



# Fact Sheet U.S. - Mexico

## FOREIGN DIRECT INVESTMENT

March 2011

In the past ten years, U.S. foreign direct investment in Mexico totaled more than \$123 billion, concentrated largely in the manufacturing and financial sectors.

■ U.S. firms have an important presence in Mexico, such as Ford, GM, Wal-Mart, Delphi and Boeing, which have recently announced investments for over \$5 billion.

Mexico has Agreements for Mutual Promotion and Protection of Investment (APPRI) with 27 countries, and Double Taxation Agreements with 34 countries.

NAFTA, proximity to the United States, and economic stability make Mexico an attractive location for foreign direct investment (FDI). Additional reforms to improve competition, labor conditions, and education quality are needed to increase competitiveness and encourage more FDI.

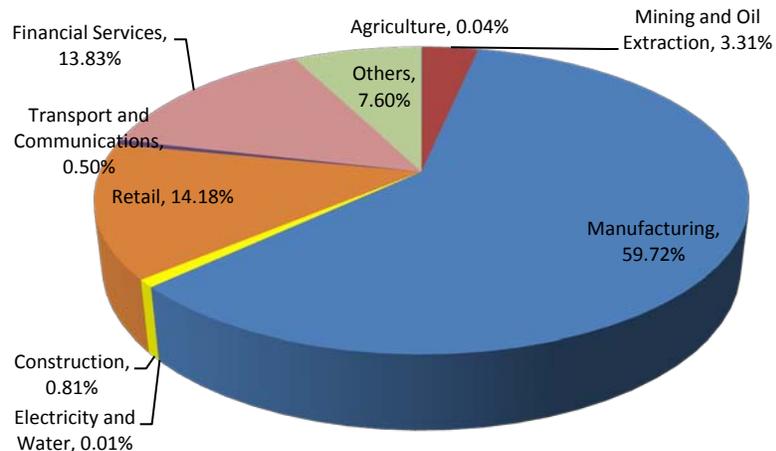
■ Overall FDI in Mexico for 2010 was \$17.7 billion with \$4.9 billion coming from the U.S., and \$11.2 billion and \$8.7 billion from the EU and the Netherlands, respectively. Accounting for a significant portion of this inflow is a \$5.7 billion all-share transaction by Dutch brewer Heineken for their purchase of Mexican FEMSA's beer operations. Investment growth compared to 2009 was 16.57%, still below 2008 levels (-31.46%).

■ For the year 2010, the U.S. provided 27.6% of all FDI in Mexico, benefiting 23,360 companies. U.S. FDI is largely concentrated in the manufacturing (46%) and commercial (19%) sectors.

■ The U.S.'s share in Mexico's FDI has been decreasing over the last decade, from 72% in 2000 to 27% in 2010, while EU's share has gained ground, increasing from 18% to 60% during the same period.

■ In 2010, 43% (\$1.9 billion) of U.S. investment in Mexico was directed to the six Mexican Border States. These states are where the majority of maquiladoras are located and receive 59% of all U.S. manufacturing investment in Mexico.

U.S. FDI in Mexico by sector, 2010



U.S. Embassy Mexico City • 5080.2000  
Economic Section  
<http://mexico.usembassy.gov>