



UNITED STATES-MEXICO CHAMBER OF COMMERCE
CÁMARA DE COMERCIO MÉXICO-ESTADOS UNIDOS

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MEMO

September 9, 2020

To: USMCOC Binational Board Members and Executive Directors

From: Albert Zapanta, President and CEO

Re: Summary of meeting with Mexico's Senate Committee for the Implementation of the USMCA

**SUMMARY OF VIRTUAL MEETING WITH
MEXICO'S SENATE COMMISSION FOR
THE IMPLEMENTATION OF THE USMCA
September 4th, 2020**

The National Office of the U.S.-Mexico Chamber of Commerce requested a meeting for Albert Zapanta, President and CEO to meet with Mexican Senator Claudia Ruiz Massieu, President of the Senate's Commission for the Implementation of the U.S.-Mexico Canada Agreement to establish communication channels between this very relevant commission and the North American Working Group (NAWG), the Chamber's initiative to contribute to the smooth implementation of the USMCA.

The NAWG has the objective of exploring in depth the opportunities that the USMCA brings for the different industries and identify challenges for which we must prepare. The NAWG aims at making a positive contribution to the process of implementation ahead by establishing a constructive dialogue with U.S. and Mexico government authorities. Additionally, special attention will be given to challenges posed by the COVID-19 pandemic to essential cross-border activities and how to use those lessons in the future.

The request was very well received and Senator Ruiz Massieu extended an invitation for all members of the aforementioned commission to participate. The videoconference took place scheduled September 4th, at 11:00 am.

Mexican Senators in attendance were:

Claudia Ruiz Massieu	President, Special Commission of the Implementation of the USMCA (PRI)
Bertha Alicia Caraveo Camarena	President, Commission on Border Issues (Chihuahua/Morena)
Alejandra Noemí Reynoso Sánchez	Member of Commission on Foreign Affairs (Guanajuato/PAN)

Patricia Mercado Castro	President, Commission on Urban Development and Mobility (Movimiento Ciudadano)
Rogelio Israel Zamora Guzmán	Member, Commission on Border Issues (Partido Verde Ecologista)

To represent the Chamber the following people were invited:

Albert Zapanta	President and CEO
Joseph Chapa	VP of Finances, Coordinator of Mexico Chapters
Sergio García	Senior Advisor on Trade and Investment
Cecilia López	Director of Alliance Magazine
Gabriela Kenny	Director of Communications

From our Board of Directors

Dr. José Zozaya	USMCOC Chairman, President of Asociación Mexicana de la Industria Automotriz (Mexico City)
Jorge Pérez	President and CEO, ARCH Staffing & Consulting NAWG Task Force on Labor Issues (Miami, FL)
Vince Chapa	President, USMCOC Southwest Chapter Leader NAWG Task Force on IT and Communications & Border Infrastructure (Dallas, Texas)
Mauricio Monroy	Managing Partner, Mauricio Monroy Contadores Leader NAWG Task Force on Maquiladora Industries & Border Infrastructure (California/Arizona)

After the opening remarks from Senator Ruiz Massieu, Mr. Zapanta presented a brief history of the Chamber and described the North American Working Group initiative, followed by comments and questions from participant Senators, and an open conversation on various topics that were identified by both the Senate’s Commission and the Chamber members.

Topics discussed included:

- Raise advocacy on the key relevance of maintaining dialogue between the private sector, government and federal and local levels, legislative branches, think tanks, academia and all members of the binational community that benefit from trade and investment.
- Essential Industries: Importance of aligning industries considered essential in the U.S., Canada and Mexico to prevent disruptions in the case of an unexpected crisis like the one created by the COVID-19 pandemic.
- Maquiladora, manufacturing and supply chain: Opportunities in the automotive, medical/health devices and aerospace industries in particular, and the importance of an open dialogue with the private sector involved in these industries to support the development of production processes in accordance to the new regional value content and labor value content established in the USMCA.
- Border infrastructure: Need to renovate institutional dialogue improve ports of entry and border-crossing mechanisms
- Relocation of manufacturing companies to Mexico: Develop strategies to successfully attract direct foreign investment interested in participating in the U.S. Market and Mexican competitiveness to transfer their facilities to Mexico and North America.

- U.S.-Mexico-China Trade relations: How developments in China impact trade and investment in Mexico and North America and how to identify the opportunities that those developments bring to North America.
- Labor reform and enforcement: Relevance of new labor rules, full compliance and high level institutional dialogue to secure the benefits of competitiveness and high skills located in Mexico.
- Affirmative action: Foster women's participation in international trade with focus on USMCA provision provisions for small and medium size businesses.
- Environment and sustainability: Chamber as an active advocate for the preservation of the environment through different initiatives and programs: one of the most important ones being the Center for Cleaner Production in El Bajío (León, Mexico), originally funded in great part by the Interamerican Development Bank. Invitation to the Commission to see the Chamber as an ally to foster sustainable production practices.
- Software development (Soft-quiladora): Recognize that Mexico's workforce has great potential not only as skilled manufacturing workers, but also by developing products and services for the Information Technology Industries that requires understanding of programming languages and operating systems, for which Mexico's youth is quickly acquiring skills.

All participants agreed on the importance of continuing this conversation and on establish a work agenda to discuss each topic in depth and develop mechanisms of collaboration between the Commission and the Chamber. We should mention that this important meeting was facilitated by Senator Héctor Vasconcelos, President of the Commission on Foreign Affairs, who could not join the meeting but who has been in close communication with Mr. Zapanta.

The Chamber invited Senators to participate in our upcoming Annual Board of Directors meeting, to take place virtually on November 17, 2020, and our Binational Conference in Mexico City on February 16th, and also to join us in our Annual Conference, Board of Directors Meeting and Good Neighbor Awards Gala May 25-27, 2021 in Washington, D.C. Additionally, Senator Claudia Ruiz Massieu also accepted to collaborate in the next edition of Alliance Magazine.

The full video of this meeting can be watched at:

<https://www.youtube.com/watch?v=pJvcPZNehIk&feature=youtu.be>

Sincerely,



Albert Zapanta
President and CEO