



High Level Working Group on Investment (GANI): Investment Opportunities in the Manufacturing Sector between Mexico and China

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HIGHLIGHTS OF THE MOU ON PROMOTION OF INDUSTRIAL AND INVESTMENT COOPERATION

Memorandum of Understanding



National Development and Reform Commission (NDRC)
People's Republic of China



November 2014

INDUSTRIES:



**GREENFIELD
INVESTMENT**

TURN KEY PROJECTS

**COINVESTMENTS,
MERGER &
ACQUISITIONS**

**PUBLIC AND PRIVATE
PARTNERSHIPS**

KEY INDUSTRIAL SECTORS IN MEXICO

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

We are leaders in key sectors

4th
auto parts
exporter



5th
exporter of
computers.



Mexico is the largest
exporter of two-door
refrigerators with
freezer.

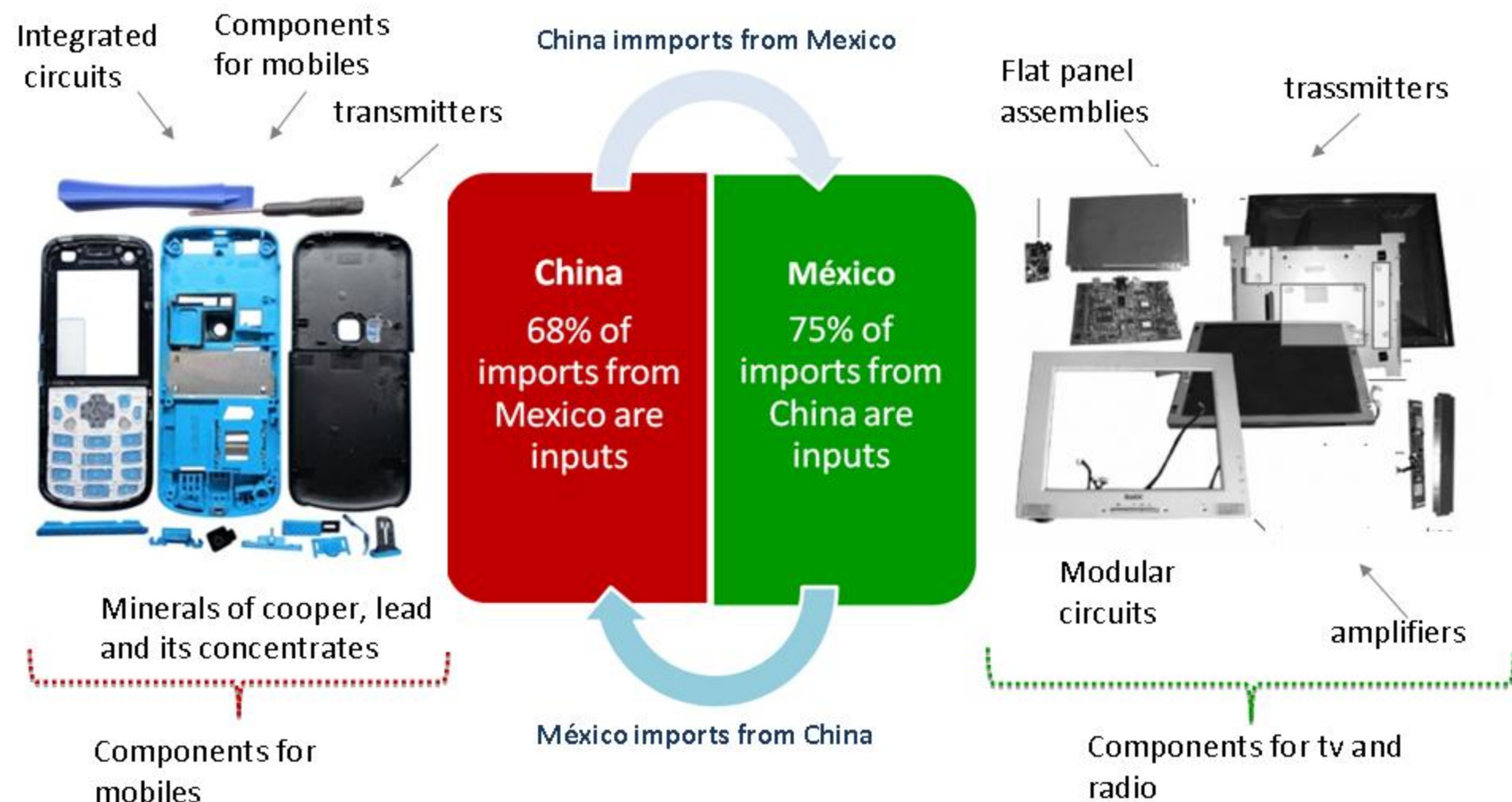
10th
exporter of
cellphones.



Mexico is the main exporter of medical
devices in Latin America.

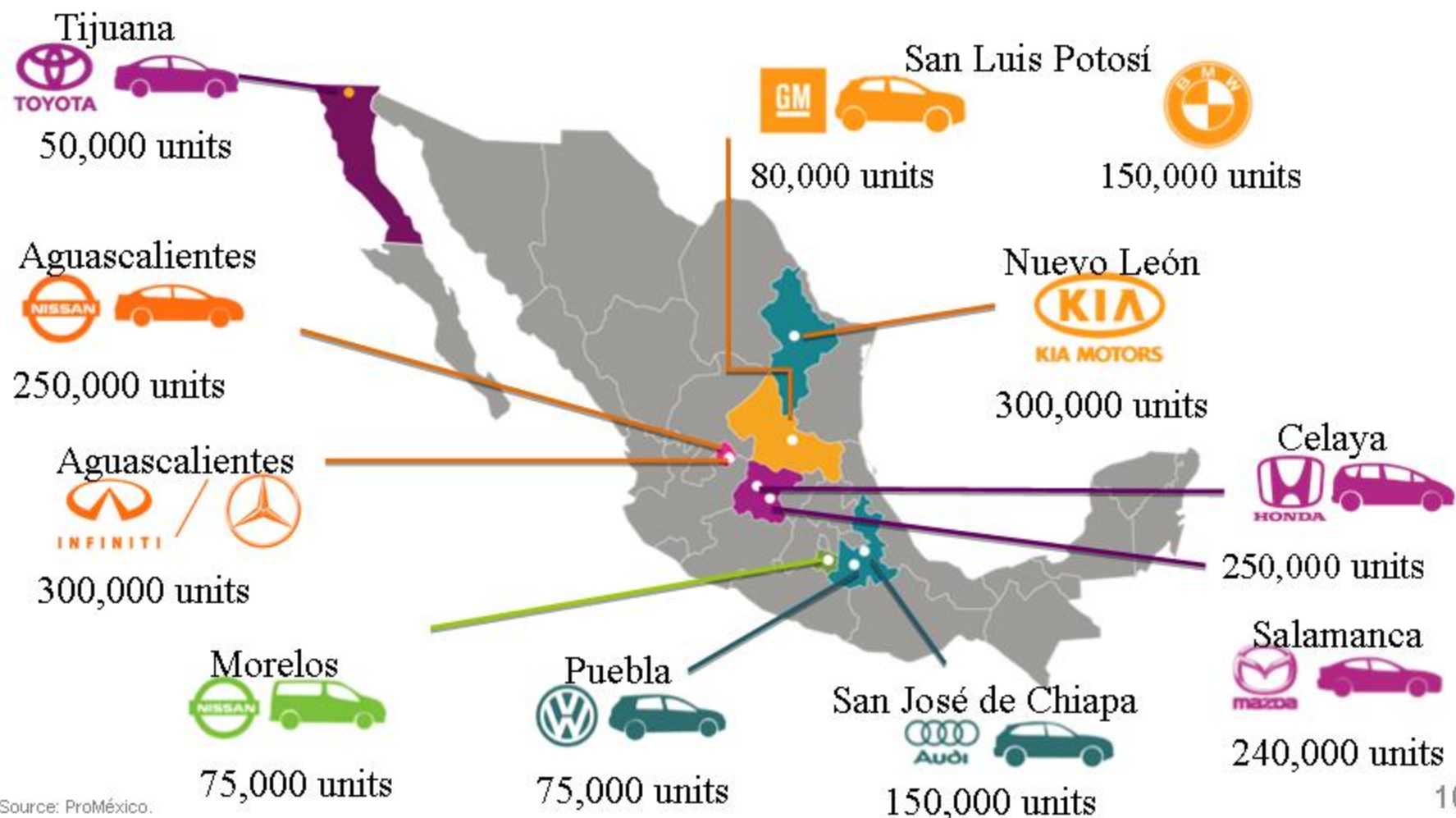
380 billions in exports in 2013
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manufactures

Strategic Comprehensive Relationship

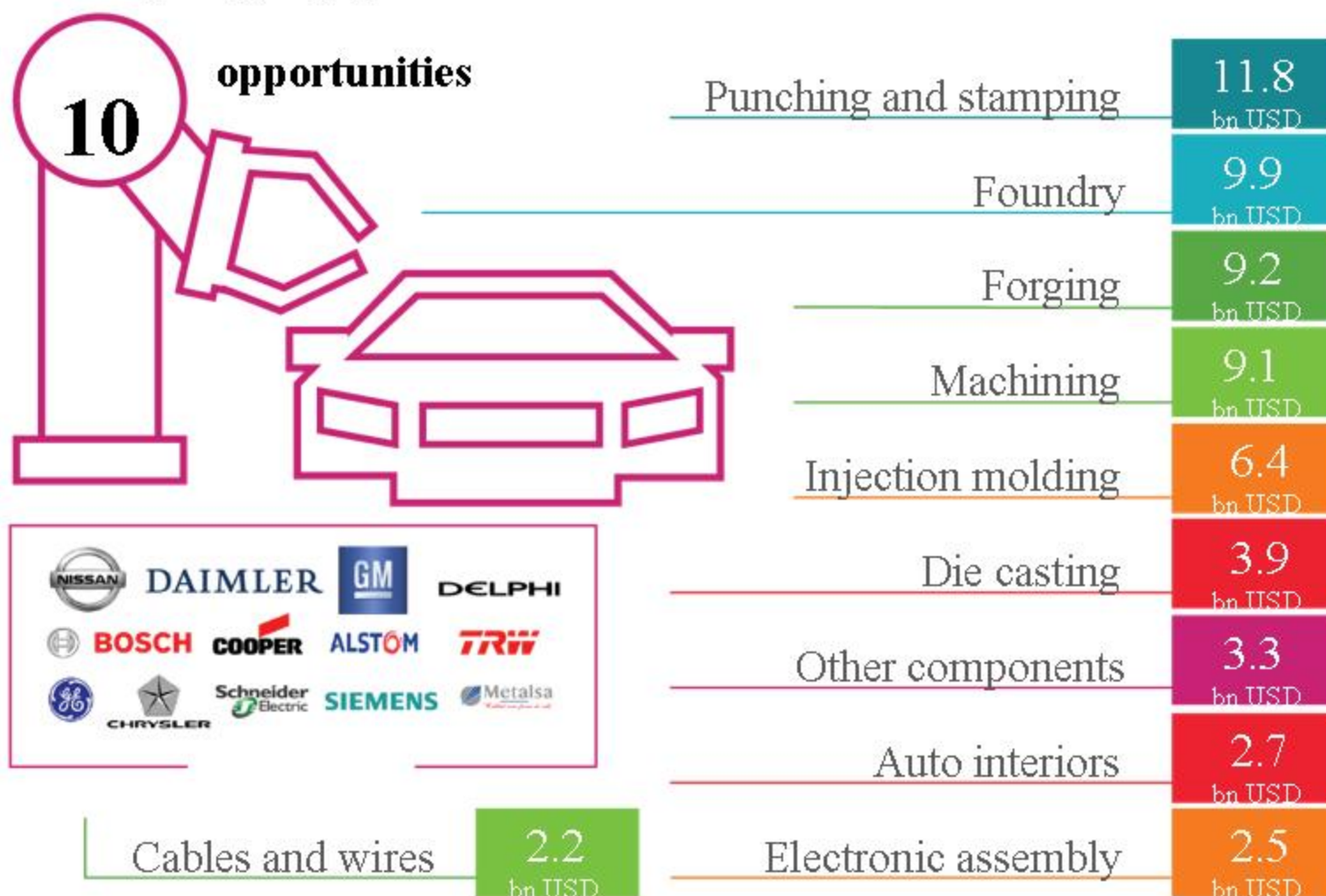


SPECIFIC INVESTMENT OPPORTUNITIES IN GLOBAL VALUE CHAINS

Increase in production capacity (2012-2019)



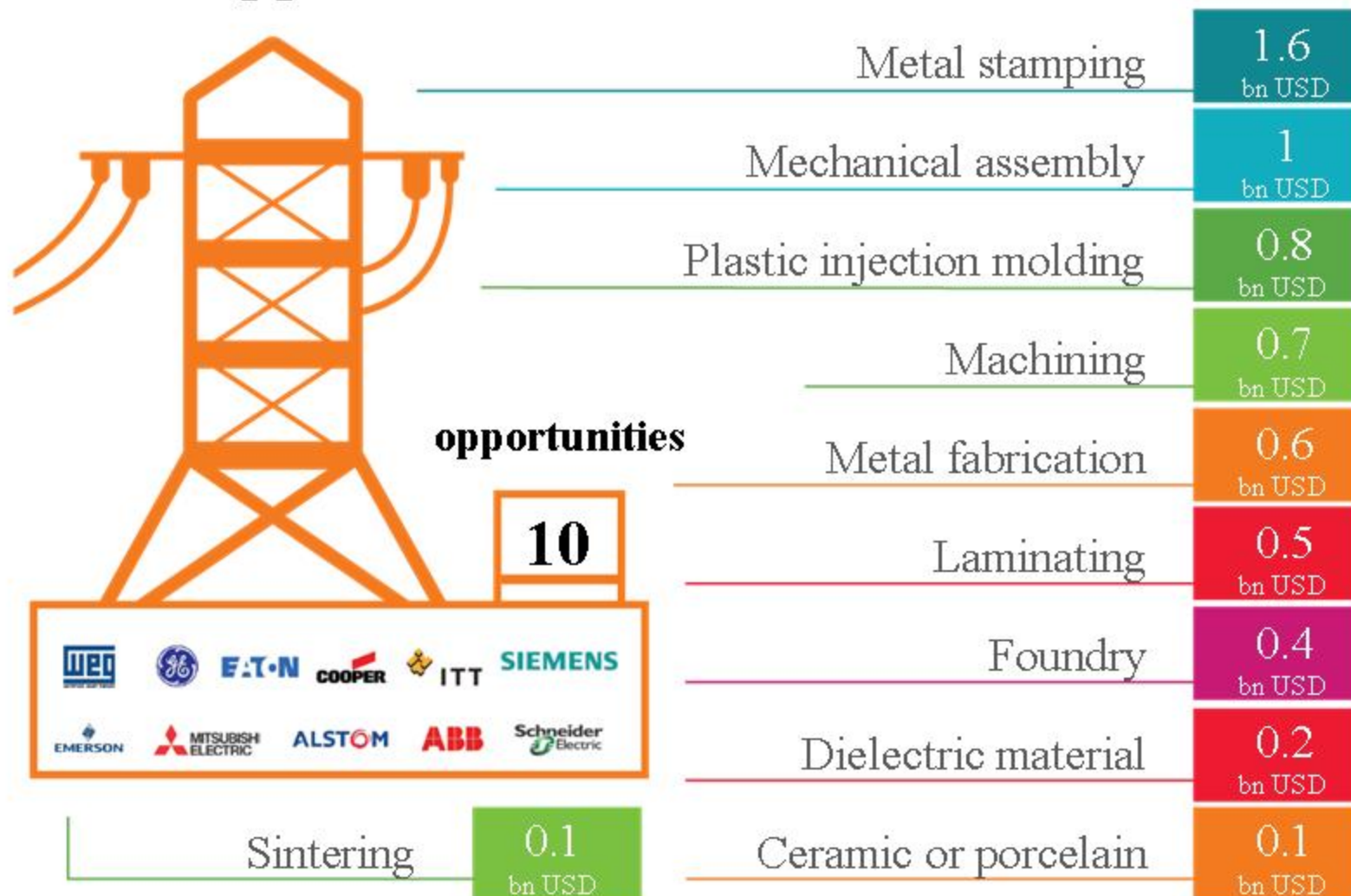
Emerging opportunities in the automotive sector



Opportunities in the aerospace sector



Opportunities in the electric sector



Opportunities in Chemical Sector



Gasoline ¹

Diesel ¹

Cyclic hydrocarbons

Polymers of ethylene

Polypropylene

Drug-chemical inputs

Opportunities in Metal-mechanic Sector



Diesel motor

Motor parts

Gasoline motor

Liquid pumps

**Shafts for transmissin,
bearing and gears**



ACTION PLAN TO CAPITALIZE FORESEEN OPPORTUNITIES

Completed Tasks to Implement the MOU

- ✓ NDRC & Ministry Forum on Investment Opportunities in Industrial Sector at the China Overseas Investment Fair in Beijing, in 2014.
- ✓ Building awareness of the identified key sectors with industry associations in Mexico and China:
 1. Society of Automotive Engineers of China.
 2. China Association of Automobile Manufacturers.
 3. China Automotive Maintenance and Repair Association (CAMRA).
 4. China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME).
 5. Hong Kong Federation of Innovative Technologies and Manufacturing Industries (FITMI).
 6. Asian Manufacturing Association.
 7. Hong Autoparts Industry Association.
 8. Home Appliance Chamber of Commerce of Guangdong.
 9. Mexican Chamber of Electronics, Telecommunications and information Technologies (CANIETI)
 10. National Autoparts Association.
 11. Automotive Industry Mexican Association.
- ✓ Creating and disseminating the Mexicos Automotive & Autoparts Industry Overview.

INVESTMENTS ON IDENTIFIED SECTORS

1. Acquisition of Sharp Corporation Mexico by Hisense for 23.7 million dollars in Tijuana;
2. Johnson Electric investment of 50 million dollars in the construction of a second plant and JE Technical College in Zacatecas;
1. The construction of a new factory by Minth equivalent to an investment of 20 million dollars in Aguascalientes.

PROPOSED ACTIONS TO IMPLEMENT IN 2016

- ✓ **Engagement Industry Mission to Mexico** to bring Chinese potential investors to meet with Mexican companies, business associations and related authorities.
- ✓ **Joint Investment Guides** on the other key sectors to continue creating awareness in related stake holders in Mexico and China as means as encouraging industry sectors to capitalize on identified opportunities:
 - Electronic and electric
 - Chemical
 - Machinery
 - Aerospace
- ✓ **Proactively continue carrying out investment seminars** in Mexico and China.

SUCCESS STORIES OF CHINESE COMPANIES INVESTING IN MEXICO

Manufacturing

lenovo

Hisense

TCL

mindray


TIENS

TTI

 **LIUGONG**

CHINT


FOTON


LIFAN
力帆集团

MINTH
敏實集團

 **JOHNSON
ELECTRIC**

Energy & Resources



Telecommunications



中國通信服务
CHINA COMSERVICE



Various



HYDROCHINA



Hutchison Whampoa Limited

TBEA

