

# Mexico's Response to COVID-19:

## *An Interview with Mexico's Ambassador to the United States, Martha Bárcena*

On March 25, [Kim Breier](#) interviewed [Ambassador Martha Bárcena](#), Mexico's Ambassador to the United States, and her team from the Mexican Embassy on Mexico's response to the COVID-19 pandemic, including current cross-border issues between the United States and Mexico. The transcript from their discussion is below.

### Overview

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#### Status of COVID-19 in Mexico.

- As of March 25, 2020, Mexico had 405 confirmed cases of COVID-19.

#### New Steps Announced by President Lopez Obrador

- Mexico has allocated approximately \$15 billion (USD) for social and health programs for 2020 and additional funds for disaster response by the armed forces as well as funds to acquire additional medical supplies in response to COVID-19.

#### Mexican Internal Response

- Mexico is at a different place on the curve and is roughly a month behind the United States. The first case confirmed in the United States was in late January and in Mexico in late February. Mexico's adoption of measures has not been exactly synchronized with the United States for this reason. Mexico has now begun implementing World Health Organization guidelines. Mexico is now closing schools and implementing social distancing policies.

#### Federal and State Actions

- Mexico, like the United States, has a federal system. Some states and Mexico City have implemented their own measures. Jalisco (manufacturing), Quintana Roo (tourism) and Mexico City have implemented their own measures.

### Travel Restrictions and Trade

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#### Travel Restrictions

- As of March 20, 2020, the U.S. and Mexican government imposed travel restrictions across the U.S.-Mexico border to protect the people of both countries against COVID-19, and particularly the communities in the border area. The restrictions affect non-essential travel only, such as tourism, recreation, gambling, and attending cultural events. The restrictions are temporary and are anticipated to remain in effect through April 20, 2020,

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subject to the evolution of the COVID-19 threat. The travel restrictions do not affect bilateral trade and the critical cross-border supply chains, ensuring that food, medicine, and other products reach both countries. Essential travel not affected by the restrictions includes travel for medical purposes, emergency response and public health purposes, lawful cross-border trade (e.g., truck drivers involved in the movement of cargo), and official government travel. The restrictions do not apply to air, rail, or sea travel at this time, except for commuter rail and ferry travel.

### **Cross-Border Trade**

- U.S.-Mexico trade continues as usual. Cross-border cargo operations are normal and have not had significant delays. Mexico will prioritize the import of donations from the U.S. to fight the COVID-19 pandemic. Mexican customs will continue to expedite trade of essential medical material and cleaning supplies. The Mexican government is working closely with U.S. Customs authorities to identify and remedy potential unintended disruptions arising from the travel restrictions. There has been an overall reduction in the number of trucks passing through some points of entry, which has resulted in a decline in wait times.

### **Trilateral Cooperation on Public Health**

- Ambassador Bárcena emphasized the extensive coordination between Mexico and the United States, noting that the Mexican Embassy has held regular meetings with the White House and State Department on COVID-19. There is a U.S.-Mexico bi-national technical group that exchanges information on the effects of COVID-19 and the actions undertaken by both countries. There is a binational unit at the Centers for Disease Control. Further, the North American Plan for Animal and Pandemic Influenza (NAPAPI), formed by the U.S., Canada, and Mexico, is being used by the three countries to share information and ensure the adequate supply of medical and other essential materials in the region (phe.gov).

### **Production of Medical Supplies.**

- There are U.S., German, and Mexican companies in Mexico that specialize in the production of ventilators, masks, and other products. The Mexican government is working with these companies to improve availability of these products. The Mexican government is also working with the public and private medical sector to ensure the supply of necessary medical equipment.

## **USMCA and Investment in Mexico**

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### **USMCA**

- Implementation is on track. The three governments are continuing their intense engagement and intend to implement the USMCA by July 1, 2020\*. Canada and Mexico aim to achieve the required certifications by May 1.

### **Private Sector and Banks**

- The Mexican private sector has announced funds for donations of medical equipment, Mexican banks are delaying payment dates on outstanding loans for customers.

### **Financial Cooperation.**

- The Mexican Secretary of Finance (Treasury) has been in close contact with the US Treasury and the Mexican Central Bank with the US Federal Reserve. There was news

*\*Information since the date of the interview suggests a July 1, 2020 implementation date of the USMCA (previously noted as June 1, 2020).*

this week that the US Federal Reserve was opening access to the Mexican Central Bank to dollars. See link here: <https://www.reuters.com/article/us-health-coronavirus-fed-swaps/fed-opens-dollar-swap-lines-for-nine-additional-foreign-central-banks-idUSKBN2162AX>.

### **Supply Chain Shifts**

- With respect to the potential of increased investment in Mexico as a result of supply chain shifts, Ambassador Bárcena noted that even before the COVID-19 pandemic, disruptions in trade between China and the U.S. caused companies to reach out to Mexico with a view to relocating their manufacturing. In particular, the automotive supply chain has been affected by trade issues with China. There is an opportunity to relocate factories from Asia to North America in auto parts, textiles, telecommunications, footwear, pharmaceuticals, medical devices, electronic manufacturing, and IT.

Companies can reach out with questions to the Mexican Embassy Washington at [assistanteua@sre.gob.mx](mailto:assistanteua@sre.gob.mx); [aguirreg@sre.gob.mx](mailto:aguirreg@sre.gob.mx)

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