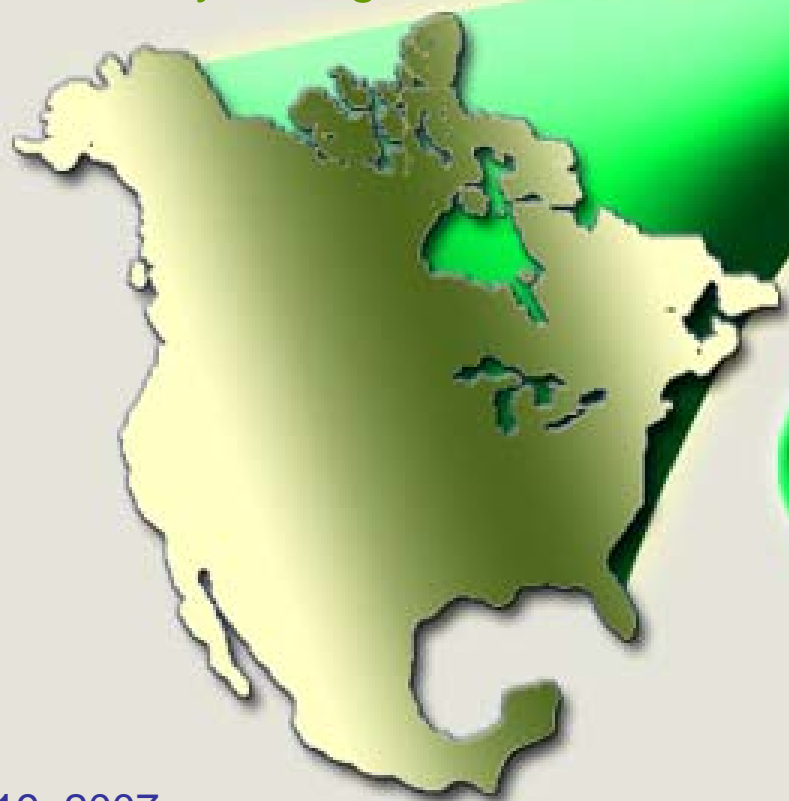


# North American Agriculture in a Connected World

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Woodrow Wilson International Center for Scholars  
Washington, D.C.



- North America: a strong market
- Mexico: a key player
- Where is NAFTA?
- Inserting NAFTA in the rest of the world
- Conclusions



# The North American market is one of the most important around the world.

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- Each of these economies rank among the **top** in the world
- Together, these three countries produce more than 15 trillion dollars annually
- There are more than 430 million consumers

• **GDP per capita:**

• **Mexico \$ 8,000**

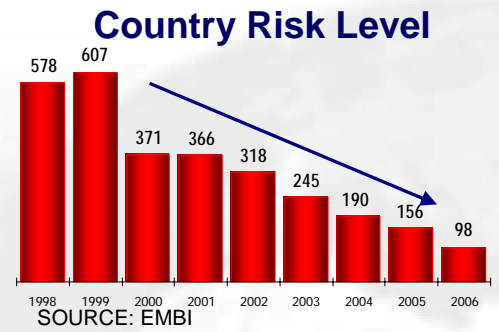
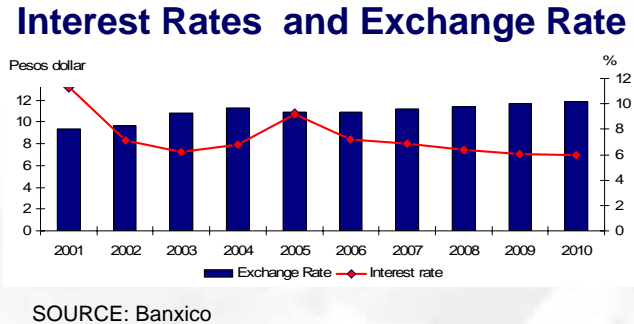
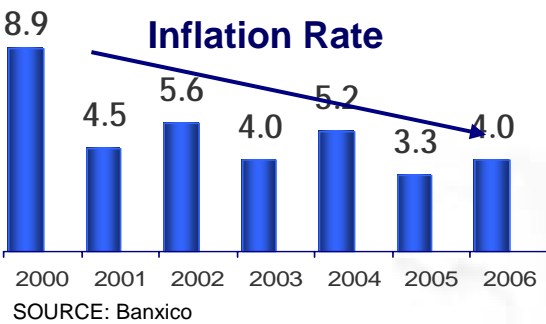
• **Canada \$39,135**

• **United States \$44,300**

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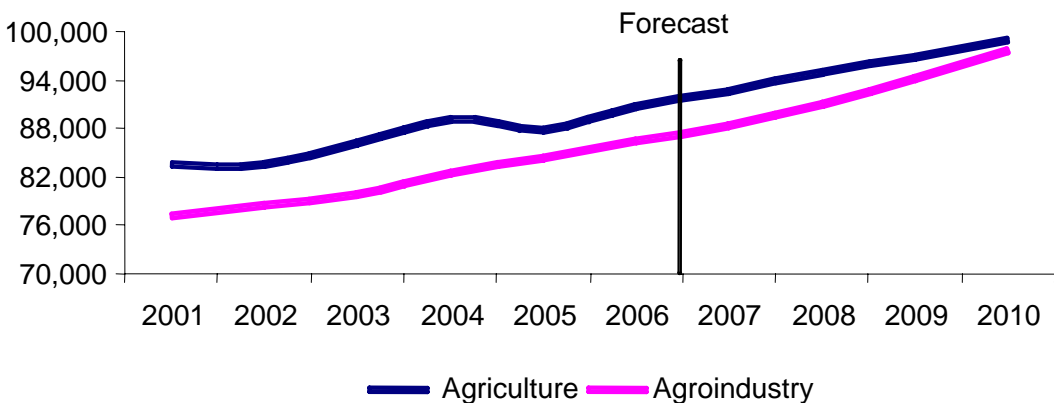


# Mexico offers an attractive business environment



Strong, dynamic and stable economy

### Agriculture and Agroindustry GDP (Millions of Pesos\*)

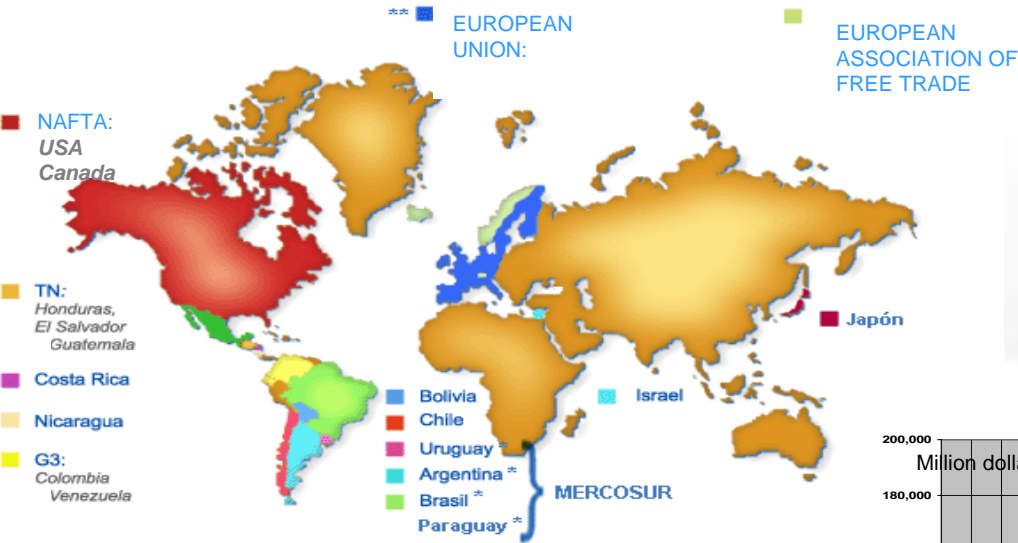


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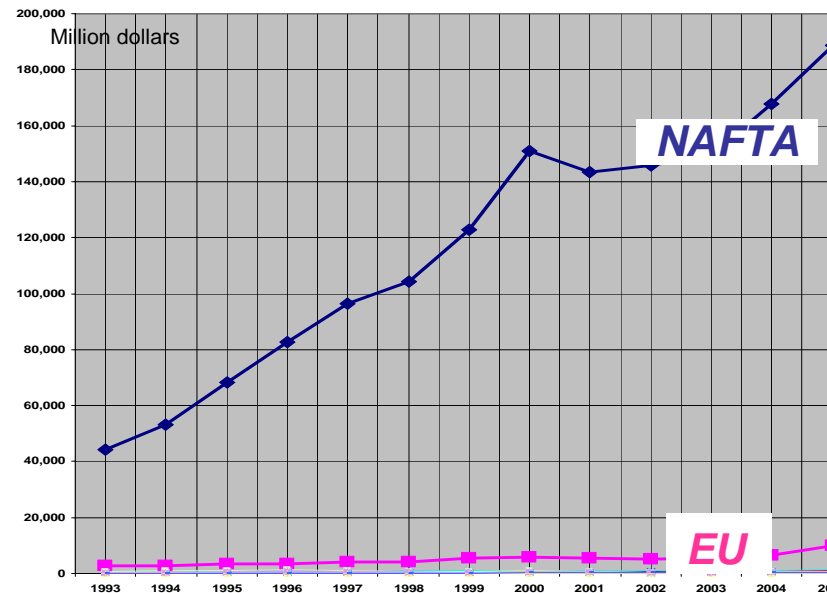
# Mexico offers a wide variety of trade agreements

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- Mexico has signed 12 Trade Agreements around the world

Mexican Exports by Trade Agreement

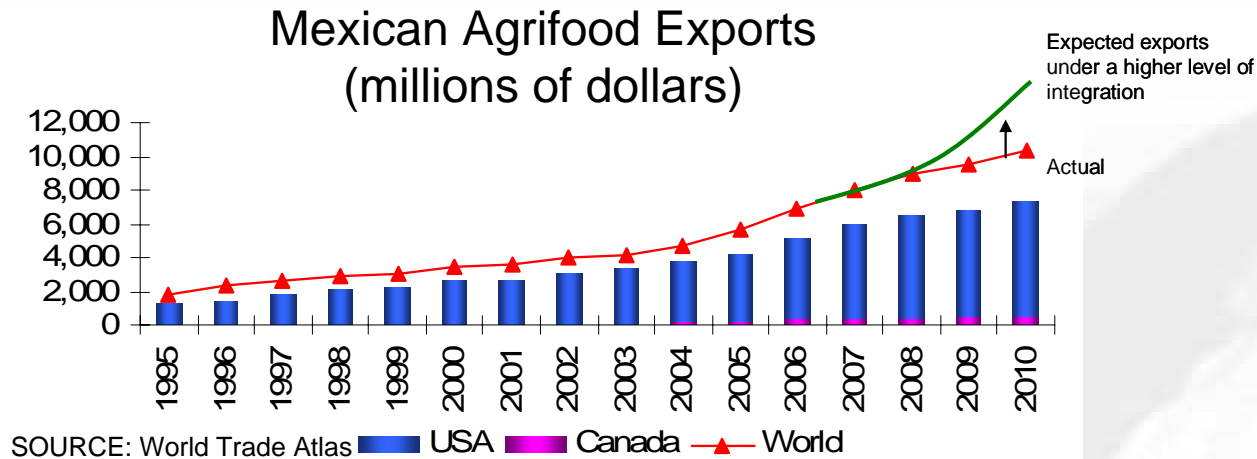


- NAFTA is by far the most important, followed by the EU trade agreement

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# Mexican agrifood exports increased significantly

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- Since 1995, Mexican agrifood exports to the region increased around 189%.

- However, under more integration we would expect higher trade



# Positioning North American Agriculture for Global Competition

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## What do we need to do ?

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# NAFTA needs to move forward to the next level of integration

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- Improving agricultural policy harmonization among the three countries.
- Developing compatible sanitary, phytosanitary and food security policies to achieve a common sanitary region.
- A North America wide agreement is needed to address biosecurity and supply chain issues.
- Promoting agribusiness within the region.
- Fostering research and innovation of “North American” products.

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# NAFTA: Challenges for the next stage

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- Technical trade barriers
  - Fostered by tariff removal
  - Labeling issues
  - Sanitary and Phytosanitary issues
- Agricultural Policies
  - In order to stimulate competitiveness, coordination and harmonization of agricultural policies must be achieved.



# NAFTA needs to compete as a region

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- The traditional vision of trade, based only on an individual country's comparative advantages, is changing.
- Now, economies are competing as regions or trade blocks.
- NAFTA competitiveness in the new global economy requires further integration of our markets.





- Trade is an important component of economic development, especially on agriculture.
- We need to improve the level of integration within NAFTA in order to be successful in the global market.
- NAFTA is a strong economic region and has the potential to strongly compete as an economic block.

