

Remarks of Leocadia I. Zak Acting Director, U.S. Trade and Development Agency U.S. - Mexico Building Partnership in Infrastructure Mexico City, Mexico Opening Plenary February 27, 2008

Buenos Dias - Good morning - it is a great pleasure to be here in this beautiful and historic city to welcome you to this Building Partnerships in Infrastructure Conference.

First, let me say that I am impressed by the tremendous turnout for this event. We are honored to have representation here from the highest levels of the Mexican and U.S. Governments as well as the private sectors from each country. The level and variety of participation clearly demonstrate the importance Mexico places on infrastructure development, as well as the opportunities it presents for partnering between the public and private sectors, and between our two countries.

Before I begin, I would like to recognize some of our distinguished conference participants. First, we are delighted to welcome Secretary Téllez, Secretary Kessel, Secretary Elvira and Secretary Sojo. Each is playing a leading role in establishing the necessary infrastructure and business environment for the development and the implementation of President Calderón's National Infrastructure Program. We look forward to hearing each of your remarks.

I also want to thank U.S. Ambassador Garza and U.S. Secretary of Commerce Gutierrez for their participation. They are longtime and valued friends of USTDA and partners in this conference. The agenda for the next two days is the result of <u>our combined efforts</u> to create a forum that will facilitate the achievement of Mexico's infrastructure goals.

I would also like to recognize Linda Conlin, Vice Chair of the Export-Import Bank of the United States, who will be giving remarks tomorrow morning at the Finance Plenary.

Finally, I want to thank the companies present for bringing your ideas, expertise and aspirations to this event. Your participation in this conference and the National Infrastructure Program is critical to the Program's success because you possess the technology and skills needed to achieve the development goals to which Mexico aspires.

As I was preparing for today, I reviewed President Calderón's speech from his announcement of the National Infrastructure Program and was struck by the following statement. President Calderón said: "Mexicans today have the opportunity and the historical responsibility of giving a renewed projection and a new profile to the country's infrastructure for development." He went on to say: It is therefore possible to say that to invest in infrastructure is to build a better Mexico."

At USTDA, we share President Calderón's belief in the importance of a modern infrastructure for economic growth. We understand that neither trade nor development can reach its potential without an adequate supporting infrastructure. We see the National Infrastructure Program as an opportunity to establish the infrastructure necessary to promote an even stronger commercial relationship between our countries.

Promoting infrastructure development in Mexico is a longstanding priority for USTDA. USTDA's program, is about responding to the priorities that host countries themselves have identified. We help them work with U.S. firms to find commercial solutions to their development needs.

There are numerous examples of how USTDA has worked with Mexico to develop its infrastructure, but I would like to take a moment to focus on just one. I think we all appreciate the value of being able to move goods efficiently in order to take advantage of trade opportunities.

Shortly after Mexico opened the rail sector to private investment, USTDA was approached by what is now Kansas City Southern de México to support the investment analysis for the development of a network of intermodal terminals along the North East Rail Line. Based, on the USTDA-funded analysis, five terminals were either constructed or modernized employing approximately \$160 million of US goods and services. Today goods move more efficiently along the line that is known as the NAFTA Railroad from Southern Mexico to the US rail hub, Kansas City, saving time, money and, in some cases thanks to safety designs, injury and lives.

I am happy to say that immediately after this session, I will have the have pleasure of signing five additional grant agreements that will support project planning for Mexico's long-term infrastructure development priorities. These projects are in a variety of sectors including aviation, water and the environment.

In addition to the project planning activities that we sponsor, we also sponsor conferences such as this. Our goal is to bring together project sponsors with potential suppliers to discuss solutions to the challenges of infrastructure development. The hallmark of USTDA's conferences is to have real project opportunities presented by decision makers. In putting this event together, we evaluated more than 350 projects in the National Infrastructure Program to identify approximately 36 in the transportation, energy and environmental sectors where the potential for partnerships with U.S. firms is the strongest. We then gathered here the decision makers from Mexico and the sector experts from the United States in an effort to foster a real dialogue and create partnerships aimed at producing results.

Throughout the rest of today and tomorrow, you will hear about Mexico's infrastructure needs and its plans to address them. We have also provided for one-on-one meetings with decision-makers to facilitate discussions about specific project opportunities. I encourage you to take advantage of these opportunities that are designed for sharing ideas and making productive connections.

We have an exciting two days ahead of us, and I look forward to exploring with as many of you as I can just how we can work together toward a shared vision. If there is any way I or one of the other USTDA representatives can be of assistance, please let us know.

We are all here today because we share President Calderón's vision of a "better Mexico" – I believe that by working together in partnership we can achieve that goal.

Thank you and welcome to the conference.