



The Coppel - Intuit  
Center for Binational Institutions  
an initiative by the U.S.-Mexico Foundation



# CBI 2022

## U.S.-MEXICO BINATIONAL INSTITUTIONS REPORT

MARCH 2023

# INDEX

1. Introduction.....	01
2. Institutional Highlights 2022.....	03
a. North American Leaders' Summit (NALS)	
b. High-Level Economic Dialogue (HLED)	
c. High-Level Security Dialogue (HLSD)	
3. Spotlight: Interparliamentary Meetings.....	09
4. 2022 Annual Scorecard.....	12
5. Year in Review: Expert Commentary.....	13
6. Final Remarks.....	16
7. About our Sponsors.....	18
8. Resources.....	19

# 1. INTRODUCTION

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The Center for Binational Institutions (CBI) is an initiative founded by the U.S.-Mexico Foundation to enhance the understanding of institutions and their vital role in the bilateral agenda and relationship between the United States and Mexico. As part of its efforts, the CBI publishes a yearly report, the CBI 2022: U.S.-Mexico Binational Institutions Report, which aims to provide an in-depth analysis of the bilateral relationship through **institutional building**.

The CBI identifies four types of institutions, including **agreements, dialogue mechanisms, binational programs, and formal organizations**, to establish a conceptual framework for mapping and studying the binational institutional relationship. **Agreements** are written documents that establish rules governing the bilateral relationship, such as treaties, inter-institutional or executive agreements, joint statements, or declarations. **Dialogue mechanisms** may be permanent or temporary and are established independently or as part of a specific agreement. Finally, binational **programs** and **formal organizations** operate independently, with their own budget and staff, and manage specific aspects of the bilateral relationship.

The year 2021 saw the reactivation of several binational institutions, including the North American Leaders' Summit (NALS) and the High-Level Economic Dialogue (HLED), as well as the launch of the Bicentennial Framework for Security, Public Health, and Safe Communities. **In 2022, these institutional efforts were further strengthened and expanded**, though there were relatively few binational interactions at the cabinet level. Unfortunately, historic institutional mechanisms like the U.S. - Mexico Interparliamentary Meetings did not occur in 2022. Given this context, the CBI 2022 report provides a comprehensive overview of the current U.S.-Mexico bilateral relationship status.

The CBI 2022 Annual Report is structured into seven sections. The initial section introduces the report and its contents. The second section, named "Binational Institutional Highlights 2022," delves into the three most critical binational institutions: the North American Leaders' Summit (NALS), the High-Level Economic Dialogue (HLED), and the High-Level Security Dialogue (HLSD). These dialogues were chosen due to their significant impact on shaping the U.S.-Mexico relationship in 2022.

The third section highlights the U.S.-Mexico Interparliamentary Meetings and their essential role in bilateral dialogues among legislators. The report also provides policy recommendations to reactivate these meetings, which have been suspended since 2018.



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The fourth section of the report showcases the CBI 2022 Scorecard, which uses a traffic light system to indicate whether specific high-level binational encounters occurred in 2022, providing a quick and clear visual representation of the most important events.

The fifth section features an expert commentary by Pedro Casas Alatríste, the Executive Vice President and General Manager of the American Chamber of Commerce of Mexico, who offers a detailed analysis of the state of the binational relationship in 2022, providing valuable insights into the successes and challenges of the year.

The sixth section includes final remarks by Cristina Martínez, the CBI Program Lead, and Ambassador Gerónimo Gutiérrez, the CBI Senior Fellow. In this section, Martínez and Gutiérrez share their thoughts and observations on the findings of the CBI 2022 report and their implications for the future of the U.S.-Mexico relationship.

The seventh section provides information about the report's sponsors, including Coppel in Mexico and Intuit in the United States, acknowledging their contributions and highlighting the significance of their support for initiatives like the CBI.

JAN

12th First USMCA Deputies Meeting

20th U.S. Secretary of Energy visit to Mexico

31st U.S.-Mexico Bicentennial Framework Action Plan 2022-2024

FEB

9th U.S. Special Presidential Envoy for Climate visit to Mexico

16th Chief Officer for North America visit to Chicago

28th U.S. Undersecretary for Economic Growth, Energy and the Environment visit to Mexico

MAR

8th Mexican Secretary of Foreign Affairs visit to Los Angeles

12th Chief Officer for North America visit to D.C.

14th U.S. Secretary of Homeland Security visit to Mexico

## 2. INSTITUTIONAL HIGHLIGHTS 2022

### a. North American Leaders' Summit (NALS)

#### Institutional Context

The North American Leaders' Summit, colloquially called the "Three Amigos Summit," is a recurring meeting between the Canadian Prime Minister, the Mexican President, and the American President. The inaugural summit was held in 2005 in Waco, Texas, under the Security and Prosperity Partnership of North America (SSP) framework.<sup>1</sup> The three leaders discussed trilateral issues during this event and sought mutually beneficial solutions. Although there are no fixed dates for the summits, they typically occur annually, except during the Trump administration when the dialogue mechanism was paused from 2017 to 2020. However, it is worth noting that the leaders of the three countries participated in other international events during the suspension of the summits by the Trump administration.<sup>2</sup>

Since then, U.S. President Joe Biden hosted the NALS on November 18th, 2021, at the White House in Washington, D.C.; and Mexican President Andrés Manuel López Obrador hosted on January 10th, 2023, in Mexico City.

**Table 1. North American Leaders' Summit Calendar**

Year	Location	Host President	Guest Presidents
2005	Waco, Texas	George W. Bush (US)	Vicente Fox (MX) Paul Martin (CAN)
2006	Cancún, Quintana Roo	Vicente Fox (MX)	George W. Bush (US) Stephen Harper (CAN)
2007	Montebello, Quebec	Stephen Harper (CAN)	George W. Bush (US) Felipe Calderón (MX)
2008	New Orleans, Louisiana	George W. Bush (US)	Felipe Calderón (MX) Stephen Harper (CAN)

22nd

U.S. CBP Commissioner first work tour

23rd

Mexico's Chief Officer for North America and Director of Border Affairs for North America visit the northern border to see USMCA'S binational investment and infrastructure projects

29th

Mayor of Dallas' first visit to Mexico

APR

4th

U.S. Undersecretary for Labor visit to Mexico

18th

High-Level Economic Dialogue Mid-Year Review

27th

11th Meeting of the IBWC Follow-Up Group

27th

Binational meeting for the review of the Bicentennial Framework main achievements

MAY

11th

U.S. Department of Homeland Security delegation visit to Mexico

2009	Guadalajara, Jalisco	Felipe Calderón (MX)	Stephen Harper (CAN) Barack Obama (US)
2010	No meeting was held		
2011	No meeting was held		
2012	Washington, D.C.	Barack Obama (US)	Felipe Calderón (MX) Stephen Harper (CAN)
2013	No meeting was held		
2014	Toluca, State of Mexico	Enrique Peña Nieto (MX)	Stephen Harper (CAN) Barack Obama (US)
2015	No meeting was held		
2016	Ottawa, Ontario	Justin Trudeau (CAN)	Barack Obama (US) Enrique Peña Nieto (MX)
2017	No meeting was held		
2018	No meeting was held		
2019	No meeting was held		
2020	No meeting was held		
2021	Washington, D.C.	Joe Biden (US)	Justin Trudeau (CAN) Andrés Manuel López Obrador (MX)
2023	Mexico City	Andrés Manuel López Obrador (MX)	Joe Biden (US) Justin Trudeau (CAN)

12th Strategic Border Infrastructure Forum

JUN

7th - 10th 9th Summit of the Americas

10th Canada, Mexico, and USA Ministers of Foreign Affairs Joint Statement

10th Youth Building the Future Program in the U.S.

15th-16th Working Visit by Head of the North America Unit to Miami

22nd SECTUR and Miami: Tourism Boost

24th Trilateral Meeting: Regional Commitments

24th Mexico - U.S. Labor Mobility Dialogue

30th First Year of the AMEXCID-USAID MoU

JUL

12th U.S. and Mexican Presidents bilateral meeting

## The Summit: Current Context

On November 18, 2021, Prime Minister Trudeau and Presidents Biden and López Obrador convened for the relaunch of the NALS, which had been on hiatus for four years. The revival of this trilateral dialogue mechanism signals a renewed commitment to, and strengthening of high-level government-to-government interactions.<sup>3</sup> At the 2021 Summit, the top priorities were cooperation in response to the Covid-19 pandemic, followed by enhancing the competitiveness of the North American region and addressing migration issues.

The 2023 NALS had a strong focus on trade and economic integration, migration, and security:<sup>4</sup>

- Trade and Economic Integration: Trade and economic integration have brought about tremendous economic growth to the North American region. Between January and September 2022, trade among the three countries surpassed USD 3 million per minute.<sup>5</sup> Furthermore, the introduction of the Inflation Reduction Act, CHIPS, and Science Act<sup>6</sup> is expected to provide a significant boost to the manufacturing sector. Additionally, since the enforcement of the USMCA, there have been 17 trade disputes filed on various matters including state-to-state, investor-state, anti-dumping, labor, and environmental disputes.<sup>7</sup>
- Migration: The Los Angeles Declaration was established during the 2022 Summit of the Americas, with the aim of addressing the root causes of migration. As part of this framework, Mexico and the U.S. agreed to establish two working groups. The first working group is intended to enhance VISA programs and safeguard labor rights for Mexican workers based in the U.S. The second working group is dedicated to protecting youth who are migrating.<sup>8</sup>
- Security: Security matters are now handled under the Bicentennial Framework for Security, Public Health, and Safe Communities. As part of this framework, Mexico and the U.S. have agreed to target synthetic drugs through an action plan established after the second High-Level Security Dialogue. In addition, measures have been taken to combat fentanyl and arms smuggling. Cybersecurity has also been an area of security cooperation. In 2022, the U.S.-Mexico Working Group on Cyber Issues pledged to enhance their cooperation on cybersecurity matters.



12th-13th 12th U.S.-Mexico CEO Dialogue

22nd Binational Working Group for the Protection of Minors in Mobility Situations

AUG

1st Transportation Electrification Working Group: Second Stage

10th U.S. - Mexico Cyber Affairs Working Group

18th Entry Into Force of Act 328 of the IBWC

25th U.S. Congressional Delegation Visit to Mexico

26th Meeting Between the Mexican Government and U.S. District Prosecutors

SEP

12th Second Annual Meeting High-Level Economic Dialogue

26th Los Angeles Declaration of Migration and Protection at the White House

28th Chicago's Mayor visit to Mexico

## b. High-Level Economic Dialogue (HLED)

### Institutional Context

The U.S.-Mexico High-Level Economic Dialogue (HLED) was established in 2013 by Presidents Barack Obama and Enrique Peña Nieto as a binational dialogue mechanism. Its primary objective is to advance economic and trade priorities that promote job creation, economic growth, and global competitiveness for both nations. Cabinet-level representatives from both sides convene once a year to discuss these priorities. On the Mexican side, the HLED's leading agencies are the Secretaries of Foreign Relations, Finance and Public Credit, and Economy, while on the U.S. side, it is led by the Departments of Commerce, Homeland Security, Treasury, and Transportation. During the Trump Administration, the HLED did not occur from 2017 to 2020. It was then relaunched in 2021 in Washington, D.C., to address the strategic economic and trade priorities of both nations.

### HLED: Current Context

On April 18, 2022, the U.S. and Mexican HLED co-chairs met for a mid-year review of the accomplishments.<sup>9</sup> As a follow-up on the reactivation of this bilateral mechanism, senior government officials from Mexico and the United States met in Mexico City for the Second Annual Meeting of the HLED in September 2022.

At the 2022 gathering, particular attention was given to two recently passed U.S. laws. First, the CHIPS and the Science Act,<sup>10</sup> which supports semiconductor manufacturing. Second is the Inflation Reduction Act, which aims to strengthen collaboration in the Mexican renewable energy industry. Additionally, security was a significant subject, specifically concerning the regulation and management of risks in information and communication technologies, networks, and cybersecurity domains. To continue this conversation, the U.S. Department of Commerce and the Mexican Ministry of Economy held a cybersecurity best practices forum in September 2022.<sup>11</sup>



28th - 30th North Capital Forum

## OCT

5th - 7th XXIX Binational Meeting of PROBEM

13th Second Meeting of the U.S. - Mexico High-Level Security Dialogue

24th Otay Mesa East Port of Entry Border Crossing MoU

28th U.S. - Mexico 2022 Consular Dialogue

## NOV

3rd U.S. Trade Representative virtual meeting with Mexico's Secretary of Economy

9th U.S. Deputy Secretary of State visit to Mexico

12th Third Meeting of the United States - Mexico Binational Relationship Observatory

## c. High-Level Security Dialogue

### Institutional Context

The Merida Initiative, established in 2007, is a joint effort between Mexico and the United States to combat criminal organizations. Initially, the initiative focused on providing Mexico with major equipment, such as air assets for the military and federal police. However, in 2011, the initiative shifted its focus to support Mexico in strengthening its law enforcement institutions, building public confidence in the justice system, and preventing crime and violence. In 2016, both countries shared security results and agreed on new border strategies. A year later, in 2018, the 21st Century Border Technical Working Group met to discuss security issues. A bilateral meeting on security was held in 2019, and at the beginning of 2020, President López Obrador and President Trump met to discuss health and safety issues.

The year 2021 marked a significant shift in the institutionalization of binational security cooperation. The U.S.-Mexico Bicentennial Framework for Security, Public Health, and Safe Communities replaced the Merida Initiative as the primary initiative for collaboration. Under this framework, the High-Level Security Dialogue (HLSD) serves as the primary mechanism for dialogue between binational government officials to discuss security issues and results.

### HLSD: Current Context

Government officials from the United States and Mexico convened for the first U.S.-Mexico High-Level Security Dialogue (HLSD) in October 2021, ushering in a new era of security cooperation under the U.S.-Mexico Bicentennial Framework. This comprehensive and long-term approach sets the direction for future bilateral actions to establish a system of peace, justice, and respect for the rule of law.

24th

MoU between the Mexican Ministry of Foreign Affairs and the University of California at San Diego

DEC

1st

2023 Action Plan for the 21st Century Border Management Initiative

1st

Mexico's Minister of Economy meeting with U.S. Trade Representative

12th

Declaration of Friendship for the 200 years of U.S. - MX diplomatic relationships

16th

Mexican Minister of Foreign Affairs visit to D.C.

To promote the goals of the Bicentennial Framework, both countries pledged to take further measures to enhance security cooperation. Among these actions, they signed a Memorandum of Understanding (MoU) to reduce drug addiction and its negative consequences. Additionally, they established the Network for the Prevention of Homicide, which serves as a platform for sharing best practices in preventing crime and violence. Furthermore, they agreed to expand their joint efforts to prosecute criminal organizations.

High-level officials convened for the second Security Dialogue in October 2022 to discuss and assess the implementation of the Bicentennial Framework. Key topics included collaborative efforts to address substance abuse and its impacts, enhancing law enforcement, implementing joint patrols along the border, and sharing information. The agenda also included discussions on strengthening cybersecurity cooperation.

For the first time since establishing the Bicentennial Framework, the U.S.-Mexico Working Group on Cyber Issues convened to discuss this important topic. The officials pledged to collaborate toward creating an open, secure, interoperable, and reliable cyberspace. The Bureau of International Narcotics and Law Enforcement Affairs (INL) sponsored cyber-criminal investigation training in partnership with the Department of Justice to achieve this goal.<sup>12</sup>

### 3. SPOTLIGHT: INTERPARLIAMENTARY MEETINGS

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An essential bilateral dialogue mechanism among legislators.

Interparliamentary Meetings have been crucial in the U.S.-Mexico relationship since 1961. This bilateral mechanism, which brought legislators from both countries together for the first time, has a rich history of reflecting on the challenges and opportunities for improving relations. The United States has referred to the Interparliamentary Meetings as the US-Mexico Interparliamentary Group (IPG) and in Mexico as the “Reuniones Interparlamentarias.”

Over these 50 years of Interparliamentary Meetings, a joint binational agenda has emerged, focusing on critical themes such as migration and trade. Although these topics have remained significant, new ones have been added to address changing circumstances. For example, negotiations for the North American Free Trade Agreement (NAFTA) and technological advancements have become critical topics for discussion. Moreover, globalization has led to the spread of international agreements and the involvement of non-governmental actors in governmental issues. As a result, demands arising from global forums and civil society have become central to the Interparliamentary Meetings.

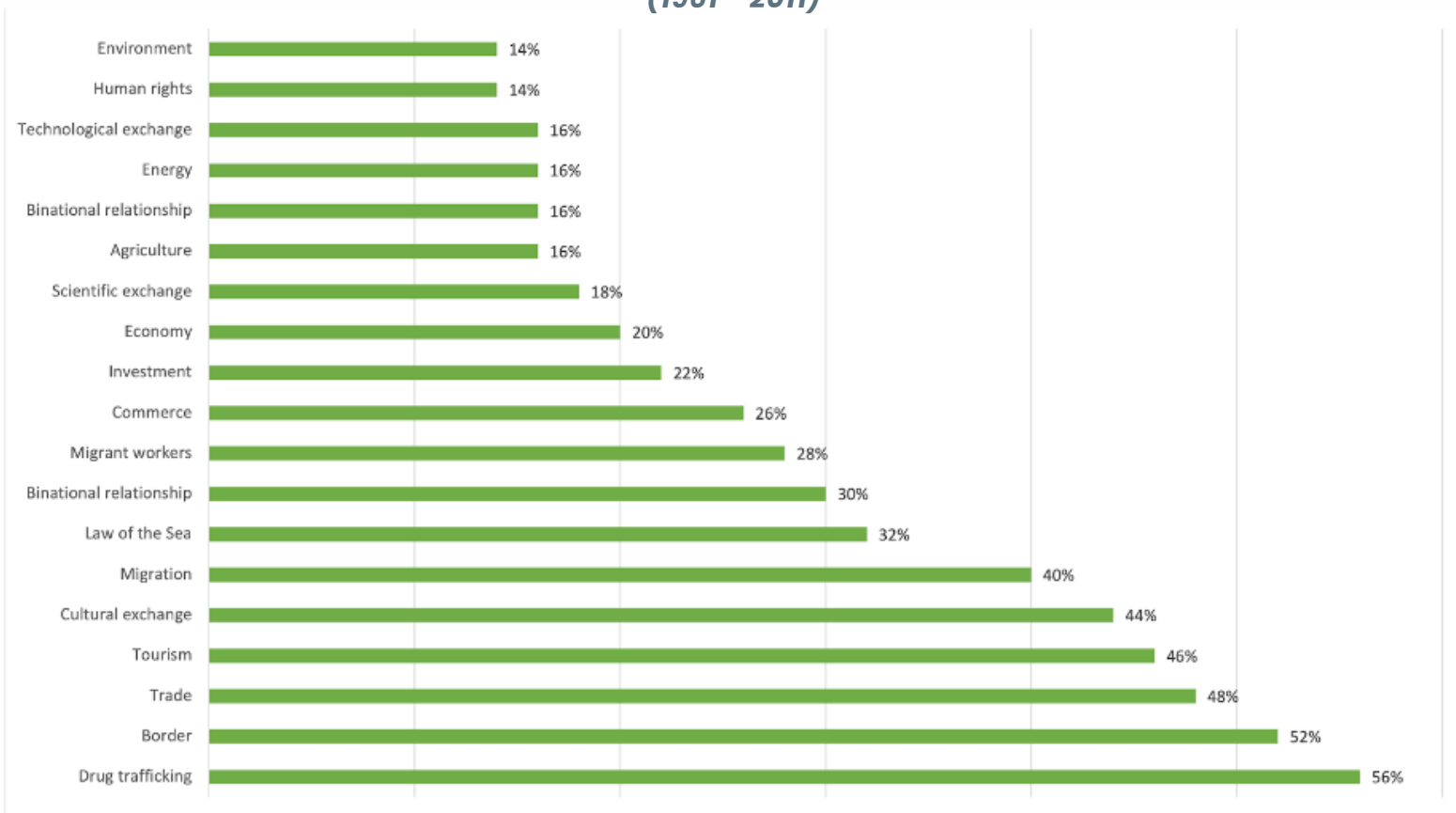
Despite having served as a platform for dialogue for many years, the Interparliamentary Meetings have become sporadic since 2011. This inconsistency in the frequency of the meetings is a significant setback since they were an institutional space for legislators from both nations to engage in discussions and develop a common agenda. Moreover, the lack of significant public information regarding the meetings post 2011 has created a notable information gap. This gap poses substantial challenges because it is difficult to follow and measure the outputs of the meetings without institutional documentation of the discussions and agreements reached during that period. The recent changes in the U.S.-Mexico relationship can partly be attributed to the COVID-19 pandemic, the Trump administration's foreign policy, and the current Mexican government, which prioritized internal affairs over international matters.

Given the critical role that Interparliamentary Meetings play in facilitating constructive dialogue among legislators from both countries, it is necessary to reactivate them as soon as possible. These meetings provide a platform for addressing shared concerns and developing strategies for advancing mutual goals. Reactivating the Interparliamentary Meetings will strengthen the U.S.-Mexico relationship and address critical issues that impact both nations. By restoring this vital mechanism for dialogue, legislators from both countries can work together to build a better future for their citizens.

The following graph depicts the main topics discussed in the Interparliamentary Meetings between the U.S. and Mexico from 1961 to 2011. The graph provides insight into the most frequently discussed issues, with drug trafficking being the most prominent at 56%, border issues at 52%, and trade at 48%. Conversely, environmental concerns, human rights, and technological exchange were the least discussed topics during this period. While some of the topics discussed in the past remain relevant, the absence of discussions on emerging issues highlights the need to reactivate these meetings.

As the U.S. and Mexico continue to face new challenges in the modern era, it is essential to engage in constructive dialogue to ensure that critical issues are addressed. Reactivating the Interparliamentary Meetings will allow legislators from both countries to develop a shared understanding of the bilateral agenda and explore new avenues for cooperation.

**Graph 1. Main Themes of the Interparliamentary Meetings (1961 - 2011)**



Source: Own elaboration with data from Centro de Documentación, Información y Análisis and Coordinación General de Asuntos Internacionales y Relaciones Parlamentarias del Senado de la República, México.

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The CBI has developed three policy recommendations aimed at revitalizing the Interparliamentary Meetings between Mexico and the United States.

1. A commitment from both Houses of Congress to reestablish these meetings as an institutional space for constructive dialogue. By involving Congresses from both nations, Interparliamentary Meetings can help address the complex issues that comprise the bilateral agenda.
2. The creation of a Bicameral Special Commission to ensure the effectiveness of these Meetings. This commission would be responsible for the structure and conduct of the meetings, as well as the follow-up on agreements reached. Bicameral commissions already exist, and the one in charge of following up on the United States-Mexico-Canada Agreement (USMCA) could serve as a model for this new commission.
3. The establishment of an online repository of the Interparliamentary Meetings. The Congressional Research Service (CRS) and the Centro de Estudios Internacionales Gilberto Bosques (CEIGB) could maintain the databases. Such a repository would help document the meetings and agreements reached, contributing to institutionalizing the binational relationship between Mexico and the United States. Additionally, it would serve as a resource for both Congresses in future discussions and negotiations.

To further promote these recommendations, the CBI will publish an independent Snapshot providing an overview of the Interparliamentary Meetings throughout the years and detailed recommendations for reactivating this vital mechanism.

## 4. 2022 ANNUAL SCORECARD

The 2022 Scorecard is a valuable tool to evaluate the current status of the bilateral relationship between the U.S. and Mexico. The Scorecard utilizes a traffic light system to provide a clear visual indicator of institutional interactions. This system enables a quick and efficient evaluation of the relationship status between the two countries. To develop the Scorecard, our team compiled a comprehensive list of institutional interactions, then evaluated whether the exchanges occurred, providing an objective measure of the status of the bilateral relationship.

**Table 2. CBI 2022 Scorecard**

Institutional Interactions	Status	Most Recent Occurrences
Presidential bilateral meetings	<span style="color: green;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>	Jul 12th - U.S. and Mexican Presidents in Washington, D.C.
Foreign Affairs Secretary meetings	<span style="color: green;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>	Nov 9th - U.S. Deputy Secretary of State visit to Mexico Dec 16th - Mexican Minister of Foreign Affairs visit to D.C.
Cabinet Level meetings	<span style="color: green;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>	Oct 29th - U.S. Special Presidential Envoy for Climate visit to Mexico Dec 1st - Mexico's Minister of Economy meeting with U.S. Trade Representative
High-Level Economic Dialogue	<span style="color: green;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>	Sep 12th - Second Annual Meeting High-Level Economic Dialogue
North American Leaders' Summit	<span style="color: green;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>	Jan 9-10th (2023) - Took place in Mexico City
Chapter 26 - U.S.-Mexico-Canada Agreement	<span style="color: gray;">●</span> <span style="color: gray;">●</span> <span style="color: red;">●</span>	None - Contact points from each country for the Competitiveness Committee are yet to be confirmed
U.S. Mexico 21st Century Border Management	<span style="color: green;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>	Dec 1st - Action Plan for the 21st Century Border Management Initiative
High-Level Security Dialogue	<span style="color: green;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>	Oct 13th - Second Meeting of the U.S.-Mexico High - Level Security Dialogue
Interparliamentary Meetings	<span style="color: gray;">●</span> <span style="color: gray;">●</span> <span style="color: red;">●</span>	None - Halted since 2019
Border Governors meetings	<span style="color: gray;">●</span> <span style="color: gray;">●</span> <span style="color: red;">●</span>	None - Halted since 2009
Governor visits	<span style="color: green;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>	Nov 1st - Chihuahua's Governor visit to U.S. Dec 12th - California's Governor visit to Mexico

Methodological limitations: For some of the institutional interactions, more events have occurred than the ones referenced.

## 5. A YEAR IN REVIEW: EXPERT COMMENTARY

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### 2022 Mexico – U.S. Institutional Relationship: A Year of Continuity

*By Pedro Casas Alatraste L., Executive Vice President & General Manager, American Chamber of Commerce of Mexico*



In 2022, nothing new happened institutionally for the Mexico-U.S. relationship. In a time of political turmoil, this is far from bad news. The exact opposite: continuity and stability were much needed.

After years of institutional uncertainty and dormant mechanisms for dialogue, 2022 was a year of continuity for the recently reactivated High-Level Economic Dialogue (HLED), High-Level Security Dialogue (HLSD), ongoing trade disputes, the USMCA's implementation, and the North American Leaders' Summit (NALS).

During the Trump Era, most institutional interaction mechanisms between Mexico and the U.S. were placed on hold. U.S.-Mexican institutional relations began a new chapter in the twenties of the XXI Century. By 2020, the recently renegotiated North American Free Trade Agreement, now the U.S.-Mexico-Canada Agreement (USMCA), entered into force.

With it came a new rapid response mechanism for labor disputes and updated enforcement provisions. A year later (2021), as a logical next step, the NALS was reactivated after a four-year pause, the same as the HLED. That same year, the Merida Initiative was replaced by the HLSD and the U.S.-Mexico Bicentennial Framework.

2022 became a testing year for this newly developed inertia. So far, the bilateral institutions have lived up to the task. While some might see the labor and trade disputes as a backlash, the reality is that the legal pathways built in the USMCA have yielded positive results. The U.S. lost against the Mexican and Canadian dispute over the auto's rules of origin. Multiple Mexican companies and labor unions have adjusted their bylaws to give back power to workers. The U.S. and Canada are pressuring Mexico to respect its international commitments in the energy sector.

The USMCA has had, on average, 17 disputes per year among its member parties, compared to slightly more than 3 per year under NAFTA. A free trade agreement with efficient enforcement provisions allows its members to play by the rules and maintain permanent improvement.

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In addition to the USMCA disputes, the reactivation of the high-level dialogues represents a much-needed transparent and consistent relationship. When the platforms were on hold during those years, a small group of people handled the bilateral relationship, or at least part of it, behind closed doors. These practices are not worthy of North American democracies. Public agendas, official meetings, statements, accountability, and consistent stakeholder consultations are the best practices we should follow.

After years of uncertainty, three years revamping the institutional relationship, and a reshuffle of supply chains and the geopolitical order: what is next for the U.S.-Mexico relationship?

There are three critical areas of opportunity for the U.S. and Mexico to position and maintain global economic leadership:

- Define a long-term vision based on a shared North American identity.
- Bet on producing the next generation of goods and services based on clean energy and equal social prosperity.
- Reinforce its co-production system through an ally-shoring strategy.

North American identity must be based on shared values: democracy, the rule of law, respect, and inclusion of minorities, gender equality, labor mobility, and strong institutions. In addition, the intertwined communities across our nations, the profound cultural mix, and our shared history must be seen and voiced as regional assets.

The U.S. and Mexico must take the lead in producing the goods and services of the future, conscious of new customers' priorities. Both countries need to invest in technology and innovation to achieve this goal, from electric vehicles and their components to environmentally and socially friendly products traceable across the supply chain.

Aware of how close we are, as customers, to keeping track of every product's production chain, companies must reinforce their ESG policies. An initial step in doing so is relying on providers in countries near home, under democratic systems. This will ensure compliance with workers' rights, environmentally friendly practices, and intellectual property protection, among others. What about your closest trading partner with whom you have recent experience enforcing specific provisions effectively?



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In all, the U.S.-Mexico institutional relationship is heading in the right direction. 2022 was a year of continuity after two years of a revamped bilateral framework. Institutional results, investments, and law enforcement lead the way to new opportunities. The U.S., Mexico, and Canada must align on a shared long-term North American vision and identity. The region should lead the way in producing cutting-edge goods and services. To achieve this, they must implement an ally-shoring strategy, bringing supply chains back to North America and increasing labor mobility. In doing so, the key to success will always be institutions.

## 6. FINAL REMARKS

*By Cristina Martínez Pinto, CBI Program Lead*

As highlighted throughout the Report with a timeline and a series of specific examples, binational institutions not only matter but also work to address shared challenges between Mexico and the United States. They provide a platform for dialogue and cooperation on a wide range of issues, from environmental protection, to security collaboration to fostering cultural and educational exchange, to legislative cooperation, among many others, which are essential for the long-term prosperity of both countries.



In 2022, the U.S.- Mexico relationship continued to be stable and consistent, building up on the institutional momentum that came with the reactivation of the High-Level Economic Dialogue (HLED), the High-Level Security Dialogue (HLSD,) and the North American Leaders' Summit (NALS) a year before. Our Annual Scorecard is a visual tool that allows corroboration of the institutional strengths and follow-up on challenges. Specifically, the Annual Scorecard is essential to track the reactivation of institutional mechanisms like the Interparliamentary Meetings historically held by legislators and the Border Governors meetings, spaces that allow for the exchange of ideas, strategic planning, and foresight.

For years to come, the USMCA will continue to provide a binational framework and the basis to deepen economic cooperation, promote investment, and reinforce competitiveness. As a result, the U.S. and Mexico can position themselves as global economic leaders by defining a long-term vision based on a shared North American identity, investing in clean energy and inclusive growth and prosperity, reinforcing their production systems through ally-shoring, and leveraging digital technologies and innovation. In 2023, we expect binational agendas to move forward from new initiatives and announcements to concrete outputs and deliverables; the CBI will document the main events that occur throughout the year and, most importantly, the results and follow-up mechanisms from these encounters.

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*By Amb. Gerónimo Gutierrez, CBI Senior Fellow*

For a second year, the U.S. – Mexico Foundation's Center for Binational Institutions (CBI) has helped generate information and knowledge about binational institutions. This is an important task. The different institutions on which the CBI has focused its work on (agreements, organizations, programs, and dialogue mechanisms) help steer and manage the relationship through rough and easy periods.



The CBI's work thus far has centered on some of the main institutions created and used by the federal executive branches of government from Mexico and the United States. As the report points out, relaunching the High-Level Economic Dialogue and transforming the Merida Initiative into the Bicentennial Framework for Security, Public Health, and Safe Communities were important steps that helped strengthen the institutional character of our bilateral relationship.

However, as also addressed in this report, interparliamentary meetings between federal legislators are incredibly relevant but have not taken place for a fair number of years now. In this regard, I find especially interesting and promising additional work on the history and impact of these interparliamentary meetings. As the famed Speaker of the U.S. House of Representatives, Tip O'Neal, used to say "all politics is local." Interparliamentary meetings allow legislators and their constituencies to become further involved in a relationship that deeply affects them. Therefore, CBI's recommendations with respect to interparliamentary meetings seem to be right on the mark, in my opinion.

The year 2022 marked the 200th anniversary of formal relations between Mexico and the United States. In more than one respect, the history of these 200 years is reflected in the institutions that have been created as part of this bilateral relationship. The work by the CBI helps unearth and understand this history for both practitioners and academics.

## 7. ABOUT OUR SPONSORS

### About the U.S. - Mexico Foundation



The U.S.-Mexico Foundation (USMF) is a binational non-profit organization dedicated to fostering cooperation and bilateral understanding between the United States and Mexico. Rooted in the North America Free Trade Agreement and launched in 2009 with seed funds from the David & Lucile Packard Foundation, Carnegie Corporation, and the Business Foundation in Mexico (Fundemex), the USMF is governed by a bi-national board of business and civic leaders with extensive networks in the U.S. and Mexico.

In 2018, the USMF started a new chapter with a compelling agenda focused on policy and advocacy, creating new strategic alliances, educating important stakeholders and providing a voice on the most relevant issues pertaining the U.S.-Mexico relationship.

### About our sponsors

#### Coppel



Coppel emerged as a nationwide department store in Mexico, characterized by providing easy credit and purchase payments through installments. Its mission is to bring its clients a world of possibilities to improve their lives. It contributes to social development through education, social welfare, and health projects. Coppel also promotes the U.S.-Mexico bilateral relationship through the granting of credits to migrants in the U.S. and its active participation in the negotiation processes of both the North American Free Trade Agreement and the North American Free Trade Agreement.

#### Intuit



Intuit is an American company that specializes in financial software. This company seeks to attract the best global talent, add partners to its global platform and create exceptional corporate citizenship. Intuit's mission is to drive prosperity around the world through job creation. Intuit seeks to achieve its mission by investing in people, strengthening communities, and offering everyone the opportunity to prosper.

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