

UK and Mexico review the implementation of the Partnership for Sustainable and Inclusive Growth, in the context of the High Level Economic Talks 2020

The governments of the United Kingdom of Great Britain and Northern Ireland and the United Mexican States convened a session of their bilateral mechanism of High Level Economic Talks at the Foreign and Commonwealth Office on 9 March 2020. These talks sit under the Partnership for Sustainable and Inclusive Growth, signed in August 2019, in order to build and strengthen our political dialogue, economic links and wide cooperation, including the great global and regional challenges of our time.

The delegations were led by Minister of State for Foreign and Commonwealth Affairs of the United Kingdom, Nigel Adams and the Under Secretary of Foreign Affairs of Mexico, Julián Ventura, and included representatives of various ministries and agencies. The Plenary Session focused on the progress achieved on the implementation of the Partnership and on developing additional areas of cooperation.

The delegations agreed on the importance of maintaining a constructive, close and purposeful dialogue across a broad agenda. Both governments also underscored the need for an ambitious future trading relationship following the UK's exit from the European Union, to pursue sustainable development and inclusive growth, and to strengthen economic links. In the year where the UK will chair COP 26, they further agreed to work together to ensure the success of an ambitious agenda, convinced of the value of a strong rules-based international order.

Both sides reaffirmed their strong commitment to gender equality throughout their foreign policy objectives. They agreed to hold joint informal multi-stakeholder seminars in both countries in the coming months, to promote the sharing of best practices and encourage the establishment of cooperative initiatives to advance the empowerment of women and girls.

This was part of a week of engagement between Mexico and the UK. Throughout the week, a Disaster Resilience Mission from Mexico was held to develop bilateral cooperation on catastrophic risk management.

Three Working Groups met in the context of the High Level Economic Talks:

1. Trade and Investment
2. Financial Services
3. Climate Change and Sustainable Development

The UK and Mexico reached agreements across a number of areas, detailed below. To follow up on the commitments made, each Working Group will report back after six months on progress made.

1. Trade and Investment

In line with the Partnership for Sustainable and Inclusive Growth, both countries reiterated their full commitment to free trade as a force for global stability, prosperity, innovation, diversification and inclusion.

The UK and Mexico committed to an ambitious future trading relationship under the principle of free trade that strengthens our commercial and economic ties. Both countries agreed to continue working together to seek to prevent any disruption to preferable trading terms, and to discuss this matter through our existing Trade Working Group.

The UK and Mexico announced a Memorandum of Understanding on the British Embassy's Programme work in Mexico, outlining the joint commitment to promote bilateral trade, and support an inclusive, gender-friendly environment.

The UK and Mexico agreed to explore opportunities to increase trade and investment in key sectors (medical devices, automotive, electro-mobility, electrical and electronics, climate change, aerospace, energy, life sciences, advanced engineering, education, infrastructure, financial services, food and drink, agritech) as well as facilitating the launch of a Business-to-Business dialogue to increase private sector collaboration and promote bilateral cooperation.

The UK and Mexico have agreed to work together ahead of the WTO Ministerial Conference in Kazakhstan to support the rules based international system and restart the work of the Appellate Body.

The UK expressed its interest to initiate procedures on accession to CPTPP, as the UK continues to build trade links with countries across the world.

2. Financial Services

Mexican Financial regulator the CNBV, and the UK committed to working together on projects regarding Open Banking regulations and the development of the CNBV's SupTech platform through the Prosperity Fund.

The Sandbox Challenge was launched in Mexico, in February 2020, with the support of the Prosperity Fund, which will help develop capabilities of entrepreneurs

in order to meet the criteria to be candidates for the CNBV Innovative Models scheme.

Mexico and the UK are starting conversations on a joint Green Finance agenda, on the implementation of climate objectives to be delivered at the end of 2020.

Formal Mexico - UK cooperation on Disaster relief management (risk transfer scheme), was announced, to manage risks from natural disasters.

The UK and Mexico signed a Letter of Intent between BEIS and Hacienda on collaboration on the implementation of Building Information Modelling (BIM) in Mexico.

The Infrastructure Projects Authority (IPA) in the UK, also signed a Letter of Intent with Hacienda on capacity building in the implementation of UK methodologies for project structuring, evaluation and delivery.

The UK has agreed to share best practices on HM Treasury's Women in Finance Charter to help fulfil both government's aspiration to see gender balance at all levels across financial services firms.

3. Climate Change and Sustainable Development Climate Change and Sustainable Development

Mexico and the UK have signed a Declaration on Climate Change and Sustainable Development, building on Mexico's strong legacy from COP16 in Cancún, and creating momentum to COP26 in Glasgow, ten years later.

In summary, the Declaration includes the following commitments:

To form a 'COP26 Alliance', which will include:

- working together to advance international climate negotiations within the framework of COP26;
- collaborating bilaterally, and with third countries, on enhancement of our Nationally Determined Contributions (NDCs);
- strengthening of synergies between climate action and the protection of biological biodiversity, in the context of the Global Framework for Biodiversity Post-2020;-;
- collaborating on adaptation and resilience initiatives to address the effects of climate change;

- facilitating business dialogues to engage with climate action, manage climate risk and support implementation of the Sustainable Development Goals (SDGs)/ Agenda 2030.

To strengthen the development of the urban-environmental agenda, including through support to local governments to increase climate ambition, and through support to scale-up successful initiatives at the subnational level in line with enhanced NDC targets and Mexico's intentions to deliver the SDGs/ Agenda 2030.

To mainstream action to tackle gender and social inequalities throughout the climate agenda, taking into consideration indigenous communities and other vulnerable groups, leaving no-one behind.

To ensure that cooperation programmes (including but not limited to the next phases of the UK PACT Programme (Partnering for Accelerated Climate Transitions), the Sustainable Infrastructure Programme and the Climate Leadership in Cities Programme, Newton Fund, Global Challenges Research Fund and Chevening Programme) are responsive to mutual priorities for tackling climate change.