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Public Procurement, Negotiation and Implementation of International Commitments.

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April 2011
Montego Bay, Jamaica



Benefits of International Trade





- 1. Enhances the domestic competitiveness
- 2. Takes advantage of international trade technology
- 3. Increase sales and profits
- 4. Extend sales potential of the existing products
- 5. Maintain cost competitiveness in the domestic market
- 6. Enhance potential for business expansion
- 7. Gains a global market share
- 8. Reduce dependence on existing markets
- 9. Stabilize seasonal market fluctuations





Top Trading Nations

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| Rank | Country | Exports + Imports | Date |
|------|----------------------------|---------------------|-----------|
| - | European Union | \$3,764,000,000,000 | 2010 |
| 1 | <u>United States</u> | \$3,173,000,000,000 | 2010 est. |
| 2 | People's Republic of China | \$2,813,000,000,000 | 2010 est. |
| 3 | Germany | \$2,457,000,000,000 | 2010 est. |
| 4 | <u>Japan</u> | \$1,402,000,000,000 | 2010 est. |
| 5 | <u>France</u> | \$1,086,400,000,000 | 2010 est. |
| 6 | <u>United Kingdom</u> | \$952,100,000,000 | 2010 est. |
| 7 | <u>Italy</u> | \$918,100,000,000 | 2010 est. |
| 8 | South Korea | \$884,200,000,000 | 2010 est. |
| 9 | <u>Netherlands</u> | \$859,700,000,000 | 2010 est. |
| 10 | <u>Canada</u> | \$813,200,000,000 | 2010 est. |
| - | Hong Kong | \$795,600,000,000 | 2010 est. |
| 11 | <u>Singapore</u> | \$666,800,000,000 | 2010 est. |
| 12 | Russia | \$614,000,000,000 | 2010 est. |
| 13 | Mexico | \$609,000,000,000 | 2010 est. |
| 14 | <u>Spain</u> | \$592,900,000,000 | 2010 est. |
| 15 | <u>Belgium</u> | \$560,900,000,000 | 2010 est. |



International Trade Negotiation Policy





- 1.-International Agreements with wide coverage of goods and services.
- 2.- Elimination of non-tariff barriers.
- 3.- Flexible and Effective conflict resolution mechanisms.



Prerequisites to initiate International Trade Negotiations are:

- A favorable atmosphere in which the Public and Private Sectors may undertake consultations and reach agreements.
- Clarity among relevant Economic Agents, concerning the role of International Trade as a tool for Economic and Industrial Development.





Additional Benefits in:

- Improving the procurement conditions for the State.
- Enhanced access to procurement opportunities in foreign nations.
- Attracting investment for national projects and the generation of exportable supply to satisfy the needs of foreign procurement markets.
- Anticipating exceptions in which specific support will be necessary for certain domestic industries that will be sensitive to the opening of the procurement market.



Public Procurement Chapters signed by Mexico

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| Chapter | Year |
|-----------------------|------|
| NAFTA | 1994 |
| G3 FTA | 1995 |
| FTA México-Costa Rica | 1995 |
| FTA México-Nicaragua | 1998 |
| FTA México-Israel | 2000 |
| FTA México-UE | 2001 |
| FTA México-AELC | 2001 |
| FTA México-Japón | 2005 |
| FTA México-Chile | 2008 |

In process with Uruguay and the Northern Triangle

