

PASSENGER TRANSPORTATION PROJECTS IN MEXICO

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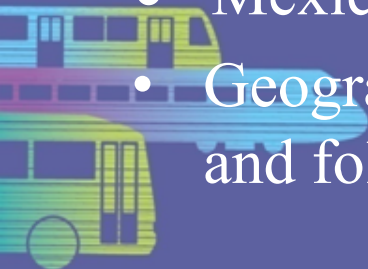
U.S. Commercial Service

- Agency of the U.S. Department of Commerce
- Focusing in supporting exporters of U.S. products & services
- Different programs to help U.S. companies in identifying potential distributors or representatives
- Market research
- International Delegations to U.S. shows
- 107 offices in the U.S.
- Presence in almost all countries in the world
- Buyusa.gov/mexico



THE MEXICAN MARKET

- Mexico is the United States' 3rd largest trade partner and 2nd largest export market for U.S. products
- Mexico's population is over 112 million people with 74% urban; 44% under 20 years of age; 23% wealthy/upper middle class; and 37% middle class, and offers a large market with a GDP of approximately USD \$1 trillion. Per capita income is \$13, 800
- Abundant market opportunities for U.S. firms
- Mexico uses many U.S. technical standards
- Geographical proximity makes easy to be in contact, negotiate and follow up



MEXICAN TRANSPORTATION SYSTEMS

- Urban transportation organization is decided by each state
- 31 states and one Federal District
- Most states have a mixed organization with public and private transportation systems
- Private organizations must obtain a concession to operate and manage certain routes or transportation systems
- Multiple micro-concessionaires that operate 1-5 transportation units
- Most states are in the process of modernizing transportation systems and replacing old units



Mexico City Metropolitan Area (MCMA)

- Comprises Mexico City and several municipalities of the State of Mexico
- 19.2 million people in 7,815 square kilometers
- 23 million passenger/trips per day
- 80 % use public transportation and 6 % use private cars
- Average of 4.5 million cars circulating daily
- One public transportation unit per 132 private cars
- Transportation systems connect Mexico City with different regions of the States of Mexico and Morelos



Mexico City's Transportation Systems

- Mexico City has a mixed transportation structure:
- Public systems:
 - Subway system (METRO) : 177 kilometers, 11 lines and 175 stations. Moves 1.4 million passengers per day
 - RTP or Bus System : 1475 buses, 3422 drivers, covering 101 routes
 - STE (trolleys) : 383 trolleys, 20 light trains , 11 routes over 460 kilometers
 - Metrobus : three BRT routes, 67 kilometers, 290 articulated buses , moving 620 ,000 passengers per day

Private transportation systems:

- 25,000 units including buses and micro buses
- 108,000 taxis



State of Mexico's Transportation Systems

- All private, operated by multiple concessionaires
- 30,000 buses and micro-buses operated by 119 different groups
- 116,000 taxis
- Suburban Train:
 - Inaugurated in July 2008
 - 27 kilometers connecting several towns in the State of Mexico to the subway and bus transfer station in Mexico City
 - Operated by the Spanish company CAF



Important projects in Mexico City

- Subway Line 12 currently under construction:
 - 24.5 km, with 20 stations
 - Estimated investment of US \$ 2 billion in infrastructure and 1.2 billion in equipment
 - RTP: pilot programs with hybrid buses.
 - STE: two “zero emissions” routes of trolleys:
 - 54.6 km. and 49 stations, with 150 trolleys
 - Project in the bid process for building infrastructure
 - Replacing 194 trolleys between 10 and 30 years old
 - Metrobus: two more BRT corridors in the next two years.
- Possibilities for hybrid units



Projects in other states

- State of Mexico:
 - Two more suburban trains
 - Replacing 1000-1500 micro-buses per year
 - More BRT corridors. One articulated bus will replace 4-5 micro-buses
 - All new units will need to be diesel operated and include GPS & GPRS systems, panic buttons, automated passenger counters and vehicle monitoring systems



Projects in other states

- State of Nuevo Leon:
 - New Subway system lines in Monterrey
 - Several BRT corridors using the best technologies. They will start with 80 articulated low bed buses. Opportunities for urban equipment, street furniture, IT systems, hybrid buses and related products
 - State of Jalisco:
 - Pilot program with 10 hybrid buses. Plans to buy 100 more
 - Security and monitoring systems for the night transportation services
- Automatic systems for fare collection , passenger counting, fleet monitoring and management, and GPS



Projects in other states

- State of Puebla:
 - Will open concessions for four BRT corridors in the City of Puebla. Plans to start with 45 articulated high bed buses. In the bid process for building infrastructure for first corridor
 - Will need automatic fare collection systems, security systems, and fleet management and monitoring systems
- Many other states have also important projects to modernize their transportation systems
- Opportunities to sell parts to bus manufacturers in Mexico



TRENDS AND BEST PROSPECTS

- More BRT systems
- Substitution of old units
- Use of simulators
- More automated systems for fare collection, fleet monitoring, maintenance managing, passenger information and others that can improve services and save money to operators
- Use of security and CCTV systems
- Better signaling systems
- Strict control of emissions and polluting sources
- Use of electronic advertisement and entertainment systems.



Procurement

- Public institutions must comply with regulations:
 - Purchases under US\$3,100 awarded directly to selected providers
 - Purchases over that amount must be through public tenders
- Private concessionaires:
 - Select suppliers by requesting quotations
 - Decide a purchase based on price, financing and delivery conditions



How to do business in Mexico

- Having a Mexican distributor/representative
- Spanish speaking technical staff
- Inviting potential clients to visit manufacturing facilities in the U.S.
- Adapting to market conditions/being flexible
- Getting familiar with Mexican culture
- Time to follow up and make presentations to different levels of decision makers



SOURCES OF INFORMATION

Mexico City:

- www.setravi.df.gob.mx
- www.stc.df.gob.mx
- www.ste.df.gob.mx
- www.metrobus.df.gob.mx
- www.rtp.df.gob.mx

Some states:

- www.portal2.edomex.gob.mx/stransporte
- www.st.pue.gob.mx
- www.nl.gob.mx/?P=cons_transporte
- www.jalisco.gob.mx/svt



FOR MORE INFORMATION

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Thanks!!!!!!!!!!

