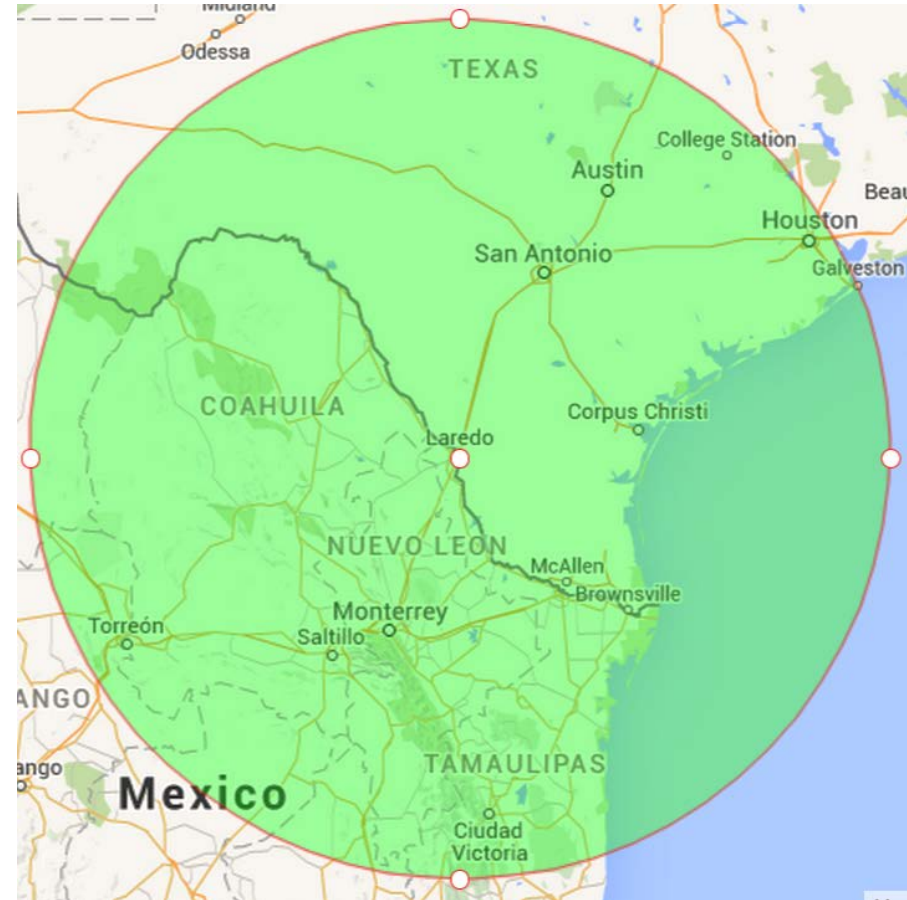




Pathways for Trade: North America, the Most Competitive Region in the World

22nd Annual Logistics & Manufacturing Symposium

Developing industries along the South Texas and Northern Mexico Region



Dr. Federico Schaffler

*Director Texas Center for Border Economic and Enterprise Development
Texas A&M International University*

**Laredo, Texas, September
23, 2015**

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What are we to the world?



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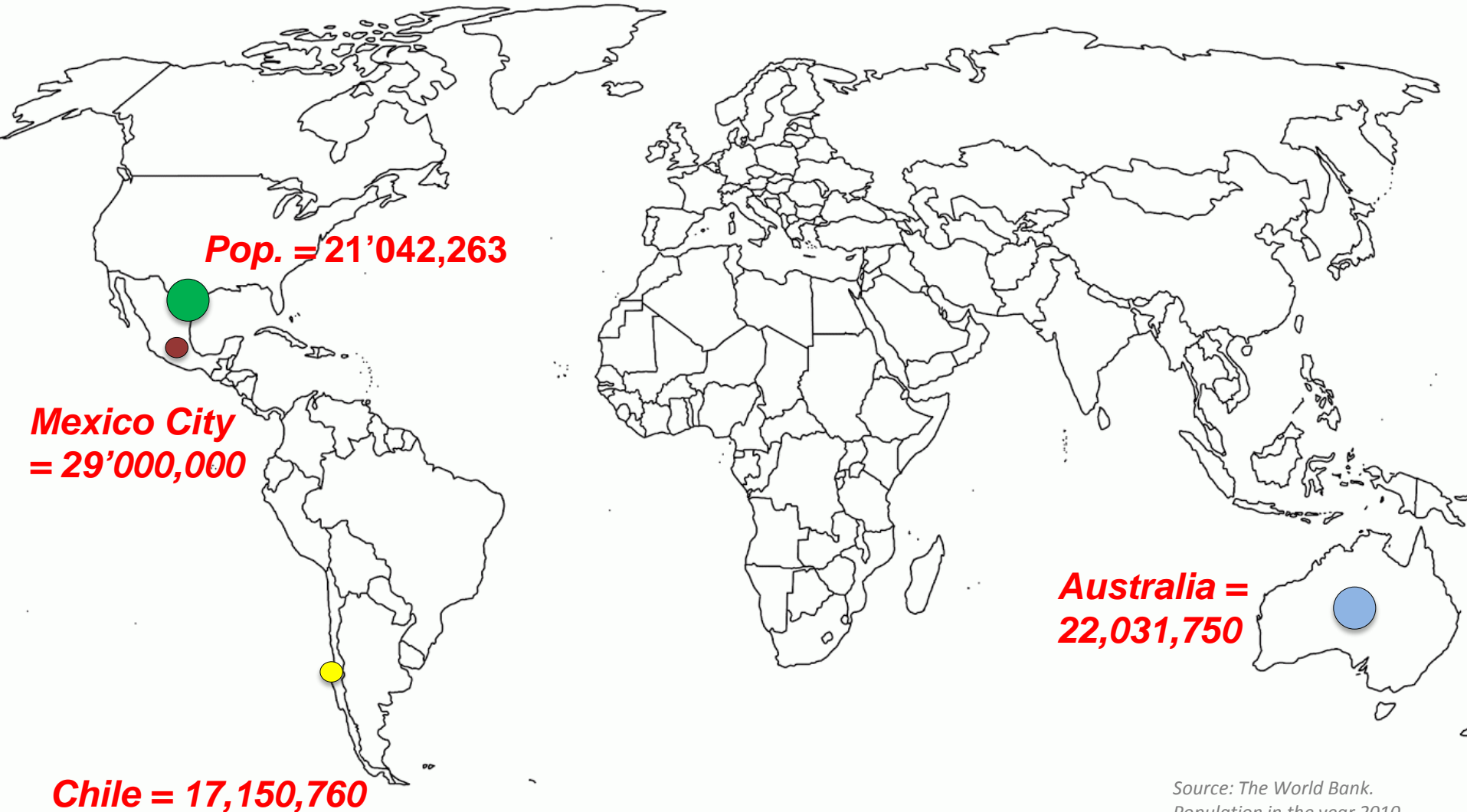


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Source: The World Bank.
Population in the year 2010.

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STATE	POPULATION
Texas*	11 639 254
Nuevo Leon	4 653 458
Coahuila	2 748 391
Tamaulipas**	2 001 160
(2010)	21 042 263
* Only MSA	** 2/3 of the State total

Circle of Influence



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Competitiveness of Mexico's NE States (IMCO 2014)

Nuevo León is the fourth most competitive state of Mexico, because of its economy and infrastructure.

STATE	2010	2014	DIF.
Nuevo Leon	2	4	-2
Coahuila	8	10	-2
Tamaulipas	12	18	-6



In 2014 Nuevo Leon had the second highest GDP in Mexico, \$192,791 pesos (\$11,542 USD).

It had the highest number of ISO 9000 and 14000 certified new companies of the country.



Source: IMCO: Índice de Competitividad Estatal "Las reformas y los estados: la responsabilidad de las entidades en el éxito de los cambios estructurales" (2014).

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Foreign Direct Investment and Exports, 2014



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	GDP	% GDP	DFI 2014	% DFI	Exports (2012)	Exports
Mexico	\$15,433,167	Natl.	(Billions)	Natl.	(Billions)	% Natl.
Coahuila	\$514,432	3.3%	\$624	2.8%	\$31,500	9.90%
Nuevo León	\$1,103,489	7.1%	\$1,073	4.8%	\$25,800	8.10%
Tamaulipas	\$458,766	3.0%	\$511	2.3%	\$22,300	7.00%
	\$2,076,687	13.4%	\$2,208	9.9%	\$79,600	25.00%

Almost all DFI was in manufacturing and retail.

In the three states manufacturing represented the highest percentage of the State's GDP:

- 40.9% in Coahuila
- 24.7% in Nuevo León and
- 16.6% in Tamaulipas.

Source: PROMEXICO

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Manufacturing, maquiladora and export services

Maquiladoras: 1,613
Employees: 736,238
Monthly Salaries: \$468.5 million dollars

IMMEX									
	Manufacturing Companies			Non-Manufacturing Companies			Total Companies		
June 2015	Active	Employees	Salaries*	Active	Employees	Salaries*	Active	Employees	Salaries*
Coahuila	388	237,626	\$ 2,354,277,000	50	14,462	\$ 175,258,000	438	252,088	\$ 2,529,535,000
Nuevo León	646	256,157	\$ 2,726,675,000	112	13,220	\$ 189,065,000	758	269,377	\$ 2,915,740,000
Tamaulipas	361	201,625	\$ 2,233,537,000	56	13,148	\$ 124,941,000	417	214,773	\$ 2,358,478,000
	1,395	695,408	\$ 7,314,489,000	218	40,830	\$ 489,264,000	1,613	736,238	\$ 7,803,753,000
Source: INEGI, Banco de Información Económica Serie Manufacturas									
*Mexican Pesos. Salaries only for the month of June 2015									

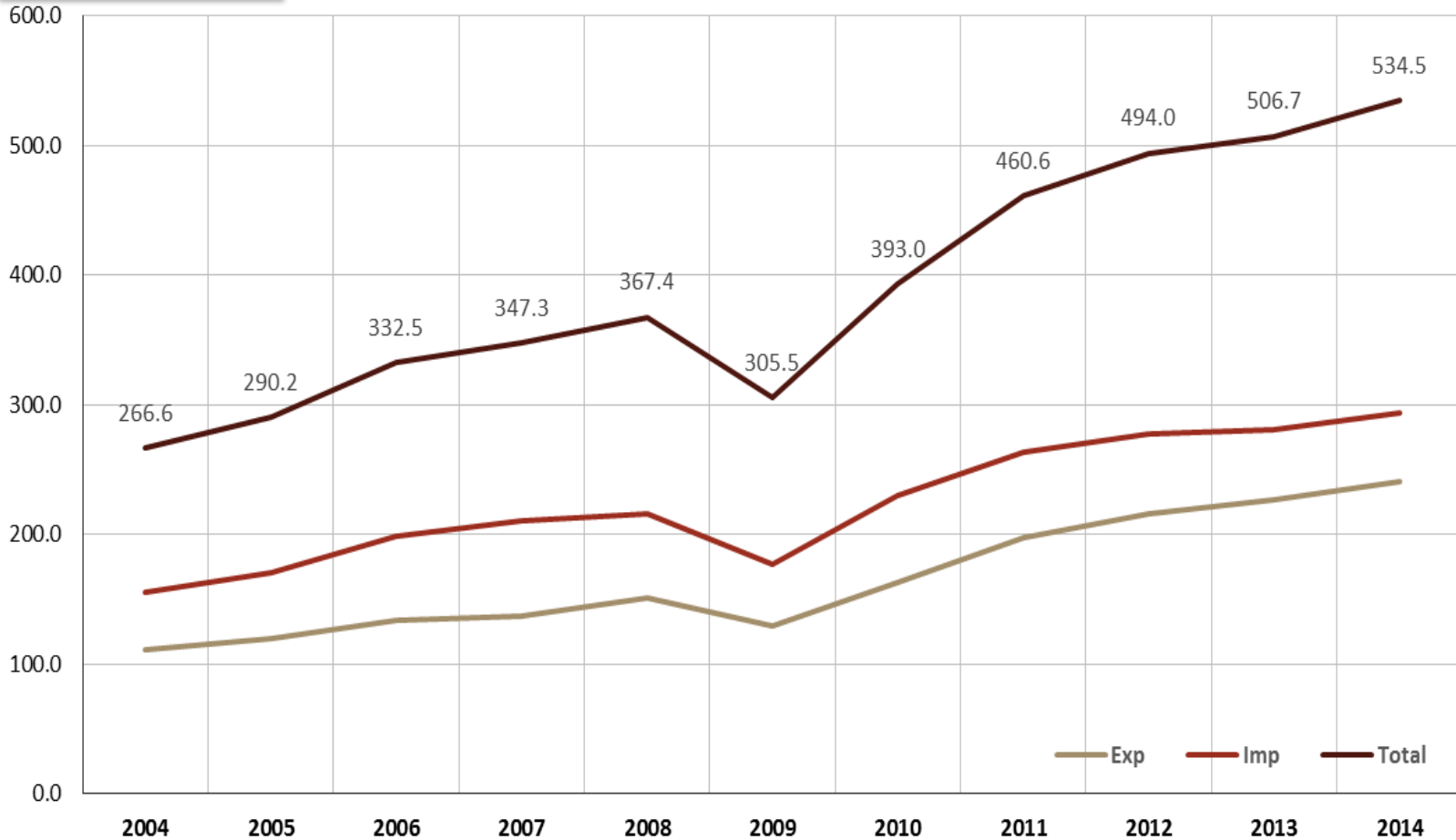
Source: PROMEXICO

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Mexico-U.S. Trade

All U.S. POE (air, land, sea)

Billions USD



Información recopilada por Texas Center for Border Economic and Enterprise Development, TAMIU
Fuente: U.S. Department of Commerce Bureau of the Census, Foreign Trade Division

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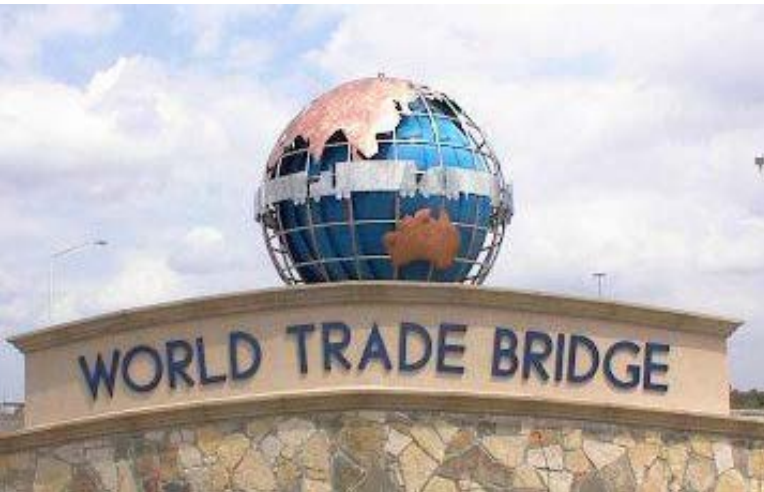
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2014: International Trade Comparison (by POE)



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*Total U.S. Trade value with the World: **\$3.8 Trillion.***

12% of the total value of U.S. International Trade was processed through these Texan ports.

CITY	TOTAL	UNIT	POP. 2010
Houston *	\$196.0	Billions	2'096,798
Laredo **	\$199.0	Billions	236,086

* Including Houston International Airport and Sea Port

** Only Laredo Port of Entry

CITY	TOTAL	UNIDAD	POP. 2010
Laredo District ***	\$279.5	Billions	683,913

*** Laredo, Hidalgo/Pharr, Brownsville, Edinburg Airport, Progreso, Rio Grande City, Roma, Valley International Airport (Harlingen), Eagle Pass y Del Rio

CITY	TOTAL	UNIT	POP. 2010
San Antonio	\$630.1	Millions	1'327,407
Austin	\$392.0	Millions	790,390

Total U.S. Trade value of Regional Ports that include: Houston/Galveston, the Laredo District, the Ports of Austin and San Antonio: **\$476.5 Billion.**

Sources: Texas Center for Border Economic and Enterprise Development / U.S. Census Foreign Trade data

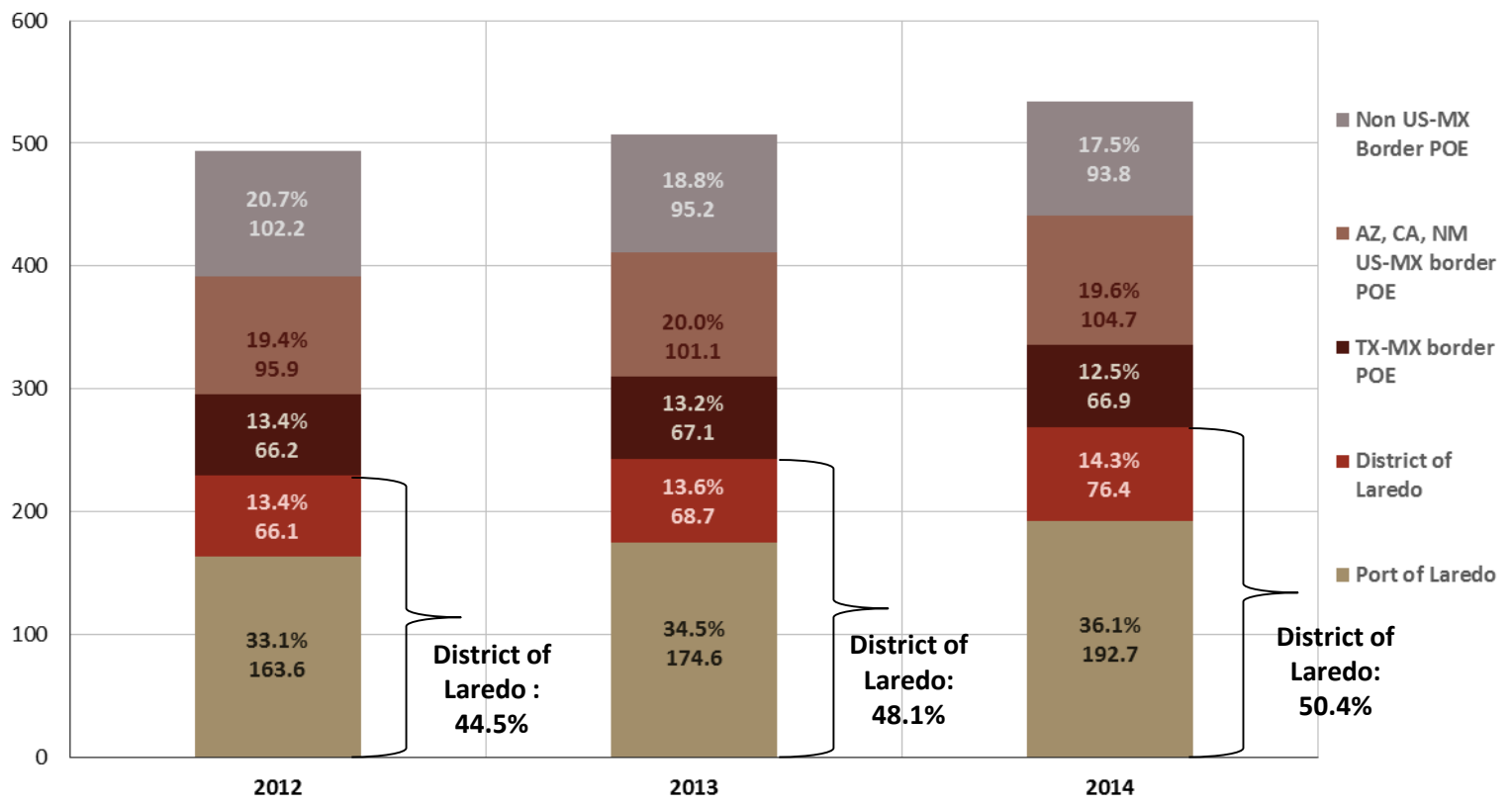
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U.S.-Mexico International Trade

Port of Entry Comparisons

Billions of U.S. Dollars



Data compiled by Texas Center for Border Economic and Enterprise Development, TAMU
 Source: U.S. Department of Commerce Bureau of the Census, Foreign Trade Division

USA-Mexico Trade	42.41% of all operations cross through Laredo/Nuevo Laredo (The other 57.59% is distributed through the other 56 POE of the U.S.).
Total México International Trade	22.64% crosses thorough Nuevo Laredo/Laredo. (The other 77.36% is distributed through the other 48 Mexican POE).

Eagle Ford Shale / Burgos Basin



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Coahuila

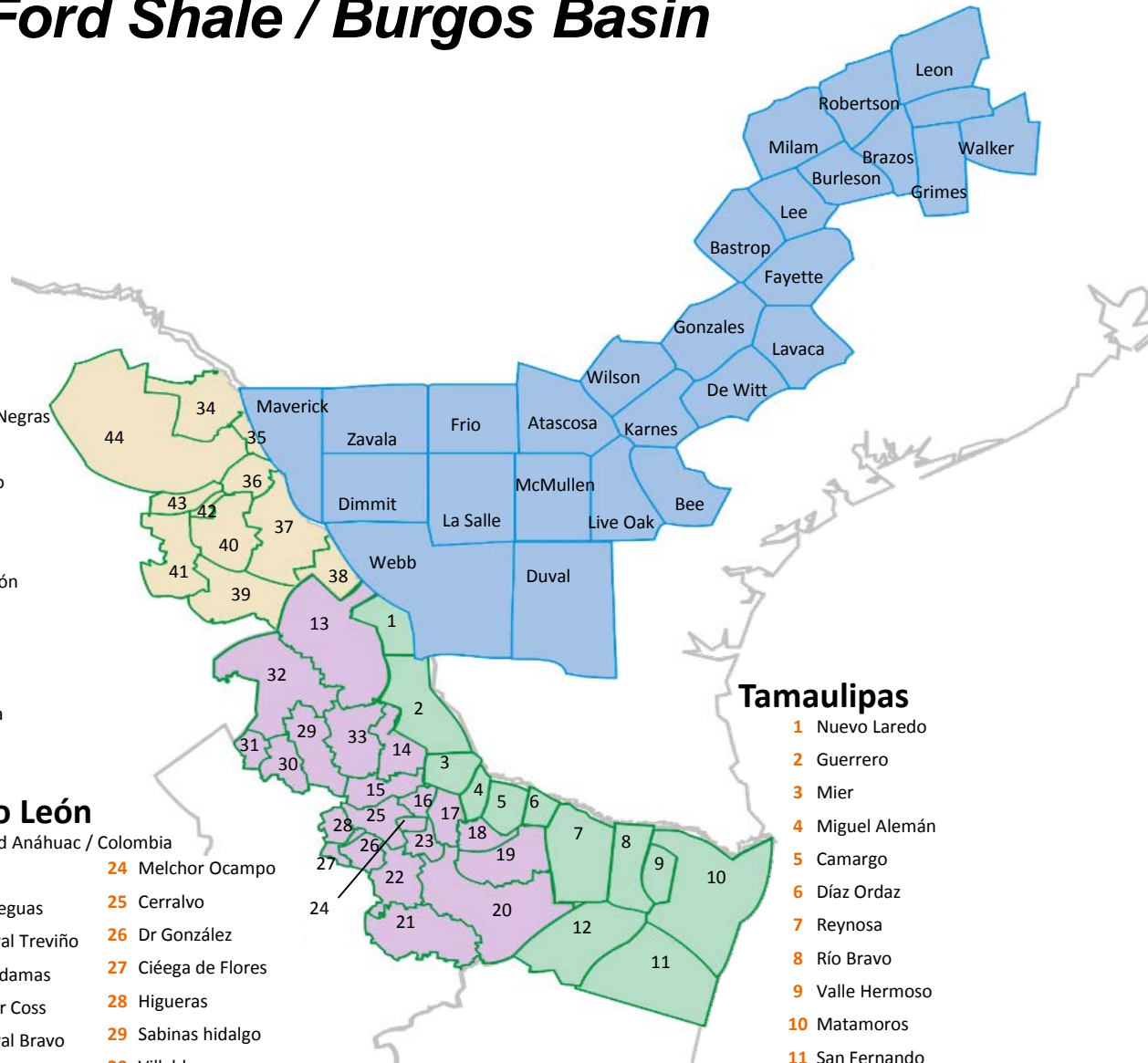
- 34 Jiménez
- 35 Piedras Negras
- 36 Nava
- 37 Guerrero
- 38 Hidalgo
- 39 Juárez
- 40 Villa Unión
- 41 Sabinas
- 42 Allende
- 43 Morelos
- 44 Zaragoza

Nuevo León

- 13 Ciudad Anáhuac / Colombia
- 14 Parás
- 15 Agualeguas
- 16 General Treviño
- 17 Los Aldamas
- 18 Doctor Coss
- 19 General Bravo
- 20 China
- 21 General Terán
- 22 Los Ramones
- 23 Los Herreras
- 24 Melchor Ocampo
- 25 Cerralvo
- 26 Dr González
- 27 Ciénega de Flores
- 28 Higueras
- 29 Sabinas hidalgo
- 30 Villaldama
- 31 Bustamante
- 32 Lampazos de Naranjo
- 33 Vallecillo

Tamaulipas

- 1 Nuevo Laredo
- 2 Guerrero
- 3 Mier
- 4 Miguel Alemán
- 5 Camargo
- 6 Díaz Ordaz
- 7 Reynosa
- 8 Río Bravo
- 9 Valle Hermoso
- 10 Matamoros
- 11 San Fernando
- 12 Méndez



The extraction potential of the region is 3.4 billion barrels of recoverable oil and 20.8 billion cubic feet of technically recoverable natural gas.

This resource will be extremely valuable for new industrial investments and development.

* Source: Institute for Energy Research Eagle Ford Shale Fact Sheet and US Energy Information Administration.
<http://www.eia.gov/analysis/studies/usshalegas/pdf/usshaleplays.pdf>
<http://www.eia.gov/analysis/studies/usshalegas/>
<http://www.eia.gov/todayinenergy/detail.cfm?id=5950>



Strategic advantages for industrial development

1. Abundance of energy resources
2. Industry and business spaces availability
3. Strategically geographic location/stable climate
4. Competitive land, air and sea ports
5. International trade and manufacturing experience
6. Supply chain accessibility



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Thank you!



***For more
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