

Interview: Industrial development becomes fertile ground for China-Mexico win-win cooperation

MEXICO CITY, July 9 (Xinhua) -- China and Mexico have great potential to work together on industrial development for a win-win result, an industrial leader has said.

In a recent interview with Xinhua, Manuel Herrera, president of Mexico's Confederation of Industrial Chambers (Concamin), which groups 46 associations, talked about China's advantage in the industrial sector and the possibility of manufacturing products for both countries.

"China's significant industrial development presents great opportunities (for Chinese enterprises) to undertake joint projects with Mexican counterparts and to export to the United States goods manufactured in Mexico, taking advantage of NAFTA (The North American Free Trade Agreement)" between Canada, the United States and Mexico, said Herrera.

Mexico's geographical and logistical advantages, in terms of its proximity and connections to the large U.S. market, could benefit Chinese producers, which assemble or finish their products in Mexico, he said.

China's abundant capital, in turn, "could greatly benefit Mexico in terms of investment," said Herrera.

The two countries could also exchange high value-added goods, he said, adding that China's consumer strength represents a "very attractive" market for Mexican manufacturers and service providers.

"We've said that in general it's very important to work on value-added goods and quality goods, because there is great consumer potential for such products in China," said Herrera, taking gourmet food products as an example.

For China's growing industrial competitiveness, said Herrera, it would be important to generate synergies in Mexico as a product leader in such sectors as electronics, household appliances and computers.

Concamin is seeking to encourage innovation as a way to promote Mexico's industrial growth and competitiveness.

To that end, he said, one of the country's short-term goals is to invest 1 percent of its gross domestic product (GDP), instead of the current 0.56 percent, in science and technology.

"In less than 10 years, we want to see Mexico earmark 3 percent of its GDP in science and technology, to catch up with countries such as Sweden, Germany, Finland and the United States," said Herrera.

Data from Mexico's National Statistics and Geography Institute showed that out of a total of 4 million companies, fewer than 10,000 have research and development departments.

The Mexican legislation to "spur the sustained growth of the productivity and competitiveness of the national economy" calls for a new National Economic Promotion Policy to be outlined in the next few months, in which innovation will be a priority.

In the 2014 Global Innovation Index, a ranking of world economies' innovation capabilities and results, Mexico ranked the 66th and China, the 10th.

"China has greatly increased the level of value it generates. Before it was a great assembly plant and today it has become a technology developer," Herrera said.

He added that both Mexico and China have important resources to increase their strength and thus collaboration between them is very necessary.