coordination
- Logistics
- Autonomy
- Local suppliers

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