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A promising future in trade

In an exclusive interview, Ambassador Federico Salas Lotfe, the Ambassador of Mexico to India, shared his insights on the burgeoning business relationships between Mexico and India, illuminating the Mexican presence at the G20 Summit.

What are Mexico's anticipated objectives for the forthcoming eighteenth G20 meeting, which marks the first-ever G20 summit to be hosted in India?

We have been following very closely the development of the different groups that have been meeting over the past eight to nine months. India has set specific priorities for each one of these groups and we have been working very closely in all of these areas—agriculture, tourism, finance and health, among others.

What we are looking forward to is the consolidation of the priorities that India has set up for each of these topics. We have been supportive of the priorities in, as described by Prime Minister Modi at the beginning of the G20 presidency, a more tangible and action-oriented way. We hope that the outcome of the G20 Leaders' Summit will be an action-oriented programme to tackle some of the main challenges that the international community is facing today. This Summit has the potential to energise the 20 countries that are members of the group alongside those that have been invited.

Considering the long-standing diplomatic relations between India and Mexico, how do you foresee the future development of business ties between these two nations?

I see a very promising future. In the past decade, the business relationship has improved considerably, with the trade relationship witnessing tremendous growth to reach unprecedented levels. It reached \$10 billion of exchanges in both directions. Moreover, we have become very important to each other. Notwithstanding the distance, Mexico is the top trading partner of India in Latin America and India has become one of our main trading partners in the world ushering in an



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era where the business ties are getting stronger and growing and we expect it to keep moving in that direction in the future.

Could you provide insights into the evolving investment landscape for Indians in Mexico and Mexicans in India?

The most important aspect of the presence of Indian businesses in Mexico and Mexican businesses in India is that all of them are expanding, thriving and extending their footprint. Nearly 200 Indian businesses are present in Mexico in a wide range of sectors. We are the first and the largest Latin American investor in India. Yesterday, for example, I was at a Mexican company that is present here called Bimbo—the largest bakery in the world and now the largest bakery in India.

Owing to the enhanced awareness of Mexico's economic potential along with the nearshoring effect, a growing number of Indian businesses are interested in being in Mexico, with its proximity to the United States and the large and growing market therein. This in addition to Mexico's extensive network of free trade agreements entered into with countries from all over the world is furthering favourable economic conditions. With Businesses leveraging it, a lot of investments and attention are being steered toward Mexico.

Which notable individuals will be part of the Mexican delegation attending the G20 Summit in India?

In the absence of our President, Mexico will be represented by Raquel Buenrostro, the Minister of Economy and a prominent member of the cabinet. She will lead the Mexican delegation, which will also comprise the Sherpa for Mexico in the G20, the Vice Minister of Foreign Affairs, and other key dignitaries.

G20's journey to Global South

WHEN discussing global perspectives, it's essential to consider regions in the southern hemisphere as well. In January 2023, India hosted the voice of the Global South Summit, aiming to emphasise the requirements of a substantial portion of the world's population at the G20 forum. This served as a poignant reminder to developed nations that the primary mission of the group is to foster both economic growth and development worldwide.

Noting that the concept of the Global South was coined in 1969 by Carl Oglesby, and then followed by the Brandt Report of 1980, it's clear that in terms of economy, demography, and political heft, the ground reality has changed: right now, the combined GDP of the BRICS (Brazil, Russia, India, China, and South Africa) overcomes that of the G7, while in 2030 it is estimated that the global growth will be led by China & India.

Moreover, the concept of the Global South transcends being merely a catchy label for over 130 countries. Within this group, there exists a broad spectrum of needs and, notably, varying levels of development accomplishments. Currently, there is a resounding desire to engage with the Global North on equal terms. As Foreign Affairs Minister S. Jaishankar articulated during the B20 Summit while discussing the Global South, it aspires to facilitate a 'more diversified and more democratic re-globalisation.' The Global South is a tangible reality, underscoring the call for a more prosperous and collectively shared future.

Pivotal states such as India, Mexico, Brazil, Indonesia, South Africa, and Türkiye, all members of the G20, have become in their regions valid and loud voices of the Global South. This multiplicity of voices represents what India rightly advocates: a multipolar world. The latter was reflected with the

BRICS expansion and the need to find a new financial architecture.

The Global South has an historic opportunity to foster a multipolar international system and promote a more inclusive and equitable global economy. These imperatives will shape the geopolitical world order. The emerging economies have the opportunity and responsibility to bring a balance between the outdated, but much needed international system, and the new emerging world order.

Notwithstanding the gap between the Global South and North, both face the same challenges: tackling climate change and funding green energies; post-COVID-19 economic recovery; and food, fertilisers, and energy security issues due to the disruption of peace in Eastern Europe.

Considering that the Global South concept was coined in the past century, wouldn't be this the moment to create a new one that brings together the current dreams, aspirations, and ambitions of these nations? A new idea that embraces inclusion and recognises the different development paces. A vision and ideal that mirrors as equals the South and the North.

For this purpose, it will be necessary for the countries of the Global South to get to know each other better and become closer to take full advantage of each other's opportunities and jointly face common challenges. In such case, India has the pending task to get closer to Latin American, just as Mexico can seize new trade, health, financial and innovative areas that are being developed in India and in other Asian countries.

Under its G20 Presidency, India has amplified the voices of the Global South. Mexico and other regional leaders will also echo these sentiments on a global scale.



Guillermo Chávez Conejo
Head of Political, Press & Concurrences Affairs, Embassy of Mexico to India

The Indo-Mexican momentum

MEXICO and India have enjoyed a fruitful friendship for decades. Both countries share development challenges, cultural richness, and fascinating histories. Our similarities transcend language and religious barriers, making a Mexican visitor in India feel a little at home. The sounds and colors that fill the busy streets of India could be easily found in many Mexican places. With this cultural proximity, finding ways to cooperate in favor of our peoples becomes necessary and doable.

In this regard, it is a good sign of the importance that Mexico ascribes to India the high-level visits that former Secretary of External Affairs Marcelo Ebrard made in 2022 and 2023. These were momentous occasions that highlighted both opportunities and a common vision. With the growing role of India in the global arena, as the G20 Presidency of 2023 has shown, Mexico-India cooperation is a matter of great importance in the framework of global challenges.

Our countries work together to improve the quality of life of our citizens. Health, education, technology, science, and aerospace are areas in which we have made significant progress. In health, for example, a Memorandum of Understanding (MOU) was signed at the end of 2022 with the purpose of combatting cancer. In March 2023, during the visit of H.E. Marcelo Ebrard, an-

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other MOU was signed to explore scientific cooperation. It is worth mentioning that the cooperation efforts are not limited to public institutions, since private actors participate as well.

Bilateral cooperation mechanisms already in place are quite successful, such as the works of ISRO and the Mexican Space Agency in managing forest fires or crop surveillance. Given India's capacity in the pharma sector, Mexican health institutions -and ultimately patients-, have benefited from working together to find the pharmaceutical products needed in our country. In the educational sector, student exchange systems are well established, while in the startup and technology ecosystems there have been exploratory talks.

We are very proud of what has been achieved during this Indo-Mexican moment. We share sim-

ilar challenges and enjoy parallel circumstances (v.g. demographic bonus), which have allowed us to learn from each other in the shared journey toward development. Some of the key areas in the next phase of cooperation are:

- Enhance student exchanges, especially STEM, to build a strong pool of human resources capable of tackling the challenges of the XXI century economy.

- Generate synergies in the technology ecosystem, including startups. Mechanisms for expertise exchange, incubation, financing, and mentorship are crucial to bolster our economies in the middle and long term.

- Biotechnology, pharma, and traditional medicine are already strong components of our cooperation initiatives. More communication among experts, including mutual visits, will strengthen the links between our scientific communities, and thus, deliver better results.

We believe in a comprehensive and transversal strategy for cooperation. India and Mexico have found common ground and multiple opportunities to work together, so we are optimistic about the prospective in the road ahead. As friends and partners, we will thrive together.

Kharlo Mario Quiñónez
Head of International Cooperation at the Embassy of Mexico in India

Tequila: A G20 priority sensation!

TEQUILA, a quintessential Mexican spirit, has experienced a remarkable surge in global popularity. Renowned for its exquisite flavour profile, nutritional attributes, and strong ties to Mexican culture, tequila has swiftly become the preferred libation not only in the USA, Germany, Spain, but also in India. This burgeoning demand presents both opportunities and challenges, particularly for Mexico's agricultural sector and the five states with the esteemed designation of tequila origin: Jalisco, Guanajuato, Nayarit, Michoacán, and Tamaulipas. Consequently, it has become imperative to introduce sustainable practices into the tequila production process. Notably, the Indian presidency of the G20 has made environmental stewardship a focal point of their agenda, underscoring the significance of exploring sustainable practices within the tequila industry as potential models for other agricultural products.

In 2023, as reported by Mexico's National Chamber of Tequila Industry (CNIT), global tequila consumption is projected to experience a significant 6.7% increase. Remarkably, ap-



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proximately 760 liters of tequila are being exported from Mexico every minute. This growth surpasses that of numerous other spirits on a global scale, outpacing even whiskey and rum in markets like the USA. Projections from marketing agencies suggest that by the end of 2030, the global tequila market is poised to reach a valuation of \$20 billion, marking a substantial increase from its current worth of \$15 billion.

In India, the consumption of tequila is experiencing a notable uptick, steadily growing at a rate of 10%. Following gin, an increasing

number of mixologists are incorporating tequila into their creations. As awareness about tequila continues to expand, individuals are exploring more sophisticated tequila options, including Reposado, Añejo, and Extra Añejo varieties. Notably, it's important to highlight that 100% agave tequila is not only renowned for its refined flavours but also offers health benefits as it is low in fat and carbohydrates, gluten-free, and contains probiotics that aid in digestion.

To meet global tequila demand, Mexico produces over 600 million liters annually as of 2022. This extensive production strains the agricultural sector, requiring more land each year. In 2020, approximately 20,000 hectares out of the 111,000 available nationwide for tequila cultivation were utilised, indicating a 1:5 ratio. Notably, in states like Guanajuato, this ratio is even more pronounced. Additionally, it's crucial to consider that the tequila industry generates greenhouse gases (GHG) and produces highly polluting residues such as bagasse and stillage.

In response, the Mexican government and trade associations have taken steps to promote sustainability in the tequila industry. In 2016, the Tequila Regulatory Council (CRT) initiated a comprehensive sustainability strategy for the agave-tequila sector. A pivotal aspect of this strategy involved measuring the industry's carbon and water footprint, with the support of the Mario Molina Center, led by the Nobel Prize-winning Mexican scientist, Mario Molina. In 2021, the CRT and the CNIT, together with the local state's governments, launched the Environmental Responsible Agave (ARA) certification: tequila became the first alcoholic beverage in the world to be certified as deforestation-free. Currently, 6 large tequila houses have obtained this certification and the goal for 2027 is that all the tequila produced in Mexico uses agaves that have not caused deforestation.

In 2023, a part of G20 framework, Mexico and the world have a great opportunity to further promote these type of policies for not only spirits, but also for other agricultural products that are integral to our consumption. Cheers to that!

Flex Films extends its warmest congratulations and best wishes to the leadership and citizens of the United Mexican States on this Mexican Independence Day.

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