

Media Statement by President Calderón during Announcement of Proposals of Appointments at Mexico's Central Bank, the Secretariat of Finance and Public Credit and Secretariat of Social Development

Wednesday, December 9, 2009 | Speeches Official Residence Los Pinos, Mexico City



Good afternoon, members of the media. I have called you here today to make an important announcement for the country's economic and institutional life.

Today, on the basis of Article 28 of the Mexican Political Constitution, I have decided to submit a proposal to appoint Agustín Carstens as a member of the Governing Body and if Senate approves, to appoint him as Governor of the Bank of Mexico, in full use of my constitutional faculties.

Dr. Carstens' academic and professional credentials reflect the intellectual and professional solidity of one of the country's most outstanding economists. Dr. Carstens holds a B.A. in Economics from the Instituto Tecnológico Autónomo de México, ITAM, and an M.A. and Ph.D. in Economics from the University of Chicago. Dr. Carstens has an unrivalled knowledge of the workings of the Mexican Central Bank, since he worked there extremely effectively from 1980 to 2000.

Among the many positions he held, he occupied key posts for the bank, such as Director General of Economic Research, General Treasurer and Coordinator of the Governor's advisors. In December 2000, he was appointed Under-Secretary of Finance and Public Credit, a post he held until August 2003, when he was nominated Assistant Managing Director of the International Monetary Fund, one of the most important positions in this multinational institution.

Dr. Carstens has also served as Deputy Governor for Mexico at the Inter-American Development Bank and at the World Bank. He has extensive experience in monetary and financial issues, because of the two decades he worked at the Bank and subsequently because of the important posts he occupied in the International Monetary Fund. Holding the post of Finance Secretariat for the past three years has familiarized him with virtually all national and international financial aspects, which will serve him well when he is Governor of the Bank of Mexico, provided the proposal submitted to the Senate is approved.

During his time as Secretary of Finance, he achieved a great deal. This secretariat approved the Fiscal Reform for Those with Least, thereby increasing non-oil tax collection to boost public spending and state functions, particularly as regards security, health and social development. The Reform of the Pension Systems for State Workers defused one of the most serious problems for national public finances, giving them medium and long term viability. Dr. Carstens' responsible handling of Federal Government finances also provided the country with the resources it needed to overcome the most serious economic crisis the world has seen in decades and to implement timely contra-cyclical measures that have saved hundreds of thousands of jobs: strengthened the credits provided by the Development Bank and give an unprecedented boost to the construction of more and better infrastructure. (More)

He also promoted measures that have strengthened the national banking system, which now has a capitalization level above international standards and which, unlike other countries, did not require capitalization from public finances. In short. Dr. Agustín Carstens not only has all the requirements established by law but an immense capacity not only to be a member of the Board but to hold the position of Governor of the Bank of Mexico. (More)

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I am convinced that I am offering Senate the best candidate to hold such an important position in this Institution. If this proposal is approved, with Agustín Carstens as director, the Bank of Mexico will be able to perform its function efficiently as the autonomous institution of the Mexican State in charge of guaranteeing the stability of the currency's purchasing power, guaranteeing the proper functioning of the System of Payments and promoting the healthy development of the financial system. If Senate approves the proposal, I know that Federal Government will work closely with the Bank of Mexico, without affecting its autonomy, in the design and implementation of monetary and fiscal public policies and those involving exchange rates. At the same time, the Governor will also be, as established by law, an advisor and permanent consultant for Federal Government's main decisions regarding economic issues.

I would like to take this opportunity to thank Dr. Guillermo Ortiz for his outstanding work as director of the Bank of Mexico for the past 12 years. His work was crucial in bringing inflation down from its two-digit level in the late 1990s to its current levels. Dr. Ortiz's skilful Management also helped strengthen our financial system, which prevented Mexico from experiencing the serious problems that now affect other nations as a result of the international economic crisis. Dr. Ortiz leaves a solid Bank of Mexico with extensive international prestige as one of the world's most efficient and professional central banks. I wish him every success in his future task.

On the other hand, and in view of the authorization indicated in Article 89 of the Constitution, I have decided to nominate Ernesto Cordero as the new Secretary of Finance and Public Credit. Ernesto Cordero has also had extensive academic training and professional experience, which will enable him to successfully perform the functions of Secretary of Finance and Public Credit. He holds a B.A. in Actuarial Science from the Instituto Tecnológico Autónomo de México and an M.A. in Economics from the University of Pennsylvania, where he also pursued a Ph.D. in Economics. In addition to his solid academic training, Mr. Cordero is an honest Mexican with extensive experience in economic and public policy issues. He was Director of the Miguel Estrada Iturbide Foundation, Director of Risk Management at Banco Nacional de Obras y Servicios Públicos, BANOBRAS. He subsequently held the post of Under-Secretariat of Energy Planning and Technological Development at the Energy Secretariat.

In December 2006, he was appointed Under-Secretary of Expenditure at the Secretariat of Finance and Public Credit, under the supervision of Dr. Carstens, a post he held until January 2008, when I appointed him Secretary of Social Development. In this position, Ernesto Cordero strengthened the Oportunidades Program and created the Food Support Program so that the country's poorest countries would have the resources they need to cope with the effects of the world crisis in food prices and the international economic crisis. He boosted key social programs for Mexicans, such as the Children's Daycare Centers, 70 and Over and Cement Floor Programs.

Mr. Cordero, as I mentioned earlier, is no stranger to the Finance Secretariat. During the early years of my administration, he played a key role as Under-Secretary of Expenditure. Recently, on September 2, I told the nation about the essential elements of a series of actions we have undertaken, designed to achieve the changes to achieve the goals we all long for: to take up the path of rapid, sustainable economic growth. Mr. Cordero's task, then, will be to contribute to this task and to overhaul the Mexican economic system to make it more competitive, accelerate the growth and creation of jobs in a sustained fashion, within the context of healthy, stable public finances.

Lastly, it will be essential to continue making efforts to achieve a profound reform of public finances in which Government will set an example in the good use of the resources entrusted to us by all Mexicans. In short, we must achieve a reform that will make it possible to arrange government spending in a hierarchical order on the basis of efficiency, transparency and austerity. This reform must also have a second component to boost public income, simplify tax returns, reduce tax evasion and increase tax collection by increasing the number of taxpayers.

I instruct the new Secretary to continue guaranteeing the honest, impartial, responsible and efficient handling of the country's finances and to maintain a relationship of collaboration and coordination with Central Bank in order to preserve the stability of our currency and the solidity of our financial system. Everyone's priority is to promote sustainable human development. I therefore instruct Secretary Carstens to use all the tools available to the Finance Secretariat to encourage economic growth, job creation and the well-being of the country. I also instruct him, within his sphere of authority, to promote the reforms Mexico requires to boost its competitiveness. (More)

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These appointments in the Secretary of Finance and the Central Bank, if Senate approves the proposal for Dr. Carstens candidacy and without affecting the autonomy of the Bank of Mexico will harmonize relations between Federal Government and the Central Bank to achieve the dual purpose of ensuring low inflation rates, thereby preserving Mexicans' purchasing power and at the same time, promoting changes and transformations that will speed up the growth rate of our economy.

I would ask Dr. Carstens and instruct Secretary Ernesto Cordero to ensure an orderly, harmonious transition at the Secretary of Finance, in order to preserve the Nation's interest, guarantee certainty for investors and economic actors and follow up the issues the Finance Secretary is authorized to deal with.

Today, in the exercise of my constitutional powers, I have also nominated Heriberto Félix as new Secretary of Social Development. Heriberto Félix holds a B.A. in Economics from the Instituto Tecnológico y de Estudios Superiores de Monterrey. Before his current post, as Under-Secretary for Small and Medium Business at the Secretariat of the Economy, he had a long political and professional career.

It is worth noting that as Under-Secretary, in coordination with other Government areas, he promoted the greatest expansion of credit to Small and Medium Firms recorded in the country for a long time, as part of the contra-cyclical policies coordinated by the Finance Secretariat, as part of government's action to offset the impact of the economic crisis. Mr. Félix is a Senator on leave from the State of Sinaloa. He was previously Secretary of Economic Development in this same state where he worked for those with least. He was also a gubernatorial candidate for that state.

In the personal sphere, he has also had a solid career as an entrepreneur, which led him to become Vice-President of the National Chamber of the Manufacturing Industry. Mr. Félix's social sensitivity, as well as his experience of helping thousands of families to progress as a result of their own efforts, within the Programs to Support Small and Medium Businesses, have provided him with the necessary credentials to assume the responsibility conferred on him as Secretary of Social Development.

The new Secretary will have the important challenge of working ceaselessly in what I have marked as the first of the ten priorities of the National Agenda, which is to reduce extreme poverty. I therefore instruct you to boost Federal Government's social programs and coordinate with all Public Administration offices to expand existing programs and achieve the goals we have proposed to Congress which have already been partly approved in the authorization of the Expenditure Budget of 2010. I instruct you to review and strengthen the Oportunidades and Food Support Programs in order to incorporate another million families into government assistance, as we have proposed.

I instruct you to continue with the programs that support the most vulnerable population, to continue dealing with victims in the event of natural disasters and to spend the funds assigned to social expenditure strictly, effectively and transparently. The instruction is clear: despite the economic crisis, we must continue to advance in the fight against poverty. Once again, I would like to thank Dr. Carstens for his work as Finance Secretary. respectfully ask the Senate to assess this candidacy on their terms. And I also wish the new secretaries every success in their management.

Thank you.

National Human Rights Prize 2009 Awarded to Enrique Morones by President Felipe Calderón



Mexico City. President Felipe Calderón awarded last Tuesday the National Human Rights Prize 2009 to Enrique Morones, director of the U.S. humanitarian group *Border Angels* in the Adolfo López Mateos Hall in the official Los Pinos residence.

President Calderón said that Mr. Morones has dedicated his life to defend the rights of immigrants that venture across the U.S. Mexico –Border and those who already live in the United States. “Mr. Morones is an example to follow for those of us who believe in the rule of law and, above all, justice and human rights”, said the

President.

MEXICO TAKES OVER THE PRESIDENCY OF THE GLOBAL FORUM ON MIGRATION AND DEVELOPMENT

Tuesday, December 8, 2009 | Ministry of Foreign Affairs

- Greece transfers the presidency of the Global Forum on Migration and Development to Mexico.
- The 4th meeting of the forum will be held in Puerto Vallarta, Jalisco in November 2010.



Mexico City.- Today, the Foreign Ministry's Undersecretary for Multilateral Affairs and Human Rights, Ambassador Juan Manuel Gómez Robledo, received the presidency of the Global Forum on Migration and Development (GFMD) from the Greek ambassador in Mexico, Vassilis Karantonis. The fourth meeting of the forum will be held in Puerto Vallarta next November. Many members of the diplomatic corps accredited in Mexico were present at the ceremony.

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Ambassador Karantonis conveyed a message from the 2009 president of the GFMD, Theodora Tzakri, in which she mentioned that although the GFMD has become the most comprehensive multilateral forum for the international dialog on migration and development, there are still challenges that must be addressed such as the need to guide the dialog into the future by using the available experience to make an impact on policies and to strengthen the institutional framework of the forum.

Ambassador Gómez Robledo stressed that holding the forum in a Latin American country for the first time represents an important opportunity to share the vision and perspectives of Mexico and the other countries of the region regarding the issue of international migration.

He said that Mexico hopes to contribute in this way to laying the foundations for an international policy on migration that is focused on full respect for the human rights of migrants.

The Commissioner of the National Institute of Migration, Cecilia Romero Castillo, also participated in the ceremony. Beginning today, she becomes the Executive Director of the GFMD.

Commissioner Romero said that the two main hopes of the Mexican government for the 2010 Global Forum are to help put together a comprehensive agenda on migration and development from a multilateral perspective and to strengthen the dialog between the government and civil society.

Mexico will propose to the States that the central theme of the meeting include an analysis of the positive contributions of migrants to their countries of origin, transit and destination, as well as the need to put together alliances based on shared responsibilities and international cooperation to take advantage of these benefits and translate them into human wellbeing.

The forum was established at the suggestion of the United Nations Secretary-General in 2006 during the high-level dialog on migration and development. The three first meetings of the forum were held in Brussels (2007), Manila (2008) and Athens (2009).

Secretary Napolitano and Mexican Finance Secretary Agustín Carstens Sign Enhanced Declaration of Principles to Strengthen Bilateral Economic and Security Cooperation

December 7, 2009



Department of Homeland Security (DHS) Secretary Janet Napolitano and Mexican Secretary of Finance and Public Credit (SHCP) Agustín Carstens today signed an updated and enhanced Declaration of Principles (DOP)—accomplishing the goals they outlined in June to create a joint United States-Mexico framework to improve security along the Southwest border and facilitate the flow of legitimate travel and trade.

"Protecting the interconnected security and economic interests of the United States and Mexico depends on close collaboration between our two nations," said Secretary Napolitano. "Secretary Carstens and I will continue to work together to coordinate efforts to crack down on violent drug cartels along the Southwest border while facilitating the flow of legitimate travel and trade."

"We are building upon a longstanding relationship and cooperation, which have derived extraordinary results, particularly in matters of trade facilitation to legitimate stakeholders and law enforcement," said Secretary Carstens. "However, today's world demands from us a more intelligent and coordinated way to protect our borders and facilitate trade."



Under the updated and enhanced DOP signed today, DHS and the Mexican Ministry of Finance and Public Credit will continue to make progress on existing objectives while also identifying new joint initiatives and long-term programs to augment information-sharing mechanisms and coordinate border management—improving the efficiency of border operations and strengthening law enforcement cooperation.



The DOP serves as a policy framework for engaging on multiple fronts—including emphasizing professionalism among law enforcement personnel through integrity-related training and the sharing of best practices; working toward the full implementation of the World Customs Organization's Framework of Standards; and establishing improved mechanisms for information-sharing.

The DOP also reinforces the importance of the Bilateral Strategic Plan (BSP), signed today by officials representing U.S. Customs and Border Protection (CBP), U.S. Immigration and Customs Enforcement (ICE) and Mexico Customs, which establishes an Executive Steering Committee—comprised of representatives from DHS and Mexico's Ministry of Finance and Public Credit and the Administrator General of Customs—to review coordinated initiatives to further the economic and security interests of both nations.

One such program is the establishment of Bi-National Port Security Committees, which will improve open and regular communication between ports and Port Directors along the Southwest border and address cross-border operational, safety and security issues—a significant step toward deterring violence at and near land ports of entry.

Since January, the U.S and Mexico have signed three agreements building on unprecedented levels of collaboration between the two nations designed to combat transnational crime, increase law enforcement collaboration and increase the secure flow of travel and trade along the Southwest border.

Marriott International to Nearly Triple its Presence in Mexico in Five Years

- 29 New Hotels In Mexico Help Fuel Company's Record-Setting Global Growth



Washington, DC.- Marriott International, Inc. (NYSE:MAR) announced today four signed agreements that it expects will nearly triple its lodging presence in Mexico over the next five years. The agreements involve plans to add 29 branded Marriott hotels in Mexico, create an estimated 3,000 new jobs and represent a total investment of more than \$1 billion by the owners

of the Marriott properties.

"These agreements reflect a huge investment being made by our partners in the future of Mexican tourism and are in response to the growing attractiveness of Mexico as a tourist destination," said Ed Fuller, president & managing director of international lodging for Marriott International.

Fueling Marriott's global growth, the Mexico announcement is part of its pipeline of 130,000 new rooms that the company expects to be added to its system. Marriott anticipates that more than a quarter of its new rooms will be located outside the U.S. Currently, Marriott's portfolio in Mexico consists of 16 hotels and resorts including the JW Marriott, Marriott, Courtyard, Residence Inn and Fairfield Inn brands.

Announced are the following:

- A multi-unit development agreement with Caribe Hospitality that will result in 20 upper-moderately-priced Courtyard by Marriott properties over the next five-to-seven years throughout Mexico, which Marriott International will manage.
- A management agreement with Grupo Questro for the upscale 250-room Puerto Peñasco Marriott Resort on Mexico's Pacific coast. Earlier, Grupo Questro and its partners signed a management agreement for the 170-room The Ritz-Carlton Mexico City which will have a branded residential component. Both properties are scheduled to open in 2011.
- A management agreement with Desarrollos Turisticos Paso Victoria S.A. for the luxurious 450-room JW Marriott Milla de Oro Resort & Spa and the upscale 150-room Renaissance Milla de Oro Resort, both of which will be located on Mexico's popular Riviera Maya and are expected to open in 2011.
- A development agreement with Grupo Diestra for at least five and up to 10 franchised hotels over the next five years under the full-service, upscale Marriott brand. Grupo Diestra currently operates the Tijuana Marriott Hotel which opened in 2007. The company expects to open the 320-room Mexico City Marriott Reforma Hotel later this year, the 286-room Aguascalientes Marriott Hotel and the 290-room Merida Marriott Hotel in 2009 and 2010, respectively.

Fuller added, "As a destination, Mexico accounts for almost 16 percent of tourism activity in the Americas, second only to the United States. Mexico also is the primary destination for foreign tourists within Latin America and today ranks eighth for international tourist arrivals worldwide. We are thrilled to be part of these visionary plans that will help Mexico achieve its goal of becoming the fifth most visited destination in the world."

Marriott has been operating in Mexico for nearly 20 years. "We have watched Mexican tourism evolve into the vibrant, appealing product it is today and are delighted to see Mexico's growing middle class spurring national tourism as well. In fact, the domestic Mexican market accounts for nearly 40 percent of all our guests at our hotels within Mexico," he said.