

NEWSLETTER

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LETTER FROM THE PRESIDENT BY LARRY RUBIN

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AMERICAN SOCIETY MEXICO

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LETTER FROM THE PRESIDENT

We are fast approaching mid-year and several decisive events around the world, particularly in Mexico, where the political campaign season has concluded and voters have gone to the polls to elect a new president as well as many of their congressional representatives.

To gain a better perspective of the several political platforms, the Government Leader Series organized a meeting with Diana Alarcón, Coordinator of International Affairs of presidential candidate Claudia Sheinbaum, myself and AmSoc Vice President Patricia González, in which we discussed many topics of interest, including insecurity, nearshoring, cybersecurity and foreign investment.



LARRY D. RUBIN

President & Chairman of the Board
American Society of Mexico

The previous meeting in the Government Leaders Series was with Senate candidate Marcelo Ebrard, who shared his outlook on public health and safety, nearshoring, USMCA, investment, Artificial Intelligence and other key issues. Both of these meetings enjoyed the participation of members of the Public Affairs Task Force and executives of the most important American companies in Mexico.

In coordination with Deloitte, I presided the “Artificial Intelligence” forum which examined opportunities AI can offer to organizations.

The most recent Texas Exes breakfast hosted Lorenzo Meyer, who discussed challenges and opportunities facing Pemex in the transition to new energies. We were pleased to join the Texas Exes in a heartfelt tribute to Ron Nicholas, who many of you know died recently, recognizing his community and social work that has left an indelible mark on the community. We also offered a warm farewell to our dear Gwen Rianhard, who after years of tireless service to the community is moving to Miami. She will be sorely missed by friends who remain behind.

Fundación Aeroméxico and the Organizations Steering Group worked diligently to take 100 children from vulnerable communities on a tour of a commercial jet liner on Children’s Day.

The Organizations Steering Group is also supporting the efforts of MEXFAM, which promotes dignified and fair work conditions for muxe women of the Isthmus of Tehuantepec.

In this publication, EY provides an analysis of the proposals set forth by the leading presidential candidates, with a special focus on nearshoring.

González de Araujo Consultores introduces us to AIDA, its signature system for ensuring your company is in compliance.

Nextshore provides an analysis of the current economic conditions, comparing and contrasting them to conditions prevailing in 1994, when NAFTA was adopted.

On the leisure front, Deby Beard invites us to visit Fónico, a restaurant located in the heart of Roma Norte, Mexico City, to enjoy a gastronomic proposal that merges authentic Mexican ingredients with innovative culinary methods and a sustainable approach to ensure low impact on the environment, while supporting local producers.

Deby invites us on an expedition to Greenland aboard Swan Hellenic Cruises, which offers passengers the thrill of discovery and the self-indulgence of gourmet dining.

Rosita Horta suggests we take advantage of the strawberry harvest season and get creative by preparing an easy, delicious Strawberry Shortcake.

We hope this newsletter is useful, and you can find time to participate to any of the social causes and programs sponsored by AmSoc.

Please send your suggestions to: newsletter@amsoc.mx
Best regards, Larry Rubin

MARCELO EBRARD



In AmSoc’s ongoing Government Leaders Series, the president of the American Society of Mexico (AmSoc), Larry Rubin, held a meeting with Senate candidate Marcelo Ebrard Casaubón and members of the Public Affairs Task Force.

- The meeting with senate candidate Marcelo Ebrard and members of the Public Affairs Task Force was held as a part of the ongoing “2024 Government Leaders” series organized by AmSoc.
- Larry Rubin, President of the American Society of Mexico, stressed the importance of continuing to support and engage with companies and jointly pursue the common good.
- Marcelo Ebrard spoke of the importance of participation of the private sector in the new executive administration.

MEXICO CITY, MAY 15, 2024

In a meeting of executives of the most important North American companies in Mexico, AmSoc president Larry Rubin moderated discussions on public safety and health, nearshoring, USMCA, investment, Artificial Intelligence and other salient issues of our times.



He stressed that the United States was Mexico’s leading trade partner, followed by China, Canada, Germany and South Korea.

The meeting also brought to light that 2023 saw the creation of 1 million 196 thousand new jobs in conjunction with real wage increase of 5.9%, evidencing a robust labor market driving domestic demand and consumption.

In the context of upcoming elections in both countries, business executives expressed their interest in learning about investment policies of the new administration and the USMCA, and expressed their specific concerns surrounding public security.

For his part, Marcelo Ebrard said that the relationship between Mexico and the United States is very solid, and that regardless of who wins the elections, institutional cooperation must be fortified to ensure mutual benefits.

DIANA ALARCÓN

Larry Rubin and Patricia González, American Society of Mexico President and Vice President, respectively, held a meeting with Diana Alarcón, International Affairs Coordinator for presidential candidate Claudia Sheinbaum, which also included members of the Public Affairs Task Force.

- The meeting with Diana Alarcón and members of the Public Affairs Task Force was held as part of AmSoc’s ongoing “Government Leaders Series”.
- Diana Alarcón, International Affairs Coordinator for presidential candidate Claudia Sheinbaum, focused on the review of USMCA and the unprecedented opportunities arising from relocation of production worldwide.
- Larry Rubin, president of the American Society of Mexico, stressed the importance of maintaining the support and commitment of companies in joint efforts to seek the common good.



- Diana Alarcón stressed that nearshoring and the revision of the USMCA provide opportunities for Mexico to attract investments in pioneering technology.

Diana Alarcón, presidential candidate Claudia Sheinbaum’s International Affairs Coordinator, underscored that the review of USMCA and the emerging global nearshoring trend represent an unprecedented opportunity. “Thirty percent of world trade occurs in the North American region: internationally, it is the fastest growing and most dynamic region from an economic point of view,” she said.

The meeting with executives of the most important American companies in Mexico, saw participants air topics such as insecurity, nearshoring, cybersecurity and foreign investment.



Alarcón also stressed that Mexico must seize the opportunity to expand production and export capacity, while attracting investments that will drive job creation, especially in historically backwards regions in the south and southeast regions of the country.

AmSoc President Larry Rubin indicated that record setting foreign direct investment is already landing in Mexico, driven by both nearshoring and ratification of the USMCA, which in his view will bring uninterrupted investment flows.

Representatives of the private sector expressed their concerns regarding insecurity, knock off electronic devices and software, as well as the problem of counterfeit medicines, which pose a serious health hazard. Alarcón stressed that work is already being done on these issues and asked companies to share their concrete proposals with the incoming administration.

Several company representatives broached the need to ensure energy and water supplies, which are vital to company operations, requesting measures be taken to fortify these systems.



The question of China was also addressed, and Alarcón asked the executives in attendance not to see China as an enemy, but rather as a potential ally in multilateral efforts to bring well-being to everyone.

Finally, participants shared their views on nearshoring, stressing the need for rule of law, and clean water and energy, which companies need to operate optimally and, moreover, to provide job security to the country's expanding workforce.



ARTIFICIAL INTELLIGENCE



American Society of Mexico President Larry Rubín, in coordination with Deloitte, presided the "Artificial Intelligence" forum, where he said:

"85% OF COMPANIES CONSIDER INVESTMENT IN ARTIFICIAL INTELLIGENCE A STRATEGIC PRIORITY"

- People who work with artificial intelligence saw productivity, more efficient operations, new opportunities and enhancement of their roles.
- This new reality of advanced artificial intelligence often can make it too easy to manipulate information.
- Artificial intelligence is not going to put you out of a job: If you lose your job, it will be to someone who knows how to exploit AI.

MEXICO CITY, MAY 07, 2024

Inaugurated by American Society of Mexico President Larry Rubin, the event addressed the extraordinary rate of technological development, the impact of Artificial Intelligence (AI), and the many debates surrounding important trends in these fields.

Advances in AI, especially Generative Artificial Intelligence, have driven extraordinary changes in a short period of time, opening both enormous new opportunities to transform operational modalities of industries and the career paths of individuals.

Thanks to the implementation of AI, businesses can allocate more time and effort to creative and strategic tasks, which often require closer human involvement.

Finally, as we look to the near future, businesses and professionals alike need to prepare for a world in which AI plays an increasingly important role.



TEXAS EXES MONTHLY BREAKFAST

BY NATALIA VILCHIS

Photos by Sara Martínez

The breakfast of Texas Exes, the Ex-Students Association of The University of Texas, was held on May 14 at the Hacienda de los Morales. The event is regularly organized by UT Austin alumni who live in and around Mexico City.

Keynote speaker Lorenzo Meyer addressed the gathering about the challenges and opportunities that PEMEX will face as the result of the global transition to renewable energies, stressing Mexico’s need to abreast of the many changes in the offing.

The Alumni also paid heartfelt tribute to the memory of Ron Nicholas, former president of Texas Exes who recently passed away. Ron was recognized for his dedicated leadership and support of important social causes. Ron’s solidarity and noble character have left a deep mark on the community and, indeed, on the country.

Members also gave Gwen Rianhard a rousing send off, acknowledging her long commitment to community service in Mexico. Gwen is moving Miami to be close to family and she leaves behind many friends who will miss her dearly.



LORENZO MEYER

Lorenzo Meyer Falcón studied International Relations at the Colegio de México and holds an MBA from the University of Texas at Austin. He has more than 20 years of experience in the energy sector, particularly in the field of hydrocarbons. A member of PEMEX’s Board of Directors, Meyer shared his perspective on the challenges facing the state-owned company as it strives to adapt to coming changes in the energy sector.

Meyer highlighted PEMEX’s history and strategic importance to Mexico, as well as Mexico’s efforts to transition to sustainable sources of energy, stressing both economic factors and environmental imperatives, including climate change, in order to ensure a sustainable future for generations to come.



To this end, Pemex has established a Sustainability Committee, whose purpose is to advise the Board of Directors in the formation of a strategic vision that takes into account Environmental, Social and Governance (ESG) imperatives in the short-, medium- and long-term. The move to sustainability and reduction of emissions, he stressed, will be achieved with the help of specialized NGOs and industry and industrial safety experts, and increased investment in research and development in cogeneration.

ARTURO PARRA

Arturo Parra, President of Texas Exes in Mexico City, highlighted the importance of opening Mexico to new sources of energy, which is why University of Texas alum Lorenzo Meyer was invited to speak about the challenges and opportunities faced by PEMEX in this area.

Arturo gave a sort of eulogy to the memory of Ron Nicholas, the prominent former president and cornerstone of the Texas Exes. He recognized Nicholas' ability to bring people together, highlighting that the club's communications and activities reached a peak during his tenure as president. Working together selflessly, Ron and Gwen promoted a wide array of projects worldwide, including efforts to support many people in need.

Finally, he mentioned that Texas Exes continues to move forward with its customary activities, including the monthly breakfast and social work initiatives, promising more information soon.



GWEN RIANHARD

Gwen Rianhard is known both for her infectious smile and passion for helping Mexican graduate students, who wish to contribute to Mexico, study in US or other international universities. Many Mexican Americans living in this country are proud members of the recently established International Associations of Alumni in Mexico (IAAM). Gwen, a graduate of the University of Texas at Austin holds membership in both IAAM and the Texas Exes Mexico City Chapter.

She expressed her gratitude to Larry Rubin for his kind invitation to join the American Society in 2019, when she was serving as president of The Texas Exes. She spoke fondly of re-connecting with Peter Tattersfield (Indiana University Alumni Association President) and Alfredo Hong, also from Indiana University, as well as Frank Devlyn. She also told of the satisfaction reaped from working with alumni associations through the IAAM to make a significant difference in Mexico.

The list of organizations Gwen has worked with is a very long one. Gwen Rianhard, doubtless, is an example of community service as a way of life, which for her began with volunteer projects when she attended high school in Austin, Texas. The experience of studying in the United States was key to her nascent interest in community service, something she has practiced ever since.

Gwen participates in the IAAM, the Junior League, and she is active in the Baptist Church, where she volunteers with special needs children. She always has been very active in sports to boot.

We are going to miss you, dear Gwen. We wish you joy and hope that you are always surrounded by loved ones in your new home in Florida! THANK YOU FOR THESE YEARS, AND GOD BLESS YOU!



FINANCIAL EDUCATION FOR MUXES OF THE ISTHMUS OF TEHUANTEPEC

On the International Day Against Homophobia, Transphobia and Biphobia, we highlight the work carried out by the Mexican Foundation for Family Planning (Mexfam, Fundación Mexicana para la Planeación Familiar A.C.), which promotes dignified and fair work for muxe women of the Isthmus of Tehuantepec by offering them the financial skills training they need to set up micro-enterprises to supplement household income.



Access to dignified work is right due to the entire population, because employment is and has always been the foundation of securing the basic needs of living. Members of the LGBTIQ+ community, facing rejection in many educational centers, often abandon their studies, which stymies their chances of earning a professional degree and finding decent jobs. Similarly, in the workplace, they often are forced to accept unequal remuneration and are overlooked for promotions.



Currently, many muxes do not enjoy the most basic rights, such as access to dignified work and education; and in many instances, they are simply excluded from formal educational environments. Additionally, there are no programs to care for the muxe population with disabilities or the elderly. In October 2022, Mexfam documented cases of violence and crimes against muxe and trans persons in the Isthmus of Tehuantepec. The study provided a snap shot of the jobs performed by this population, which, not surprisingly, are largely a function of culturally framed ideas about gender. It seems, once a person identifies as muxe or transgender, they are assigned very specific social roles related to providing care for family members. Nonetheless, many muxe and trans-identifying persons also work in both formal and informal commerce.



In 2023, Mexfam joined forces with Fondo Unido and Procter & Gamble to launch the project: Dignified Work for All: Strengthening Financial Education and Human Rights for Muxe Women in the Isthmus of Tehuantepec, Oaxaca. Deploying ongoing training and mentorship delivered through a gender and human rights lens, the project aims to promote decent and fair work for more than 60 muxe.

So far, 63 muxe, identified through field diagnostics and other outreach actions, have participated in the project, which strives to engage the community in the development of work proposals. The project first offered talks and financial workshops to muxe leaders, who subsequently replicated these activities within their community. These workshops serve to strengthen skills and knowledge needed to understand the risks inherent in diverse financial instruments and to make informed financial decisions. The workshops also address questions surrounding money, division of labor, and how household duties are apportioned on the basis of traditional, but unequal, gender roles. Specific lines of inquiry include: money and budgeting; the story of one's family and how it is organized; the right to and need for rest; and understanding the importance of setting goals.



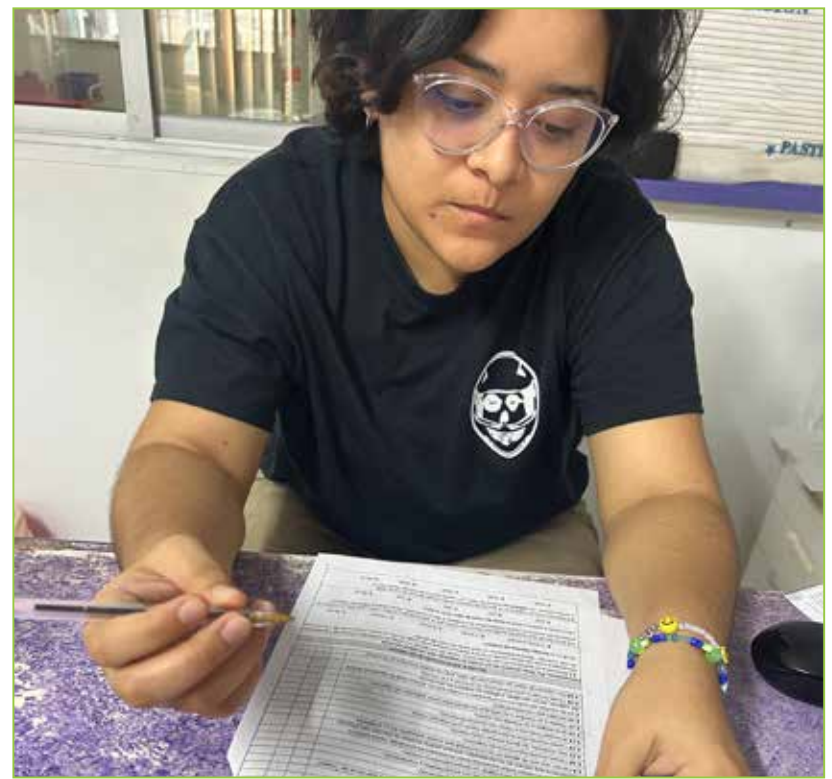
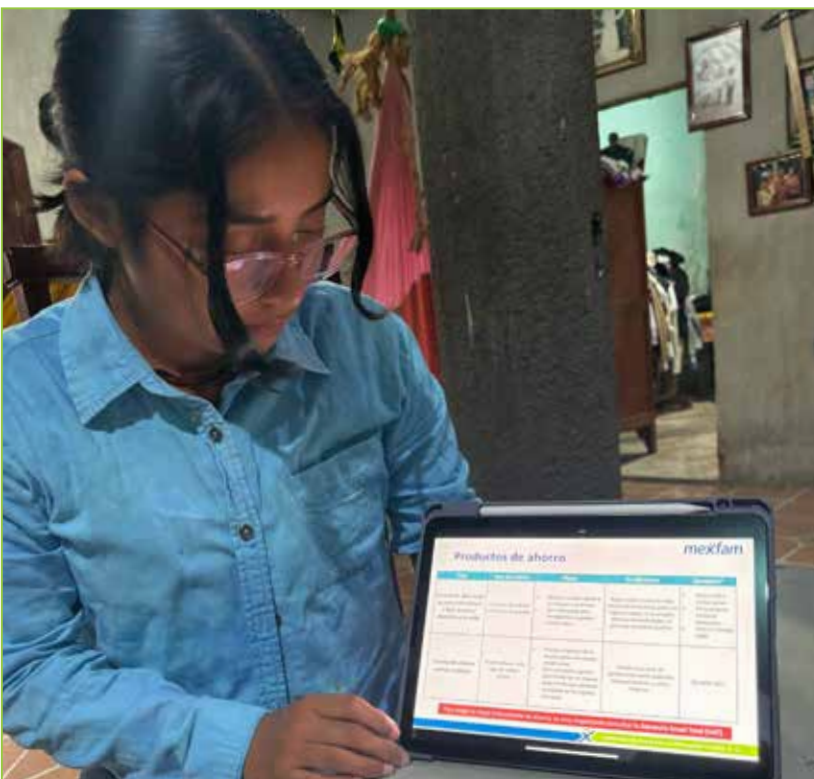


Muxe leaders reported that they found the workshops very helpful; and even while they had long experience working in commerce, they never had thought of themselves as entrepreneurs, nor did they have any grasp of how to work toward financial security. Moreover, they attained a new understanding of their right to consider and satisfy their own needs, allocate time for rest and leisure, and how they might prevail upon other family members to contribute to domestic chores. This reflection entailed identifying and separating their own specific needs from those of the family, while also striving to set short-, medium- and long-term goals.

Participants also work on costing and budgeting techniques that serve to optimize business operations and the bottom line. Financial institutions provided training in tax, credit and savings issues, which help participants map out their journeys into the future.

Drawing their own conclusions, participants in workshops came to understand that money is a tool of control, a means or mechanism for attaining well-being. They valued the financial information insofar as budgeting allows them to exercise stricter control over their income and expenditures. They also mentioned the benefit of sharing household duties among all able-bodied family members, and were especially delighted to think of themselves as enterprising individuals fully capable of earning the income they need.

Participants also recognized the importance of sharing the information with other muxes, who unlike themselves have had little or no exposure to the broad range of issues associated with equity, gender and human rights. For this reason, Mexfam will continue to work with this population. You can learn more about the organization's work with the muxes and other projects at: <https://mexfam.org.mx/poblacion-lgbt/>



AN UNFORGETTABLE DAY THANKS TO FUNDACIÓN AEROMÉXICO



Fundación Aeroméxico generously organized an unforgettable event for more than 100 children from 4 organizations sponsored by the Organizations Steering Group of the American Society of Mexico.

On a bright sunny morning, the excited children arrived at the Aeroméxico hangar to marvel at the Boeing 787-9 Dreamliner, the largest in Aeroméxico’s fleet. Warmly welcomed by Aeroméxico staff and volunteers, the children beamed with joy as Santiago Diago, from the Chief Operating Office, explained everything from the workings of the jet turbines to the use of life jackets. They were amazed when the emergency exit slide was inflated and deployed.

Guided by Aeroméxico’s experienced crew, the children examined the plane’s cockpit and spacious passenger cabin. The impressive size and complexity of the aircraft aroused their curiosity and left a lasting impression in their young minds.





For many of these youngsters, especially those from Make-A-Wish, the event was much more than a day out: It was a dream come true. The chance to see an aircraft up close and learn all about aviation surely kindled aspirations, while helping them forget for a time about the arduous medical treatment they or their family members need to overcome serious illness.

The success of this event is a testament to the power of collaboration. Fundación Aeroméxico and the Organizations Steering Group worked diligently to ensure that every child had a wonderful experience. This joint effort not only brought joy to the children, but also strengthened bonds within our community.

Opening its doors to share the wonders of aviation, Fundación Aeroméxico and its partners showed everyone just how high dreams can fly.

LEARN MORE

Make-A -Wish helps make the wishes of children suffering from life-threatening illnesses come true. Founded in Phoenix, Arizona, USA, in 1980, Make-A-Wish now has operations world-wide.

Like a seedling watered with courage, when a child gets his wish, he reclaims his childhood, where hope overcomes fear.

Make-A-Wish

[Make-A-Wish Mexico \(makeawish.org.mx\)](http://makeawish.org.mx)



AIDA

Proudly serving its clients for 13+ years, González de Araujo Consultores has vast experience helping entrepreneurs, modeling processes to find solutions to complex business issues. Our dedicated experts work shoulder-to-shoulder to protect our clients, offering a wide array of services to meet the needs of every business concern.

Borne from our experience, we have developed AIDA, a comprehensive, integrated service in the field of accounting and legal compliance not offered by any other consulting firm in our country:

1. AIDA monitors and detects the reputational and compliance standing of your company before authorities, shareholders, suppliers and customers.
2. AIDA eliminates hidden bottlenecks in processes that seriously undercut your bottom line.
3. AIDA supports your efforts in ESG, legal compliance, and strategic planning.

A success story: A factory, client of the firm, saved one million Mexican pesos per year in payroll without laying off staff by restructuring previously uncontrolled processes. AIDA also reduced the risks posed by non-compliance and established an institutional DNA where none had existed before.

HOW DOES AIDA WORK?

AIDA comprises three practical, effective phases.

Phase 1 uses AI, allowing our experts to marshal more than 500 databases to provide you a portrait of your reputational and compliance standing in the eyes of the authorities and detect any risks and pitfalls facing your company in the areas of legal compliance of suppliers and legitimacy of the business operations of your customers.

In Phase 2, we compare the results of the AI analysis against your processes in order to identify bottlenecks that could be undermining your efforts to attain your business goals.

Finally, in **Phase 3**, we implement corrections and/or improvements, while providing monthly progress reports of the impact of these interventions until the transformation of your company can be clearly observed.

At González de Araujo Consultores, we get involved to ensure your company is fully compliant and in good standing before authorities, giving you the peace of mind and freedom to focus on what you do best.

LEARNING FROM HISTORY: THE 1994 PARALLEL (3rd article in the series)

BY DANIEL MICHAN, *Founder & CEO, Nextshore.io.*

As Mexico positions itself at the forefront of the global shift to nearshoring, it is crucial to draw lessons from pivotal moments in its economic history, notably the NAFTA era. This period marked a significant transformation in Mexico’s trade dynamics and industrial landscape and can offer us an array of lessons that are applicable to Mexico’s current nearshoring ambitions.



REFLECTIONS ON NAFTA

Enacted in 1994, the North American Free Trade Agreement (NAFTA) was heralded as a milestone in economic integration. Its original aim was to eliminate most tariffs on products traded between Mexico, Canada, and the United States. It promised to bolster Mexico’s industrial base, attract foreign direct investment, and create numerous jobs. Indeed, NAFTA transformed Mexico into a manufacturing powerhouse, closely integrated with the U.S. economy. Over time, however, NAFTA exhibited certain structural weaknesses and regulatory lacune, which current policymakers must address as they navigate new economic waters.

DISPARATE IMPACT OF NAFTA

The primary allure of NAFTA was its potential to stimulate economic growth through increased exports and foreign investments. Mexico experienced a surge in manufacturing exports, particularly in the automotive and electronics industries. These areas of growth, however, were enjoyed largely in northern states while southern regions continued to lag behind, underscoring the need for a more balanced international trade and investment policy that could spread the wealth more evenly.

NEARSHORING IN TODAY’S ECONOMY

The current global economic climate, shaped by the pandemic and geopolitical tensions, has rekindled interest in nearshoring. Companies worldwide are seeking to mitigate risks by localizing supply chains to reduce dependency on distant suppliers. Mexico, with its strategic geographic location adjacent to the United States, is again viewed as a key player in this restructuring. The situation mirrors the industrial boom brought by NAFTA, but doubtless will require a more nuanced approach to leverage new opportunities effectively.

LESSONS FROM THE NAFTA LEGACY

While it delivered substantial economic benefits, the ultimate outcomes borne of NAFTA allows us to see significant shortcomings, particularly regarding regional development and sectoral balance. Today, as Mexico embraces another wave of economic transformation driven by nearshoring, policy makers must learn from these past mistakes. Strategic planning must focus not only on attracting foreign capital, but also on enhancing local capacity, diversifying industrial activity across more states, and ensuring sustainable practices are embedded in any new investment initiatives.

APPLYING HISTORICAL LESSONS TO CURRENT STRATEGIES

As it seeks to optimize nearshoring potential in the current global economy, Mexico must assimilate lessons from the NAFTA era. The necessity for inclusive growth is very likely the most critical lesson to be learned. While certain industries and regions flourished during the NAFTA era, others lagged, highlighting the importance of distributing economic benefits more evenly across the country. To avoid repeating past mistakes, Mexico must implement policies that foster regional development and support a diverse range of industrial sectors, from traditional manufacturing to emerging tech.

INFRASTRUCTURE AND WORKFORCE: PILLARS OF NEARSHORING SUCCESS

Our NAFTA post-mortem suggests Mexico could have done more to fortify and exploit its relatively robust infrastructure and skilled workforce and thereby solidify economic gains. Today, with the surge in nearshoring, these factors are even more crucial. Investment in transport, telecommunications, and energy infrastructure is essential to guarantee efficient production and distribution. Similarly, to ensure Mexico can compete on a global stage, education and vocational training must be prioritized to train up a workforce capable of meeting the demands of the modern economy.

SUSTAINABILITY: A MODERN IMPERATIVE

During the NAFTA era, environmental concerns were often minimized and economic goals prioritized. The current global regulatory landscape, however, does not allow such omissions, as industry and countries are increasingly held accountable for their environmental impact. Mexico must integrate sustainable practices into its nearshoring strategy, ensuring that growth does not come at the expense of environmental health. The commitment to sustainability, moreover, can bring significant competitive advantages by attracting businesses under pressure to reduce their carbon footprints.



WHAT'S NEXT FOR MEXICO?

As Mexico steps into this new era of economic development, the stakes are high, but opportunities are manifold. Learning from the past, while strategically planning for the future, will be key to harnessing the full

potential of nearshoring. This involves not simply adapting to changes, but actively shaping policies that support sustainable and equitable growth.

As Mexico contemplates its foray into nearshoring, it must keep in mind lessons of 1994. By fostering an environment that values innovation, inclusivity, and sustainability, Mexico can build on its geographical advantages to carve out a leading position in the global nearshoring ecology. The journey ahead is complex, but with strategic foresight, Mexico can turn potential into prosperity. For a deeper exploration of how these historical insights can inform current strategies, and to discover more about Mexico's path forward in nearshoring, read our extended analysis on: [Nextshore.io](https://nextshore.io).

NEARSHORING 2024: UNLOCKING MEXICO'S POTENTIAL

This analysis examines several proposals set forth by the leading presidential candidates with regard to nearshoring and offers perspectives on the current economic conditions favoring relocation.

CANDIDATES AND PROPOSALS

In the debate on April 28, under the tagline "Mexico's path to development," presidential candidates agreed that the

XÓCHITL GÁLVEZ

- Stressed the guarantee of legal certainty to investors as the key factor for nearshoring.
- Proposed digitizing municipal procedures to speed up the release of new investments and the creation of a North American agency to attract foreign investment, with the United States and Canada as Mexico's foremost trading partners.
- Proposed standardization of natural gas and hydrogen for large scale consumption.
- Proposed investment to erect 2 million solar panels and legal certainty for nearshoring, with robust investment in education, science, technology, as well as advocating sound public finances.

JORGE A. MÁYNEZ

- Proposed lowering electricity costs, while favoring clean, renewable energy as part of the process of attracting global chains.
- Proposed exploiting nearshoring by ensuring the following conditions for companies:
 - a. Security, working to prevent the need for militarization.
 - b. Solar and wind as alternative energy sources.
 - c. Water Infrastructure Plan.
 - d. Educational revolution with equal opportunities.
- For nearshoring, he stressed the need to modernize border infrastructure in the key border crossings in the municipality of Colombia, Nuevo León; and the City of Tijuana.

CLAUDIA SHEINBAUM

- She stressed continuation of promotion of foreign direct Investment (FDI) as an engine of job creation.
- Advocated regional production to replace Asian imports; creation of fair, dignified jobs that respect labor rights with mechanisms to protect the environment.
- She advocated for Mexico to exploit the benefits of relocation of companies; continuation of policies in the southeast region of the country to enhance industrial infrastructure, while strengthening of the region's 12 industrial parks and expansion of infrastructure in 10 new development poles along the Interoceanic Train corridor. She also proposed the construction of 100 industrial parks with links to education and research.
- Proposed the construction and maintenance of road projects connecting key ports in the country in order to improve overland connectivity to take advantage of new nearshoring trends.
- Construction of more airports and a major development of two seaports, one on the Pacific coast and one on the Gulf of Mexico to export more goods to the U.S.

Thanks to its privileged geographical location, making it a natural bridge between North America and Latin America, and its extensive border with the United States, the world's leading economy, as well as other factors in the global panorama, Mexico has established itself as a strategic destination for foreign investment.

Since the signing of the North American Free Trade Agreement, Mexico has worked tirelessly to improve its appeal to foreign investors, taking advantage of its cultural similarities with Canada and the United States to facilitate trade relations. Proof of this can be seen in accumulated FDI during 2023, which reached an all-time high of 110,744 million dollars, equivalent to 6.7% of Mexico's gross domestic product (GDP).

ENERGY TRANSITION FOR GROWTH

To maintain the positive nearshoring momentum, Mexico recognizes the need for transformation of its energy production and delivery infrastructures. Current infrastructure is closely linked to foreign trade, but modernization is required, especially in the energy and water sectors. The presidential candidates are contemplating a transition to renewable energies, which promises a positive future. In the development of energy projects to take advantage of Mexico's potential for attracting foreign investment, environmental protection will be a key area of concern. Local conditions have changed positively in recent decades, and in coming years Mexico is expected to attract substantial investment in the transition and consolidation of renewable energies.

Additionally, the management of natural resources, such as water, will impact nearshoring efforts. In the short term, work is urgently needed to ensure proper management of scarce resources in the country, and this includes substantial investment in infrastructure to undergird both energy and water efficiency.

A SKILLED WORKFORCE

The Mexican workforce is another point to highlight. Mexico boasts a huge cohort of both young and skilled workers. Moreover, it offers competitive labor overhead compared to other countries. In order to make the most of productive capacity in the coming years; however, education must be at the center of any development proposals, because the business sector is increasingly demanding technical job profiles.

In the coming years, there will be growing need for human capital to work in manufacturing or service companies with operations in the country. In other words, vocational technicians operating specialized machinery and providing other manual labor are urgently needed to generate value in production chains. No less important are workers with managerial profiles, including soft skills such as leadership, teamwork, global vision, agility and adaptation. Managers who command several languages will also be in high demand. A robust education plan that opens opportunities for all sectors of the population, while boosting qualified talent, will consolidate the operation of new companies in the country in the long term.

THE ASIAN EFFECT

Nearshoring, while not new, is entering into a new phase due to reorganization of global industry. In the coming years, investments from Asia will be on the rise, reflecting the appeal Mexico holds for companies in that region. The trend is clear: in 2023, 40% of announced investment came from the United States and 12% from China, with a significant flow of Chinese investments appearing in the first quarter of 2024.

OUTLOOK

Looking ahead into the next decade, investments will continue to flow as long as Mexico maintains and improves those conditions that make it an attractive nearshoring option. At the same time that investment increases, Mexico's infrastructure must also undergo improvement and expansion in order to exploit its natural gifts of geographic location and adjacencies, which make it one of the best options for companies wishing to expand in global markets.

The several trade agreements, public policies and infrastructure plans for attracting investment have laid the foundation for sustaining the country's growth. The growth strategies of the presidential candidates appear to grasp the importance of energy transition to support nearshoring, as well as the need to ensure and bolster a sound national regulatory framework and highly skilled workforce.

Ari Ben Saks

Tax Associate Partner and Coordinator of Nearshoring Investment Services EY Mexico

SWAN HELLENIC EXPEDITION CRUISES: EXPLORING GREENLAND'S ARCTIC GRANDEUR

Deby Beard



Greenland, an untamed wilderness of primeval ice, beckons travelers with its rugged, awe-inspiring landscapes; and for those seeking to discover the mysteries of the Arctic in matchless luxury, Swan Hellenic Cruises offers an expedition like no other. Partnering with Jeunes Restaurateurs, Swan Hellenic has crafted an immersive journey that combines the thrill of exploration and the self-indulgence of gourmet dining.

Arriving to the coastline, we are greeted by stunning vistas of Greenland's icy fjords and towering glaciers, where a team of naturalists, historians and scientists will impart lectures and guide excursions to enrich our appreciation and understanding of the unique ecosystems, indigenous cultures, and fascinating geology of this remote, foreboding land.





Seasoned expedition leaders guide us over Greenland's pristine tundra teeming with Arctic flora and fauna, and we venture inland to visit remote Inuit settlements steeped in centuries of tradition.

These natural wonders come in tandem with the *Maris Culinary Experience* provided by Jeunes Restaurateur, which every night serves a distinctive signature dish that is a testament to the guest Chef's creativity and culinary prowess to each guest aboard the Swan Hellenic Cruise.

The pinnacle of the *Maris* experience is an extraordinary gala dinner, a matchless spectacle of flavor and textures that can only be described as a sublime form of art.



No journey to Greenland would be complete without the chance to witness the mesmerizing spectacle of the Northern Lights. As night falls, the Arctic sky comes alive with dancing ribbons of color, and we lucky few aboard the Swan Hellenic's luxury cruise ship are afforded front-row seats to one of nature's most breathtaking displays.

A voyage to Greenland with Swan Hellenic promises an unforgettable blend of adventure, luxury, and discovery. Whether marveling at the icy grandeur of Greenland's landscapes or relishing gastronomic delights on the high seas, you will enjoy a once-in-a-lifetime opportunity to explore what is perhaps the world's last great frontier.

EXPLORING THE TREASURES OF MEXICAN GASTRONOMY AT FÓNICO

Deby Beard

In the heart of vibrant Roma Norte in Mexico City, we find the unique culinary experience at Fónico, whose gastronomic proposal merges authentic Mexican ingredients with innovative culinary methods, marking a benchmark for lovers of fine dining and creative cocktails.

The soul behind this culinary enclave is chef Billy Maldonado, whose passion for Mexican gastronomy has led him to explore the far corners of countless regional cuisines. Maldonado has perfected his art in restaurants from New York to Las Vegas, and has returned to his homeland to share his unique vision of Mexican cuisine.



Fónico's philosophy is simple yet powerful: to use local and seasonal ingredients to create dishes that celebrate the rich diversity of Mexican gastronomy. Maldonado has instituted a sustainable approach to ensure a positive impact on the environment and local communities from which he sources *habanero* and *pasilla* chili and other herbs and spices that give each dish a unique signature.

Fónico works closely with fishermen to ensure fish is served fresh and is responsibly sourced with respect to reproduction cycles of each species. This commitment to quality and sustainability creates a culinary experience that is both delicious and environmentally responsible.

Housed in a landmark heritage estate in Roma Norte, Fónico is much more than a place to dine out: it is a celebration of the flavors of Mexico served in every dish. The gorgeous interior design immerses you in a world of dreamlike beauty as you enjoy an array of unforgettable flavors.



The restaurant's name "Fónico" is derived from the term *aphotic* referring to the deep zones of the oceans where no light can reach. It was chosen to evoke the unknown and the unexplored. Like the ocean depths that hold secrets yet to be revealed, Fónico represents an ongoing quest that strives to bring to light the treasures of Mexican gastronomy to delight and surprise palates of those who wish to explore.



This summer, beginning with a tall glass of *Agua Fresca* to whet the appetite and prepare the palate, Fónico invites us to discover fresh, vibrant flavors of Mexico in a new menu of dishes that capture the essence of the season. The menu offers everything from savory *ceviches* to tempting desserts, and each dish is a culinary masterpiece imbued with Fónico's passion and commitment to gastronomic excellence. Menu highlights include the *Zarandeado Style Catch of the Day* with citrus, white bean hummus, avocado cream and pickled onions; the *Black Fried Chicken Burger* with Oaxaca cheese and *chipotle* chili emulsion, and the *Candied Suckling Pig* with red mango and ginger *pipian*, fresh corn *polenta*, and plantain pastries.



ROSITA HORTA



Strawberry SHORTCAKE

Ingredients:

- 8 whole eggs
- 200 gr. granulated sugar
- 100 g butter, melted
- 3/4 liter of sweet Lyncott cream
- One kilo of strawberries
- 4 tablespoons of Kirch
- 8 tablespoons of confectioner's sugar
- Half a cup of sugar to marinate the strawberries



Instructions:

Wash strawberries and cut them vertically in half. Place them on a tray with sugar and the Kirch and allow to marinate for one hour.

Using a mixer, beat 8 eggs until they are fluffy. Then add the sugar and beat for about 10 minutes. Special care is needed in this step.

Add the flour little by little to the batter, stirring continuously to prevent clumping. Then fold the melted butter into the mix. Grease a rectangular or square mold and line bottom with wax paper. Sprinkle the lined mold with breadcrumbs and pour batter into mold. Pre-heat oven to medium temperature and bake for 20 minutes. Make sure to check progress after 15 minutes to prevent overcooking.

Once the cake is ready, allow it to cool. Whip pre-chilled Lyncott cream with confectioner's sugar. Split the cake horizontally and spread strawberries and whipped cream over the bottom layer. Then place the top layer back in place.

Top off the cake with another layer of strawberries and whipped cream. You can be creative in your arrangement of strawberries and cream.



'Tis the Season for Strawberries

Cultivated mainly in the municipalities of Villa Guerrero, Zumpahuacán, Alquisiras, Ixtapan de la Sal and Valle de Bravo, strawberries (as well as blackberries, blueberries and raspberries) are some of the most highly prized harvests of the State of Mexico. Due to the delicacy of these berries, they are usually harvested by hand.

Strawberries are harvested just before they are fully red and ripened. Once picked, they require proper storage.

tip:

Before eating fresh strawberries, always wash and disinfect them. Prepare a disinfectant soak by adding 1 teaspoon of white vinegar and 1 teaspoon of baking soda to about 1 liter of water. Soak the pre-washed strawberries in this solution for about 15 minutes and then rinse them in clean water.

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