



PUERTOS Y MARINA
MERCANTE

COORDINACIÓN GENERAL

LATIN AMERICA GEOSPATIAL FORUM

September 24th 2014

SCT
SECRETARÍA DE
COMUNICACIONES
Y TRANSPORTES



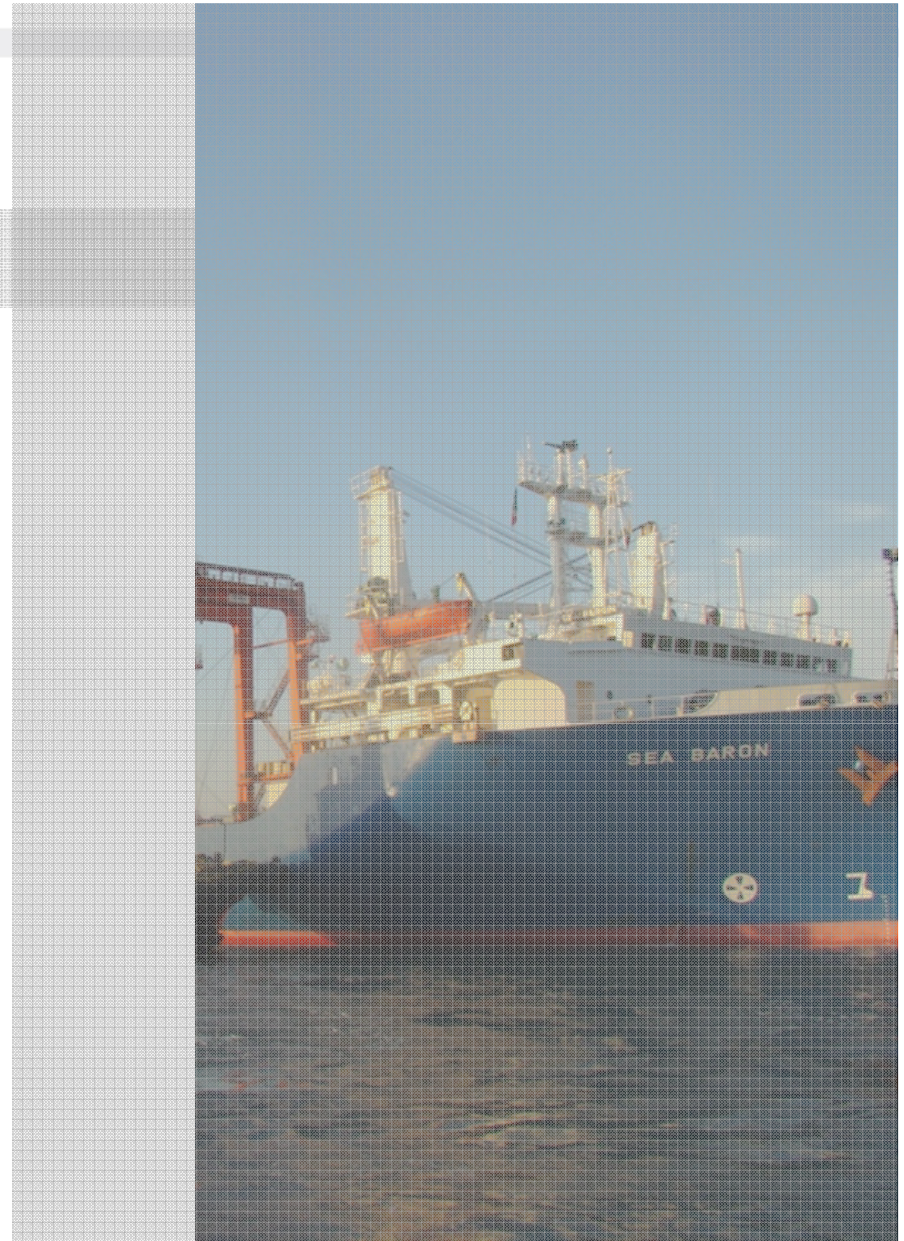
Content

1. Mexico

2. Mexican Port System

- a. DGFAP
- b. Public-Private capital participation
- c. Port System

3. Port of Veracruz





Population	118,395,054
Major National Industries	Crude Oil and derivatives, tourism, motor vehicles, cement, iron and steel, chemicals, food and beverages, chemicals, iron and steel, mining, consumer durables, textiles, clothing
Major Trading Partners	USA, China, Japan.
3 - years average GDP growth ('11-'13)	2.96%
3 – years average population growth ('11-'13)	1.16%
World Bank Ease of Doing Business Rank	53 (Brazil: 116) / 189 economies
Global Competitiveness Index (GCI) 2014 by WEF	61 (Brazil: 57) / 144 countries
GCI by Port Infrastructure	62 (Brazil: 122)

Some Facts about Mexico

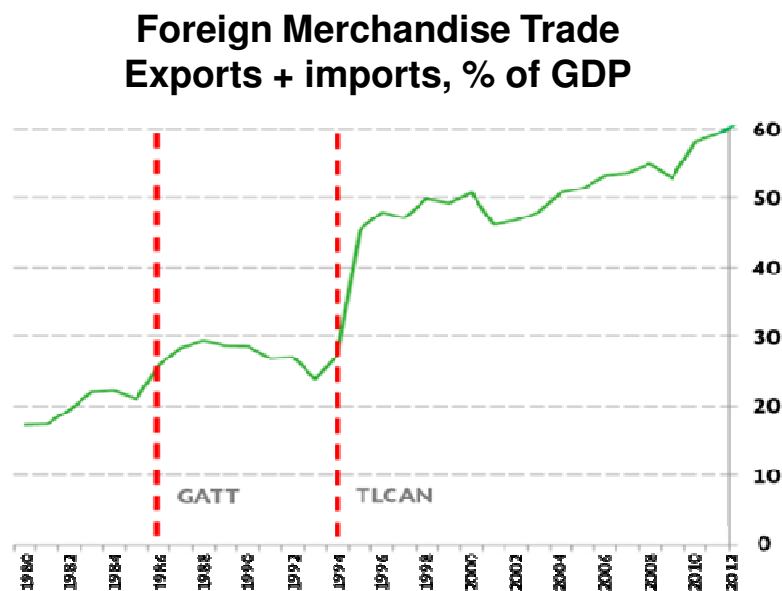
- ✓ 1 of every 7 cars sold in the USA is made in Mexico
- ✓ Most TV sets and PCs sold in the USA last year were made in Mexico.
- ✓ Mexico is one of the top 10 oil producer nations in the world.

Economy

- ✓ 11th largest economy – 2013 (World Bank)
 - Is expected to be one of the world's top 7 economies at 2050
 - Current unemployment : 5.39%
 - Average inflation is less than 4.8% since 2000
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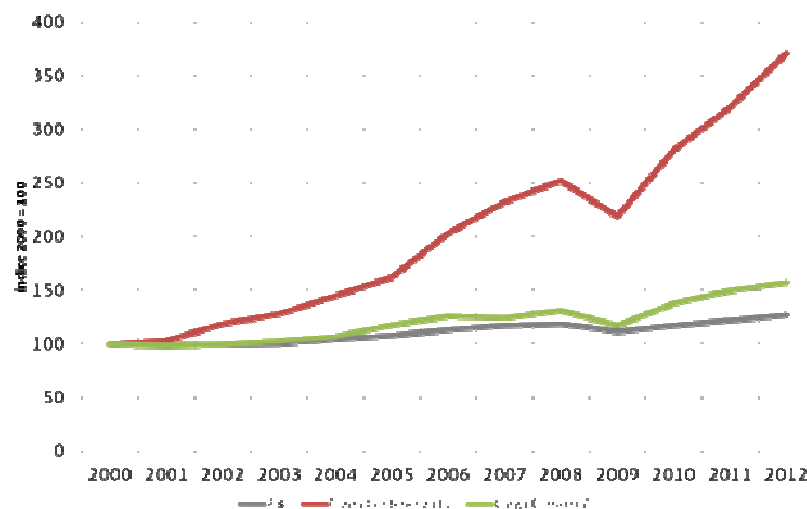
International trade

- ✓ Mexico has 12 free trade agreements with over 45 countries around the world.
- ✓ The more open nation to international trade in Latin America.
- ✓ The value of Mexico's import market has almost doubled in past decade.
- ✓ Keen to diversify trade away from dependence on USA.



Fuente: Bank of Mexico

GDP growth, container cargo and commercial cargo
(2000-2012)
Index 2000 = 100



Mexico



- For world trade, Mexico has an strategic and privileged geographic position located in the middle of the American Continent .
- It has two wide seaboards that allows trade in both the Pacific and Atlantic Oceans.
- One of the main goals of the current Administration is to transform Mexico into a **competitive logistic platform of communications and transportation** that improves the distribution of goods through its National Territory, making the most of its geographical advantage.

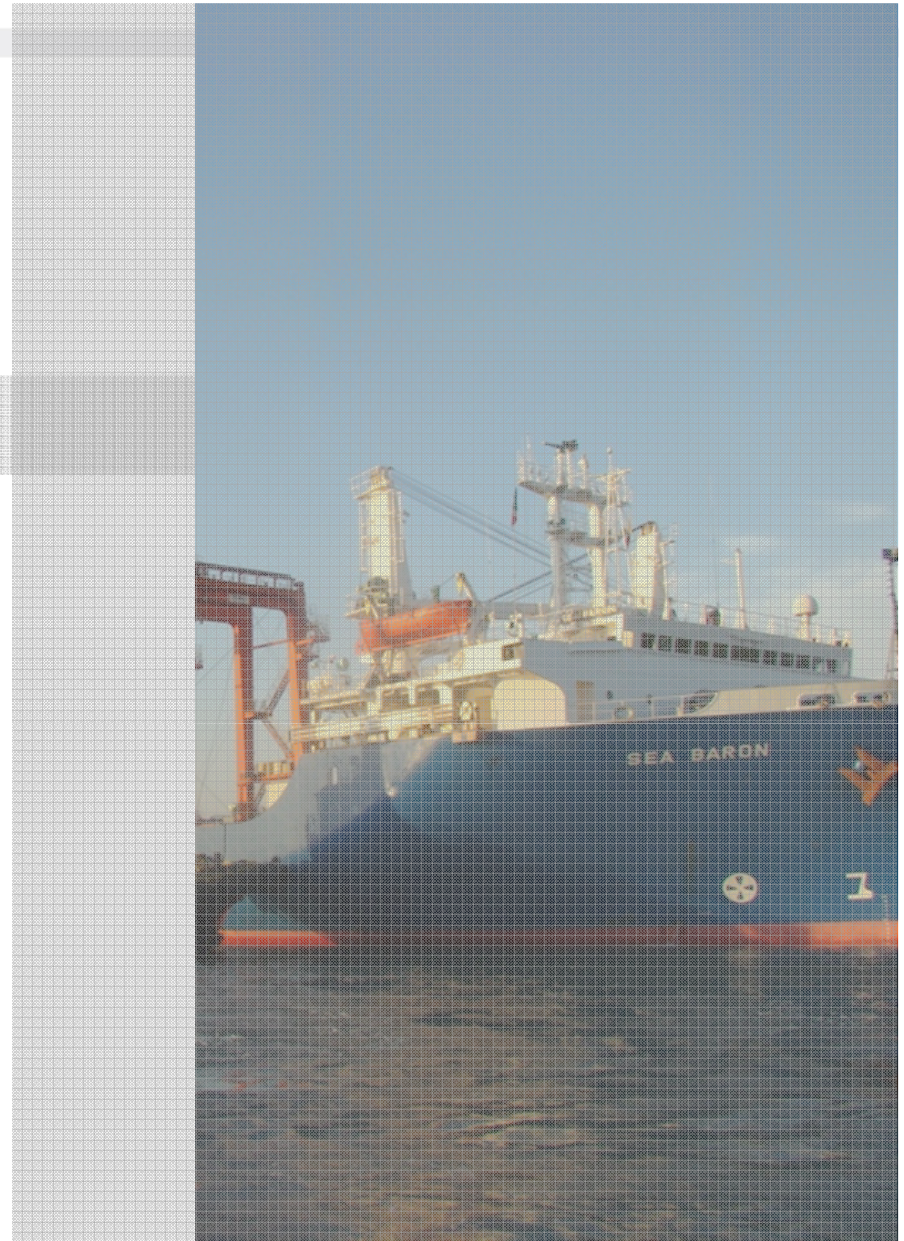
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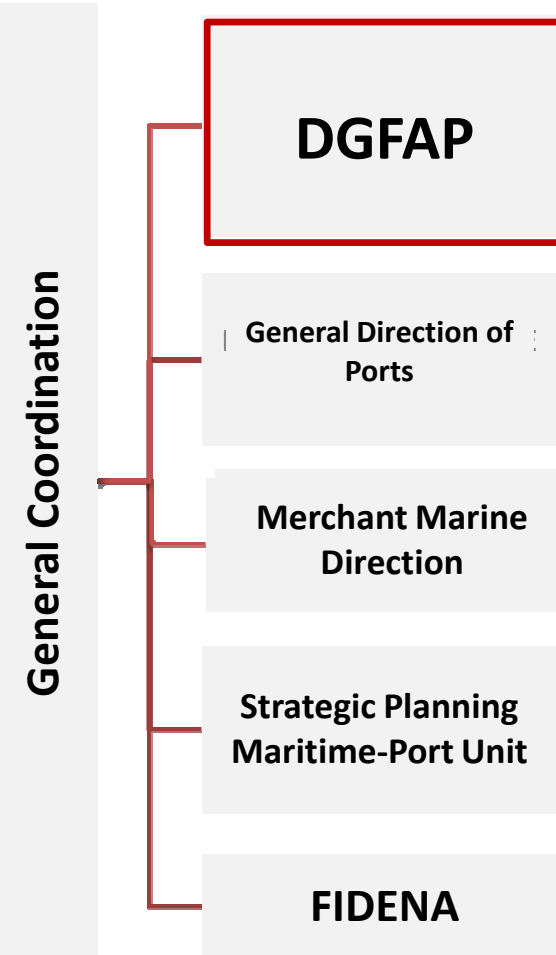
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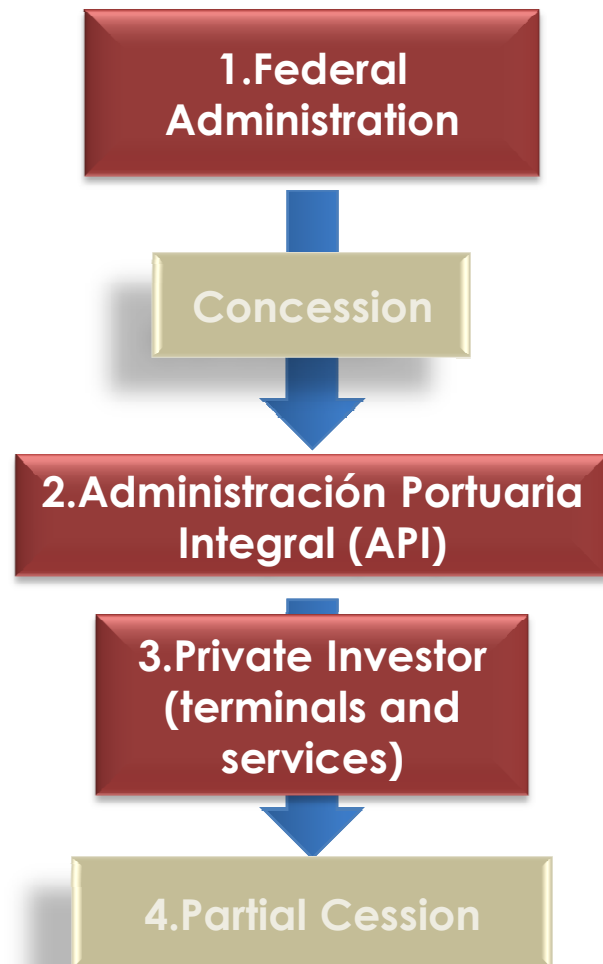
The **CGPMM** promotes, coordinates and regulates the government, society and the private sector efforts for the development of the Mexican maritime port sector.

Some of the **General Direction of Port Development and Management (DGFAP** by its Spanish acronym) main objectives are:

- Manage the modernization and development of the national ports through policies and development strategies for investment in infrastructure and services
- Design and implement policies for the control of the corporate rights of federal Integral Port Administrations that apply to Federal Government, and coordinate their creation, modernization and development.
- Contribute to improve services and increase the competitiveness of ports, generating initiatives and projects for the development of multimodal corridors, areas of logistics activities and promoting the economic development of coastal areas.



Public - private participation scheme



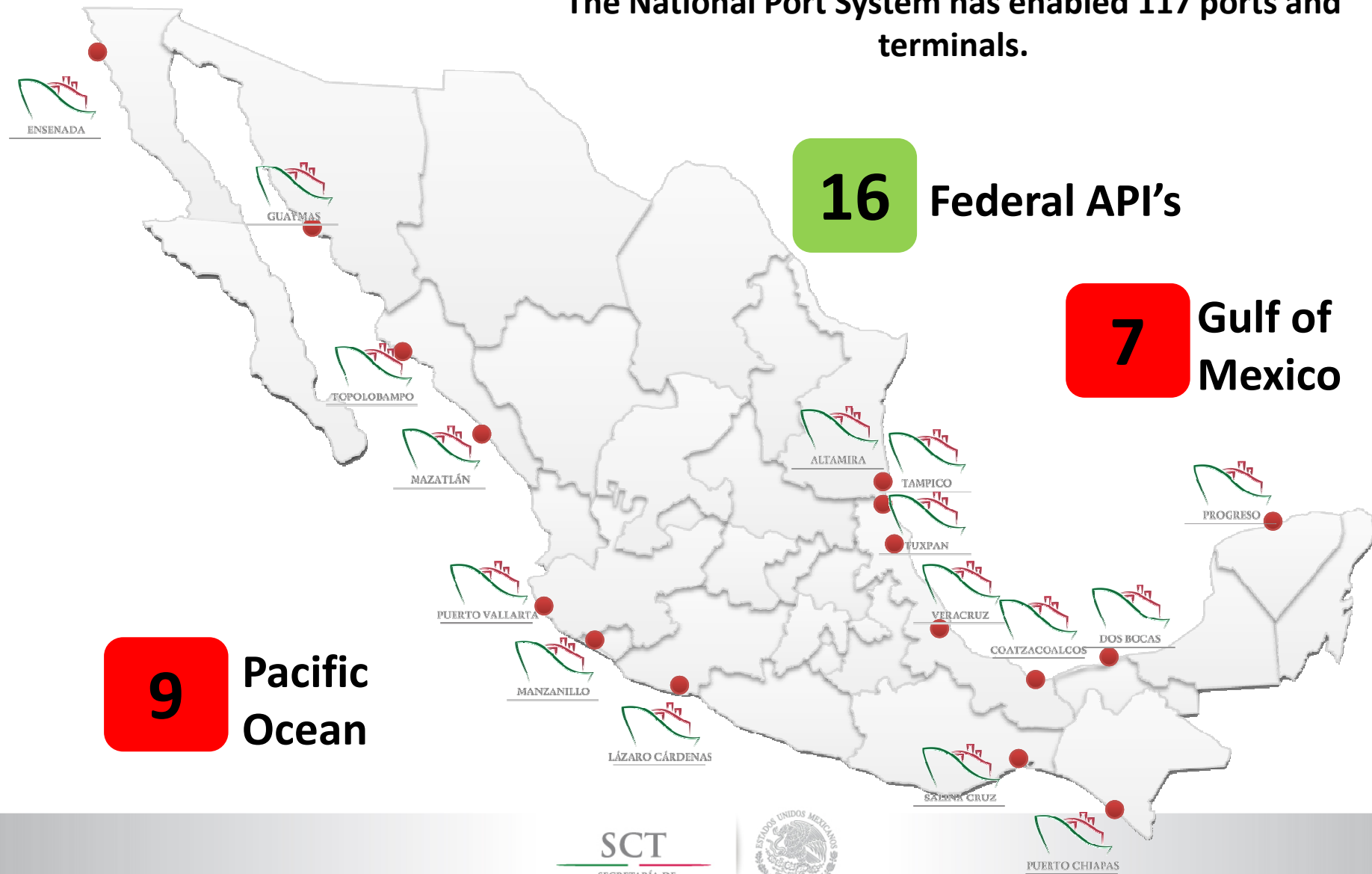
1. The Federal Administration grants a concession to a public entity known as “**Administración Portuaria Integral**” (API) in order to administrate the port.
1. The port administrator (API) develops the common port and maritime infrastructure such as dredging, protection works and basic services with public resources.
2. Private companies invest in the construction and operation of port terminals as well as the provision of services within the port, through a partial cession assigned by the API.
3. Partial cessions to private investors are awarded through open tenders.
4. Partial cessions are granted for a long lasting period that not exceeds the API concession at the end of which the granted area, the infrastructure developed and any other assets agreed in the contract, are taken back by the federal government.

Private capital participation

100% of private capital can participate in the following activities:

TERMINALS* (Partial cession or usage agreement)	SERVICES (Contract to provide services)	INFRASTRUCTURE (Work contracts)	INDUSTRIAL DEVELOPMENT (Invest in/) *
<ul style="list-style-type: none"> Containers Ro / Ro Dry-Bulks Liquid-Bulks Multi-purpose Marinas Cruise terminals <p>* BOT scheme: Build-operate-transfer</p>	<p>All services performed in port areas:</p> <ul style="list-style-type: none"> Handling goods, loading/unloading Trash recollection Provisioning Fuel supply Mooring Storage Towage 	<p>Maintenance or construction of basic infrastructure:</p> <ul style="list-style-type: none"> Wharf Land reclamation works Sea locks, breakwaters, sea walls and other protective works. Dredging maritime accesses and canals. Primary roads Railway tracks 	<ul style="list-style-type: none"> Industries Warehouse Fishing industries Shipyards <p>*Contract of purchase and sale of Land Reserve property of API.</p>

The National Port System has enabled 117 ports and terminals.



Mexican Port System. Hubs

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Hub Ports 2013

	Commercial cargo*		Containers	
	(%)	Thousand tons	(%)	TEUs
Manzanillo	15.7	24,594.4	43.8	1,930,893
Lázaro Cárdenas	18.6	28,261.8	21.5	1,242,777
Veracruz	12.4	20,279.8	17.8	801,275
Altamira	9.3	16,027.0	12.13	578,685
Total	57.9	89,163.0	95.4	4,551,744

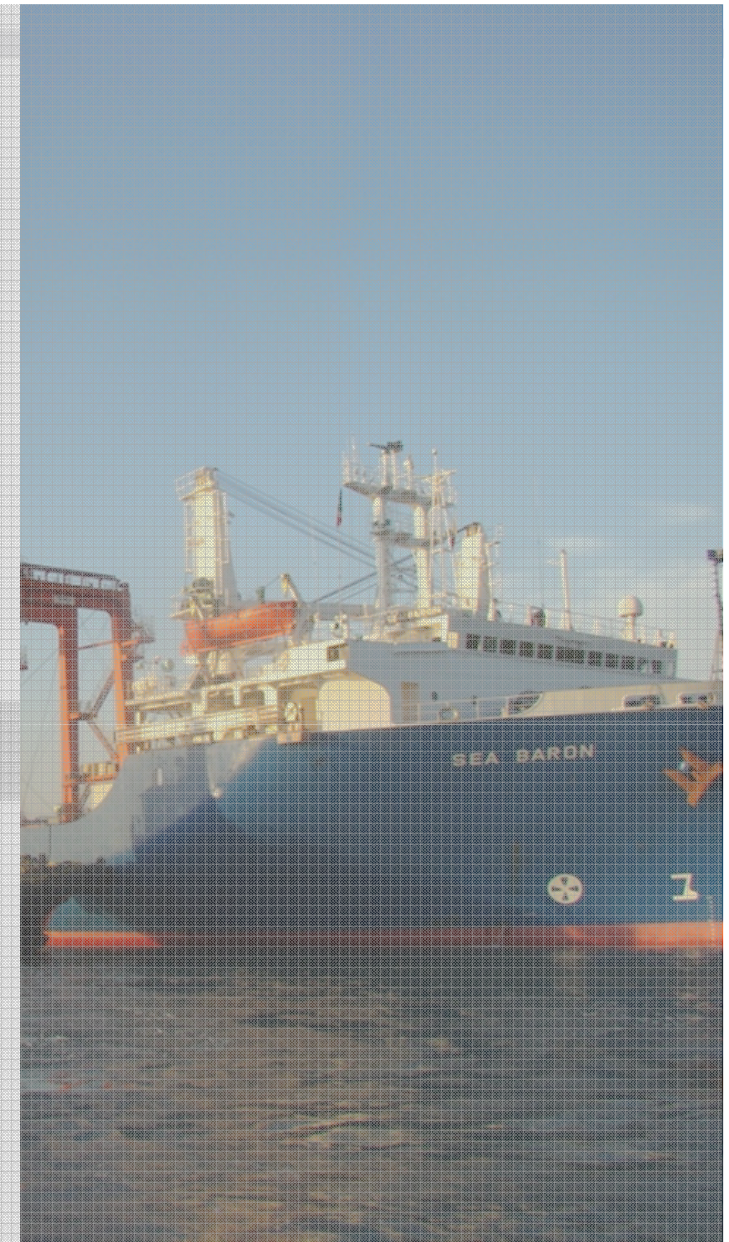
*Oil not included



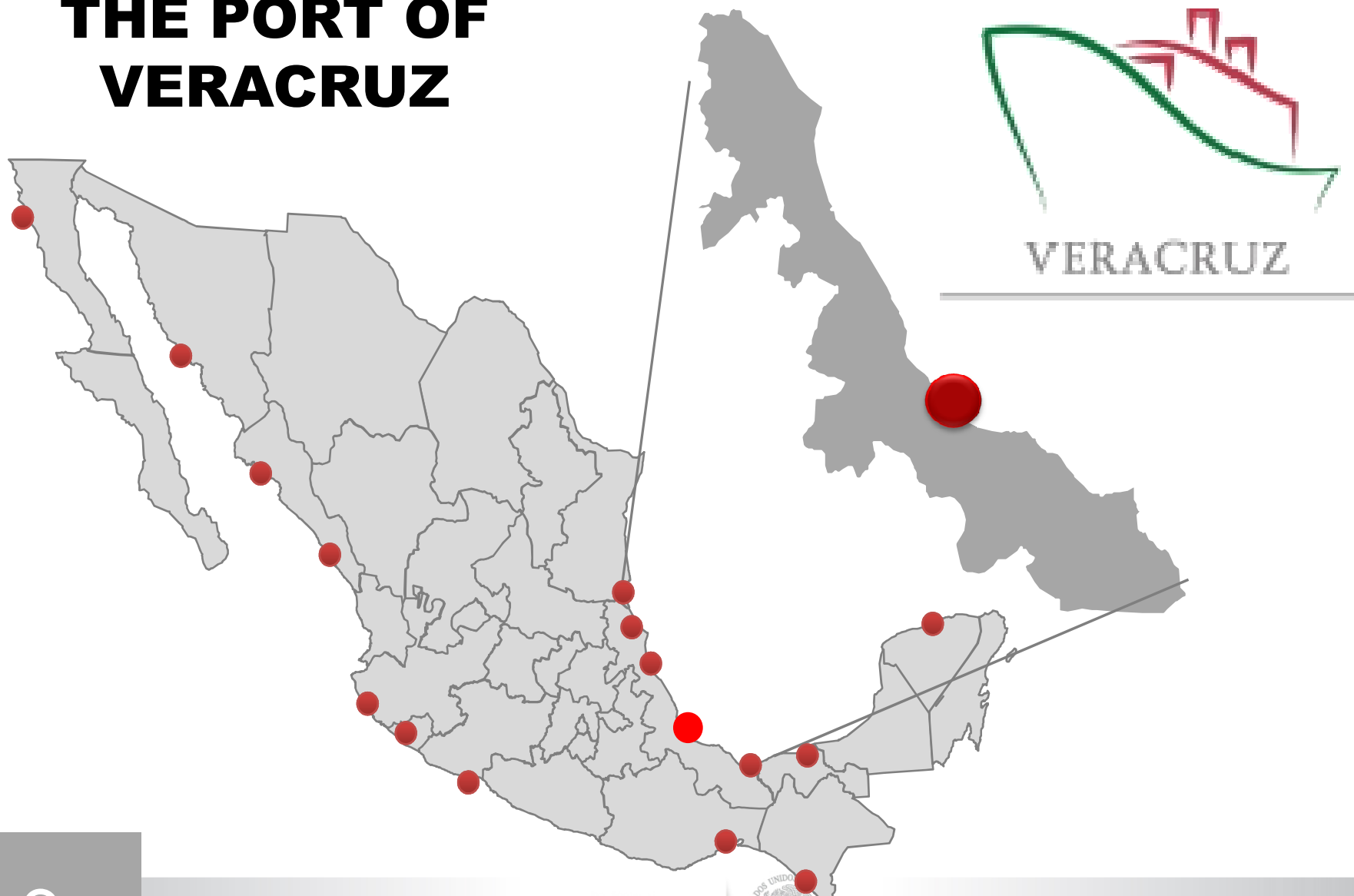
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THE PORT OF VERACRUZ



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VERACRUZ

3

The Port of Veracruz is located in the state of Veracruz, in the Gulf of Mexico. Counting with 500 years of experience, the Port is a strategic center for the international commerce of the country.

With a commercial profile, the Port of Veracruz specializes in the handling of containerized cargo and automobiles; also commercial cargo.

It has a draft of 40 feet that allows entry to vessels up to 95,000 dwt and 228 meters long.

It counts with a total of 18 dock positions

Zones	Decreted (h.)	Surface	
		Developed (h.)	%
Land	367.8	367.8	100.0%
Water	201.7	201.5	99.9%
Total	569.5	569.3	100.0%

Veracruz Expansion Project



The expansion and modernization of the Port northward to the Vergara Bay aims to address the existing saturation in some port terminals. It will seek, in the long-term, to **triple the current capacity** of the port and increase their efficiency and competitiveness.

Infraestructure Devolpment



Port Expansion

→ Stage 1: 2013-2015

→ Stage 2: 2016-2018

→ Stage 3: 2019-2023

Logistic Activities Zone
(ZAL) (98% done)

Port's New Custom (project)

New Rail Bypass
(79% done)

PORT OF VERACRUZ EXPANSION

SPECIFICS

Port	Dock Positions	Depth (m)	Cargo Handling Capacity (million tons)	Water surface (h.)	Land surface (h.)
Today	18	12 / 14	21	237	367
Expansion	30	18	89	500	450
Total	48	12 / 18	110	737	817

VERACRUZ

*mdp = million pesos

Period	2013-2025	
Cost Amount	\$ 69,600 mdp	
	Private Investment	\$ 38, 178 mdp
	Public Investment	\$ 31, 422 mdp
	Job Creation	
During Construction Process:	Direct	10, 000
	Indirect	20, 000
When the Project is completed:	Direct Operation	40, 000
	Indirect Operation	100, 000



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