



# MEXICO

## Market Studies

Opportunities for the Dutch Health Sector in Mexico



# EXECUTIVE SUMMARY

October 2019

Mexico is Latin America's 2nd largest economy and boasts the 15th largest GDP in the world. Nonetheless, economic prosperity is unequally divided over the population, with about half of all citizens living in poverty. Health policy has recently been aimed towards strengthening the public healthcare system and guaranteeing access to all Mexicans. Investments in public and private healthcare facilities, including telehealth solutions, are expected to increase in the near future. Mexico is facing a double burden of disease, with health problems stemming from both communicable and noncommunicable diseases (NCDs). Obesity is considered the highest risk factor in Mexico, with 73% of the population being overweight or obese. Furthermore, Mexico is facing a rapidly ageing society, which will pose great challenges to the health system, especially with regards to the increasing prevalence of NCDs.

Inequality and uneven distribution characterize Mexico's healthcare system. Private healthcare facilities represent the majority of all facilities, with 69% of hospitals being run privately. However, the majority of treatment is being carried out in public facilities. While Mexico's private sector provides high quality treatment, these services are restricted to those who can afford high premiums. In addition, inequality in access to healthcare is further emphasized due to the uneven distribution of services, as most healthcare facilities are located in the three largest cities.

Mexico represents the largest importer of medical devices in Latin America, with 94% of all medical devices being imported. The reputation of European products in Mexico is excellent. Therefore, healthcare stakeholders are often interested in the propositions of Dutch companies. However, due to bureaucratic and political obstacles, there are not many foreign SMEs active in Mexico.

In this report, developments and opportunities for Dutch companies and organisations in the field of Medical Devices & Supplies, Mobility & Vitality, eHealth, and Hospital Design & Build are elaborated on.

This report was commissioned by the [Netherlands Enterprise Agency \(RVO.nl\)](https://www.rvo.nl) and is produced by the [Task Force Health Care \(TFHC\)](#) in cooperation with the [Netherlands Embassy in Mexico City](#) and [Transfer LBC](#). It aims to align the respective health sectors of the Netherlands and Mexico. In an effort to increase mutual understanding and inspire collaboration between these countries, this report provides useful insights into the Mexican health system and sector and identifies potential areas of opportunity.

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# OUR APPROACH

## TASK FORCE HEALTH CARE

### IMPROVING HEALTHCARE TOGETHER

Established in 1996, Task Force Health Care (TFHC) is a public-private not-for-profit platform that represents and supports the Dutch Life Sciences & Health (LSH) sector. Our platform has a reach of 1 200 LSH organisations in the Netherlands, with 130 dedicated and diverse partners. Our partners include government, industry, knowledge institutes, NGOs, and healthcare providers.

Our core mission is to improve healthcare and well-being internationally and in a sustainable and demand-driven manner, with the use of Dutch expertise. We are currently actively engaged with over 20 countries to stimulate and facilitate relationships on government, knowledge and business levels. Our partners are active around the world and provide innovative and sustainable solutions relevant to both global and local healthcare challenges.

#### A PROGRAMMATIC APPROACH

Bridging **Knowledge**, Aligning Interests and Identifying Opportunities

Fostering and Strengthening **Networks**

Facilitating **Dialogues** on Health Themes and Opportunities to Collaborate

#### OUR FOCUS

> Mutual Interests and Benefits

> Developing Sustainable and Long-Term Approaches

> Demand-Driven and Context Specific

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# TOP REASONS – WHY MEXICO IS INTERESTING FOR THE DUTCH HEALTH SECTOR



## INCREASE IN HEALTHCARE INFRASTRUCTURE

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Mexico has a large deficit and uneven distribution of health infrastructure, with high concentrations of healthcare infrastructure in the three largest Mexican cities. However, continuous investment in public and private hospital construction and primary care facilities - including telehealth solutions, is expected in the near future. See [Section 4.4](#) for more information.



## FIRST MOVER ADVANTAGE

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Many Mexican organisations are looking abroad for solutions to combat the current and future health challenges. Due to bureaucratic and political hurdles there are not many foreign SMEs active in Mexico, especially in the fields of apps, AI, drones, blockchain, telemedicine, robotics, genomics, and virtual and augmented reality. Thus, if one is up for the challenge and willing to invest time and money, the Mexican market has its advantages for those who get there first. Read more about opportunities in [Section 6](#).



## THE BIGGEST IMPORTER IN LATIN AMERICA

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94% of all medical devices in Mexico are imported. Mexico is the leading importer of medical devices in Latin America, followed by Brazil, Chile, and Colombia. See [Section 6.1](#) for more on medical devices.



## REPUTATION OF EU PRODUCTS

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European products have an excellent reputation in Mexico and high-level healthcare stakeholders, such as hospital directors, are often interested in the propositions of Dutch companies. There is currently a relatively small presence of European companies active in Mexico, making stakeholders eager to meet with those offering EU-products and solutions.



## A RAPIDLY AGEING SOCIETY

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It is estimated that the proportion of people aged 60 and older living in Mexico will increase from 8.9% to 27% of the total population in 2050. This rapidly changing demographic will pose great challenges to its health system. Mexico will be looking to countries with experience in dealing with an ageing population for solutions. See [Section 3.2](#) for more information on demographics in Mexico.

# HOW DOES MEXICO COMPARE TO LATAM?

Table 1: Geographic, Demographic, Economic, Business, and Health Context in Mexico compared to other Countries. Accumulated data from: World Bank Group Data (2019), World Health Organisation (2018), Healthdata.org (2019), BMI Medical Devices reports, IMS Market Prognosis (2016), International Trade Administration (2016)

	Brazil	Chile	Colombia	Mexico	Netherlands
Land Size (km <sup>2</sup> )	8 515 767 049	756 950	1 109 500	1 972 550	33 690
Population (2019)	212 000 000	18 000 000	49 853 630	132 343 600	17 109 189
<i>expected annual growth rate (%)</i>	0.8	1.4	1.5	1.1	0.6
65 years and older (%)	9.6	12.2	9.1	7.6	19
<i>expected in 2050 (%)</i>	22.7	24.9	21	20.2	25
Maternal Mortality Rate (100 000 births)	58	17	71	38	7
Life Expectancy at Birth	76	80	75	75	82
Life Expectancy Global Rank (2017)	125	51	95	92	25
<b>Economic Context</b>					
GDP (current million USD) 2018	1 868 626	298 231	330 227	1 223 808	913 658
<i>expected growth (2020)</i>	1.1	4	2.7	2	2
GDP per capita (USD)	8 920 8	15 923 4	6 651 3	9 698 1	52 978 4
<i>annual growth rate (%)</i>	0.3	2.6	1.1	0.9	2.54
<b>(Health) Business Context</b>					
Ease of Doing Business Rank	109	56	65	54	32
Logistics Index	56	34	58	51	6
Pharmaceutical Market (bln USD-2016)	20 547	3 520	3 140	16 190	6 000
<i>Expected growth 2016-2021 (%)</i>	8.6	8.6	6.0	5.1	0-0.5
Medical Device Market (mln USD – 2016)	5 500 0	800 1	1 197 1	4 655 3	3 486 1
<i>Expected growth 2016-2021 (%)</i>	5.2	9.0	8.5	8.1	5.0
Medical Device Import from the Netherlands 000s USD	24 329	13 670	9 787	n/a	-
<i>Ranking</i>	17 <sup>th</sup>	12 <sup>th</sup>	16 <sup>th</sup>	n/a	-
Medical Device Export to the Netherlands 000s USD (%)	n/a	737	n/a	69 879	-
<i>Ranking</i>	n/a	5 <sup>th</sup>	n/a	4	-
<b>Health Context</b>					
Health Expenditure (bln USD)	155.3	2.8	21.1	64.2	81.7
Health Expenditure as % of GDP	11.77	8.53	7.4	6.1	10.69
Health Expenditure per Capita (USD)	1 015 93	1 190 55	358	461 79	4 746 01
Public Health Share of HE	46%	51.5%	75.5	52.1	86.7
Type of Health System	Social Health Insurance and supplementary private insurance	Social health insurance and supplementary private insurance	Social health insurance and supplementary private insurance	Social health insurance and supplementary private insurance	Social Health Insurance
Top three causes of death	1. Ischemic heart disease 2. Stroke 3. Lower respiratory infect	Ischemic heart disease Stroke Alzheimer's disease	Ischemic heart disease Stroke Interpersonal violence	Ischemic heart disease Chronic kidney disease Diabetes	Ischemic heart disease Alzheimer's Disease Lung cancer

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# 1 ABOUT THIS REPORT

## 1.1 Background & Purpose

### Aligning the interests and strengths of the Dutch health sector with the Health sector dynamics and interests of Mexico

This market report was commissioned by the Netherlands Enterprise Agency (RVO). It has been written by Task Force Health Care (TFHC), in close cooperation with Transfer LBC and the Dutch Embassy in Mexico City. It provides an analysis of the Mexican healthcare sector, highlights business opportunities, and makes recommendations for organisations active in the Dutch health sector.

## 1.2 Methodology

### Step 1: Identification and mapping of Dutch interest in the Mexican health sector, and perceived barriers

In order to obtain a better understanding of the interests of the Dutch health sector in Mexico, historical data and Dutch representation in Mexico a survey was conducted. The survey was sent out to Dutch actors within the health sector to share their activities, ambitions, and perceived opportunities and barriers in relation to Mexico. Data was categorised into type of organisation, strength (e.g. Medical Devices or eHealth), current or past activity in Mexico, and their perception of Mexico in terms of market growth. The results of this survey are presented in [Section 2](#) and are used to guide the report towards aligning challenges and opportunities in Mexico with Dutch expertise and solutions.

### Step 2: Desktop Research

In order to obtain a better understanding of the Mexican health sector and its dynamics, a literature review was conducted. A range of documentation was consulted including government documents, academic articles, and reports from various organisations, such as the World Bank, and World Health Organization. The information gathered was synthesised in order to provide a thorough overview of the Mexican sector.

### Step 3: Fact finding visit to Mexico

An important element of the study was the fact-finding visit to Mexico City, whereby a delegation from TFHC, accompanied by representatives of the Netherlands Embassy in Mexico City and Transfer LBC gained insights from key stakeholders in the Mexican health sector. The fact-finding visit took place over a period of three days and included 3 roundtables and 3 meetings with representatives from the public and private sector, operating at the national, regional and local level. The list of interviewees is presented in [Annex 1](#).

The data from these interviews allowed for cross-checking the data that was previously obtained, resulting in the development of an objective and realistic report. The meetings also raised awareness amongst key Mexican stakeholders in terms of the expertise and smart solutions offered by the Dutch Health sector. The visit has resulted in the strengthening of existing relationships in Mexico, and initiation of new relationships that will benefit from follow-up activities.

## 2 MAPPING DUTCH INTEREST IN MEXICO

In order to gauge the degree to which the Dutch are interested in the Mexican market, an online survey was distributed to healthcare organisations and companies in the Netherlands. The survey was also shared with multiple Dutch network and cluster organisations in order to extend its reach. Using combined data from 81 survey respondents we identified 46 unique organisations with activity and/or interest in Mexico. This interest ranged from "actively trying to enter the market by reaching out to potential clients" to doing "first explorations by reading reports or attending relevant events".

Taking a closer look at the data, of the 81 respondents, 26 were already active in Mexico (see figure 1). Figure 2 shows 38 organisations who see Mexico as their potential growth market, of which 18 are already active (47%), and 20 not yet active (53%) (see figures 3 & 4). By combining the 26 active organisations with the 20 organisations who are not yet active but who see Mexico as a potential growth market, there are 46 unique organisations with activity and/or interest in Mexico.

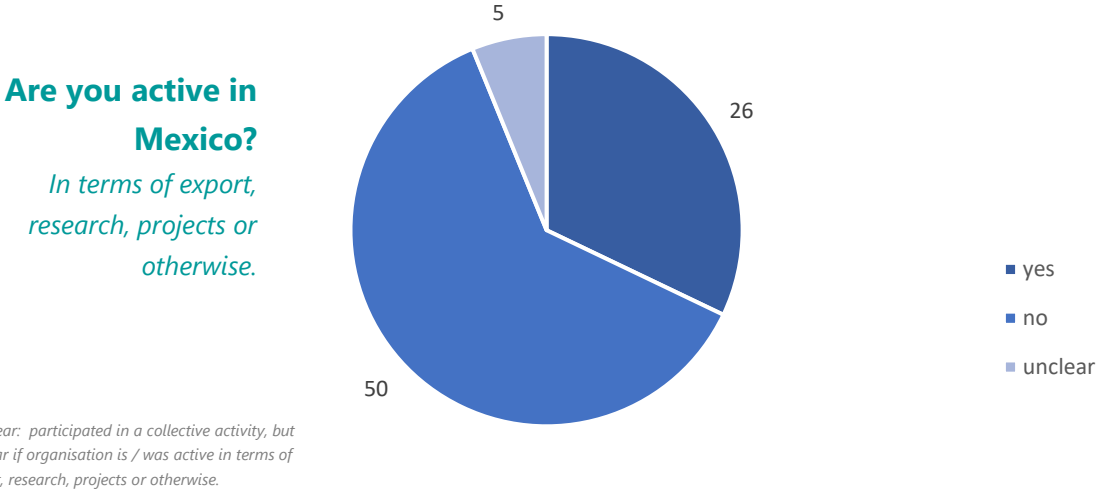


Figure 1: Dutch activity in Mexico according to interest surveys

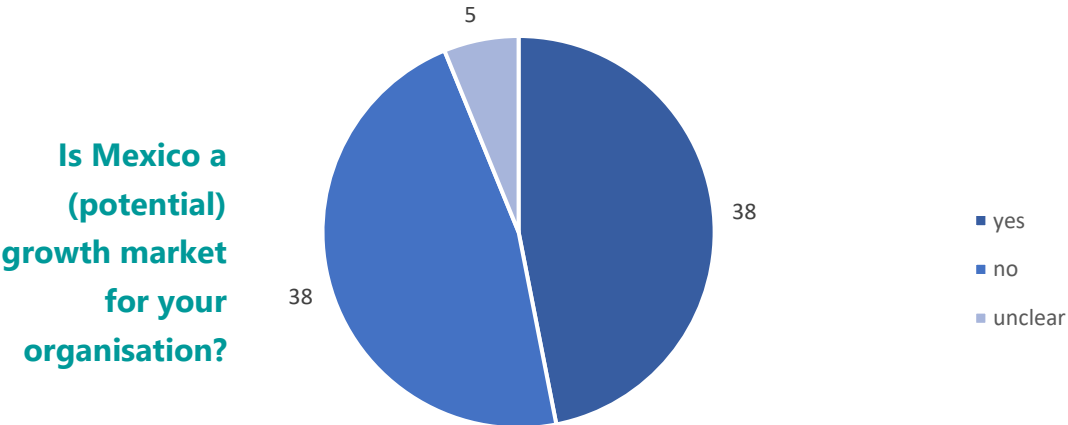


Figure 2: Potential growth market according to interest survey – both active and non-active organisations

**Currently active in Mexico, of those who see Mexico as a (potential) growth market**

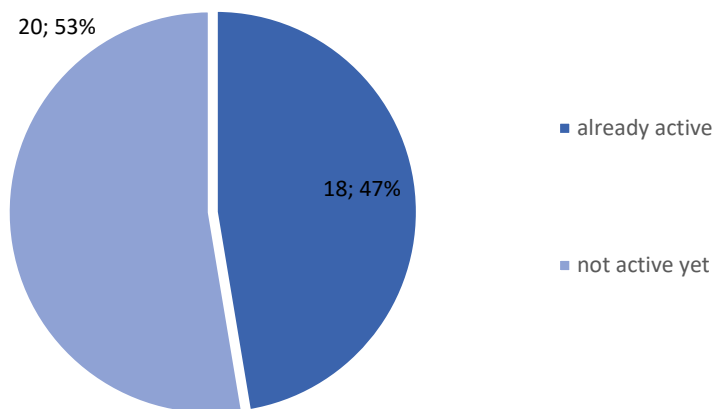


Figure 3: Interested parties divided by already active and not yet active

**Interest by Strength\***

\*Excluding Regional Business Development Agencies

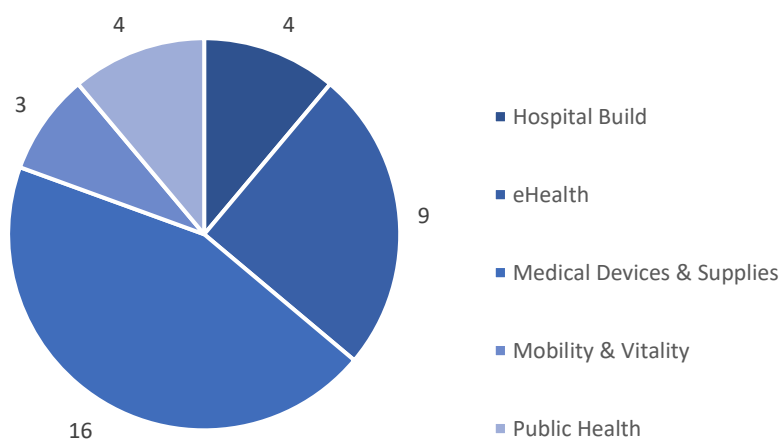


Figure 4: Parties who see potential for growth classified per Strength both active and not yet active.

**Perceived barriers in becoming active in Mexico**  
*Experienced or predicted.*

- 1 Political situation
- 2 Regulations
- 3 Geographical position
- 4 Corruption
- 5 Language

Figure 5: perceived barriers in becoming active in Mexico

## 2.1 Political Situation

According to companies who are active or interested in the Mexico market, there is some uncertainty in terms of the direction in which current president Andrés Manuel López Obrador (AMLO) will take healthcare. Investments that were announced during his elections have not yet been reflected in policy and drastic changes in the health system as a whole have been set in motion without clarity regarding their consequences. The federal budget for 2020 was announced in September 2019. The budget shows an increase of 2.1% in the allocation of funds to the public health system. However, this is just 2.5% of GDP (which is the same as 2019). The IMSS received an increase of 3.6%, whilst the ISSSTE received an increase of 3.4%. The health budget which serves those who do not have any social security was only increased by 0.43%. Read more in [Section 4.6](#).

## 2.2 Regulations

Companies active in Mexico have reported that regulations and product registration processes for medical devices can be heavily bureaucratic and require a significant amount of time and patience. It is important to plan ahead when thinking about entering the Mexican market and identify in advance what you need for approval from the *Comisión Federal para la Protección contra Riesgos Sanitarios* (COFEPRIS). To summarise, you need a representing distributor and a company location in Mexico. Alternatively, you can appoint an in-country representative as a Registration Holder (RH). Experienced Dutch companies such as [Emergo](#) can act as a local Registration Holder in the Mexican market and make the process quicker and easier (more information in [Section 5.2](#)).

## 2.3 Geographical Position

Mexico is geographically positioned as a neighbour of the United States of America. There is thus huge pressure and competition from US companies. The US advantage lies in its proximity, as there are less transportation costs and reduced delivery times. It is also easier for US businesses to maintain relationships with their Mexican counterparts, since clients can be visited regularly. Many US companies have set-up subsidiaries in Mexico, and thus have no transportation costs at all. However, the European health system, products, and solutions are still considered higher quality than that available from US companies. This aspect of quality is thus an advantage to EU companies. Read more about Doing Business in Mexico in [Section 5.1](#).

## 2.4 Corruption

Mexico has an unfortunate history of corruption that has tainted its public healthcare system. Current president AMLO has announced that he will affectively combat corruption, starting by taking control over the contracting of medicines. According to Dutch companies active in this field, this action has thus far paralysed the public medicines purchasing market. Read more in [Section 4.6](#).

## 2.5 Language

Mexico's national language is Spanish, and the country has an overall low rank on the English Proficiency Index (EPI) of Education First. Mexico is ranked as number 57 out of 99 countries/regions in this index. Nevertheless, high-level functionaries in the main cities do understand and speak intermediate to higher levels of English. Younger generations, especially those receiving some form of higher education, speak good English. Mexican businesspeople tend to appreciate the effort of starting a conversation with some Spanish words. If you are not fluent in Spanish and the purpose is to have a more technical conversation, it is advised that you bring along an interpreter or ask your counterpart to bring one. Read more in [Section 5.1](#).

## 3 INTRODUCING MEXICO

### 3.1 History & Geography

The United Mexican States (hereafter Mexico) is located on the most southern half of the North American continent. It is the 13<sup>th</sup> largest country by area worldwide. Mexico is comprised of 32 autonomous federal states of which the capital, Mexico City, is considered one. The country is further divided into 2 456 municipalities, whilst Mexico City is divided into 16 *delegaciones* (boroughs). The official language is Spanish, but 76 other languages are spoken amongst indigenous populations.



Figure 6: Map of Mexico showing the administrative divisions.

Mexico was colonised by the Spanish empire for three centuries, during which Mexico's Mesoamericans mixed with European culture. As a result, Mexico is mostly Spanish-speaking, Catholic, and has a largely Western culture. After the Mexican War of Independence (1810-1821), Mexico was declared an independent nation with its own legal framework and Constitution. The key political party to emerge in post-revolutionary Mexico was the Institutional Revolutionary Party (PRI), which governed uninterrupted from 1929 to 2000.

In 2018, President Andrés Manuel López Obrador (AMLO) of the left wing National Regeneration Movement (MORENA) won elections by receiving 53% of the popular vote. His campaign message was to eliminate corruption in politics and end neoliberalism. One of López Obrador's policy aims is to strengthen the public healthcare system to guarantee access to all Mexicans. By increasing the healthcare budget with 1% of Mexico's GDP, López Obrador's aims to increase public access to healthcare, transform the current public healthcare model such that it focuses on primary healthcare, and eliminate existing fragmentation in the health system (Mexico Salud, 2018). More information on President López Obrador's health policy, can be found in the [Section 4.4](#).

### 3.2 People & Demography

Mexico has a population of 132 343 600 inhabitants (July 2019). The median age of the population is 27 years, with a life expectancy at birth of 72.6 for men and 77.8 for women. Between 1990 and 2015, the Mexican population grew by 48.8%. In just 5 years (2010-2015) the population increased by 7 million people. Compared to the 1990's, Mexico's population growth has been slowing, mostly due to declining birth rates. In the last forty years, the birth rate per women decreased by almost 5: from 6.83 in 1970 to 2.15 in 2017 (Economist, 2010; World Bank Group, 2018). Mexico has a relatively young population, with 27% of the population under the age of 15 in 2015, and only 7.2% over the age of 65 (Figure 7). Population demographics are expected to change in coming years, with 27% of the population projected to be over 60 years by year 2050 (United Nations, 2017).

Approximately 80% of the Mexican population live in urban areas, with the highest density populations living in Veracruz, Mexico State and Mexico City (PAHO, 2017). The Mexico City Metropolitan Area is the largest agglomeration in Latin America, accommodating almost a quarter of Mexico's 2010 population (20.1 million). Another quarter of the population lives in other big cities (between 1-10 million inhabitants), followed by medium (20%) and small (17%) cities. Only 12 per cent of the population live in cities with fewer than 100 000 inhabitants (World Bank Group, 2016).

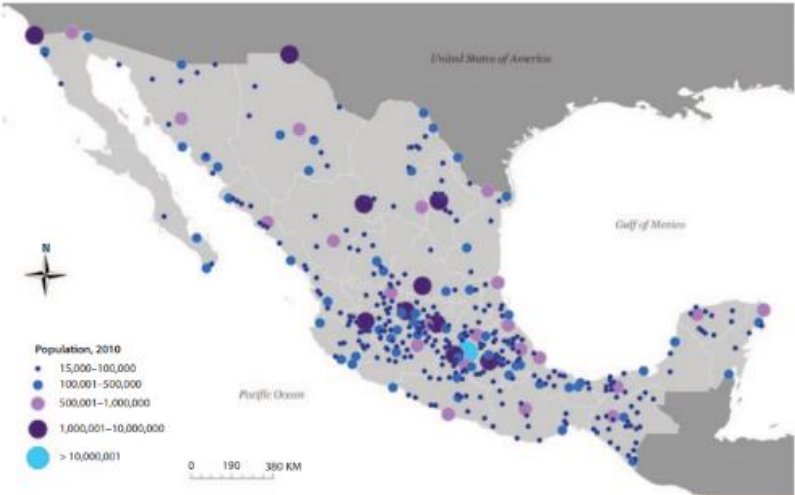


Figure 7: Distribution of the Mexican Population (World Bank Group, 2016)

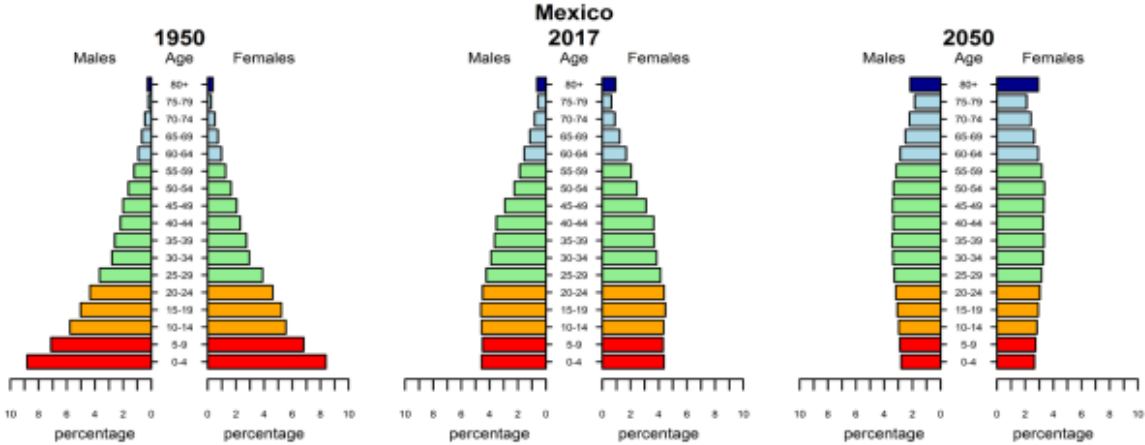


Figure 8: Population Pyramid in Mexico, 1950, 2017, 2050 (United Nations, 2017)

### 3.3 Economy

Mexico has the 2<sup>nd</sup> largest economy in Latin America and boasts the 15<sup>th</sup> largest GDP in the world. Despite this positioning, about half of all Mexican citizens live in poverty (London School of Economics, 2017). Mexico is considered a highly unequal society and in 2015, the wealthiest 1% of the population accounted for 21% of the national income (PAHO, 2017). There has been some progress between 1990 and 2010: income inequality diminished greatly, mostly due to remittances received by low-income families, governmental social programmes such as *Prospera*, and reductions in income inequality (Esquivel Hernandez, 2015).

Table 2: Economic Indicators for Mexico

	<b>Netherlands</b>	<b>Mexico</b>					
	<b>2018</b>	<b>2016</b>	<b>2017</b>	<b>2018*</b>	<b>2019*</b>	<b>2020*</b>	<b>2023*</b>
GDP PPP (bn USD)	972.45	1080	1160	1220	1240	1300	1500
Real Growth (%)	2.8	2.9	2.1	2	1.6	1.9	2.7
Per Capita PPP (000)	56.57	19.37	19.95	20.6	21.11	21.76	24.34
Inflation Rate (%)	1.4	2.8	6	4.9	3.8	3.1	3
Unemployment (%)	3.8	3.9	3.4	3.3	3.5	3.6	3.5
Government Net Lending/Borrowing (% of GDP)	0.6	-2.8	-1.1	-2.3	-2.5	-2.4	-2.3
Government Gross Debt (% of GDP)	53.1	56.8	54	53.6	54.1	54.5	54.4

\*Projected (International Monetary Fund, 2019).

## 4 THE MEXICAN HEALTH SYSTEM

The Mexican healthcare system is fragmented and complex, with several insurance schemes in place with individualised administrative processes and funding. This fragmentation gives rise to inefficiencies, with almost 10% of government healthcare spending going to administration costs (OECD in WTCL, 2019). The new administration has focussed on diminishing this expenditure. Although no new data is currently available, administrative expenditure is expected to have fallen. The health system is broadly organised into three categories: the Private Sector, the Public Sector, and the Social Health Protection System (*Seguro Popular*) which extends coverage to the informal population (OECD, 2018).

### 4.1 The Health System

Mexico's public health system is governed by the *Secretaria de Salud* (SS - Department of Health) and the *Servicios Estatales de Salud* (SESA - Government Health Services). The private sector consists of a network of hospitals and private out-patient clinics that can be accessed directly or through one of the private health insurers. Figure 10 provides a schematic overview of the Mexican health system.

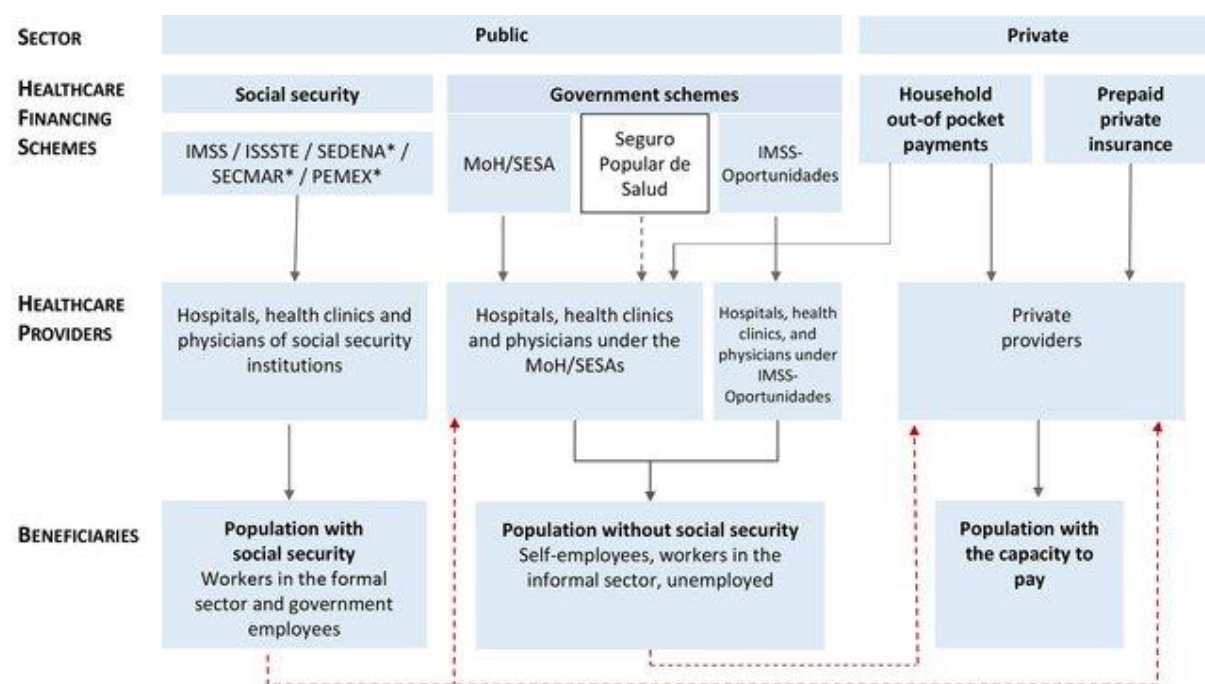


Figure 9: Overview of the Health System in Mexico (Avila-Burgos et al., 2016)

#### 4.1.1 Public Health System

The provision of public healthcare services in Mexico is organised through an employment-based social security system. Two major providers can be distinguished: the *Instituto Mexicano del Seguro Social* (IMSS – Mexican Institute for Social Security) and the *Seguridad y Servicios Sociales de los Trabajadores del Estado* (ISSSTE - the Institute for Social Security and Services for Civil Servants). Enrolees of IMSS are formally employed and salaried workers in the private sector, whilst enrolees of ISSTE are civil servants. Special social security institutions exist for the army, the marines and the national oil company workers (*SEDENA*, *SECMAR* and *PEMEX*) (Avila-Burgos, et al., 2016). In 2003, the *Sistema de Protección Social en Salud* (SPSS- System for Social Protection in Health), commonly known as *Seguro Popular* (Popular Health Insurance), was introduced. Beneficiaries of *Seguro Popular* are unemployed, non-salaried and informal workers. In 2016, it provided health coverage to 55 million inhabitants, equivalent to 43.5% of the



population. According to government statistics, over 100% of the population has health coverage through one of the public schemes. This is because multiple people participate in more than one insurance scheme, giving a skewed view on the coverage rate. Estimations go as far up as 25% of the population being double-covered and 18% not having medical coverage at all (Oláiz et al., 2006; National Institute of Statistics and Geography, in Woodman, 2018).

Each scheme operates autonomously and independently and has their own network of healthcare providers and quality standards. Enrolees can only access the providers affiliated with their scheme, regardless of physical proximity. The Mexican population not covered by social security schemes are only entitled to receive preventive and curative services at facilities managed by non-social security institutions. In case of emergencies, patients can be treated in other institutions, but once medically stabilised they are referred to their corresponding institution's facilities. Social security affiliates are entitled to receive health care both at the institution where they are affiliated and at the facilities managed by non-social security institutions. All insurance funds except for *Seguro Popular* provide similar coverage, including sickness- and maternity leave, occupational risk, disability and life insurance, retirement, childcare, and other benefits. *Seguro Popular* covers 260 health interventions and associated medications (provided by State Health Services) and 18 high-cost interventions - such as breast cancer treatment - in more specialised units.

The public sector is the main provider of healthcare in Mexico and is comprised of multiple networks of hospitals operating autonomously. A lack of central oversight has led to these networks overlapping in some areas and ignoring others entirely, leading to oversupply in some areas and undersupply in others (Mexican Business Publishing, 2018). For example, Mexico City contains the majority of both hospitals and specialised centres, forcing patients from outside the city to travel long distances to access the care they need.

#### 4.1.2 Private Health System

The private health system in Mexico operates separately from the public system. It does not receive public funding and offers services parallel to the public health system. Inhabitants are able to enrol with one of the ±100 supplementary private health insurance companies active in the country. However, there are just four main players (Bupa, GNP Seguros, Royal Sun Alliance and Metlife). Private hospitals are contracted by insurance companies, and prices are established in consultation (interview with National Association of Private Hospitals ANHP, July 2019).

Private insurance is mostly used to guarantee quick access to quality healthcare and expand medical coverage and services. An estimated 8% of the Mexican population has some form of private health insurance (Forbes, 2019). This low proportion of subscribers is mostly due to the high cost of private insurance, which is currently only affordable to the upper-income category of population. Private insurance schemes account for just 3.5% of total private healthcare costs, with out-of-pocket expenditure accounting for the remaining 96.5% of private spending. Out-of-pocket expenditure includes the purchasing of medicines and services from private healthcare providers. The Mexican health foundation and the Mexican Association for the Insurance Industry have been working together to explore ways in which the public and private sector can work together to expand medical coverage in an effective way (Mexican Association of Health Insurers AMIS, 2018).

Table 3: Overview of insurance schemes in Mexico (Gomez, et al. 2011)

Type of health insurance	Nature of scheme	Financing mechanism	Benefit package	Enrolees (estimation - 2015) number of people
<i>Instituto Mexicano del Seguro Social (IMSS)</i>	Insurance for private-sector, formal and salaried workers and their family	Employers; government; enrolees	Sickness- and maternity, occupational risk, disability and life insurance, retirement, various social benefits, childcare and other benefits	39.2 million
<i>Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado (ISSSTE)</i>	Insurance for government employees and their families	Government, enrolees	Sickness- and maternity, occupational risk, disability and life insurance, retirement, various social benefits, childcare and other benefits	7.7 million
Federal Government programmes, such as <i>Sistema de Protección Social en Salud (SPSS)</i> the Popular Health Insurance (PHI)	Th self-employed, unemployed, non-salaried and informal-sector workers	Federal government; state health services; enrolees*	260 health interventions and associated medications (provided by State Health Services), 18 high-cost interventions in more specialised units	49.9 million
Smaller health insurers for specified groups	Insurance for state oil company (PEMEX), the armed forces (SEDENA), and the navy (SEMAR)		Sickness- and maternity, occupational risk, disability and life insurance, retirement, various social benefits, childcare and other benefits	1.2 million
Commercial Health Insurance (private)	Insurance for voluntary enrolees	enrolees	Dependent on choice enrolee	1.1 million

\* only the 20% poorest enrolees are exempt from payments

## 4.2 Health Funding & Expenditure

In 2018, Mexico allocated 5.8% of its GDP to healthcare spending, which is equivalent to 507 USD per capita. This is relatively low compared to other Latin American countries (see Table 1), and also low compared to the OECD average of 9% (OECD, 2019). Mexico's minimal allocation of GDP to health is the result of consecutive tax cuts in recent years, with the Ministry of Health's budget being cut by a total of 20% during the presidency of Enrique Peña

Nieto between 2012 and 2018 (OECD, 2018). Healthcare spending tends to be concentrated in richer states, with relatively little investment in rural areas (OECD, 2019).

Table 4: Projected Health Spending in Mexico and the Netherlands (Source: IHME, 2019)

Health spending	Mexico			Netherlands		
	2014	2030*	2040*	2014	2030*	2040*
Per person (\$USD)	493	598	668	5307	6631	7565
Uncertainty interval	457 - 532	542-659	594-755	5163 - 5447	6268 - 7038	6938 - 8233
As % GDP	4.2	4.4	4.6	8.9	9.5	10.2
Uncertainty interval	3.9 - 4.6	4.1 - 4.7	4.3 - 5	8.7 - 9.1	8.1 - 11.1	7.5 - 12.9

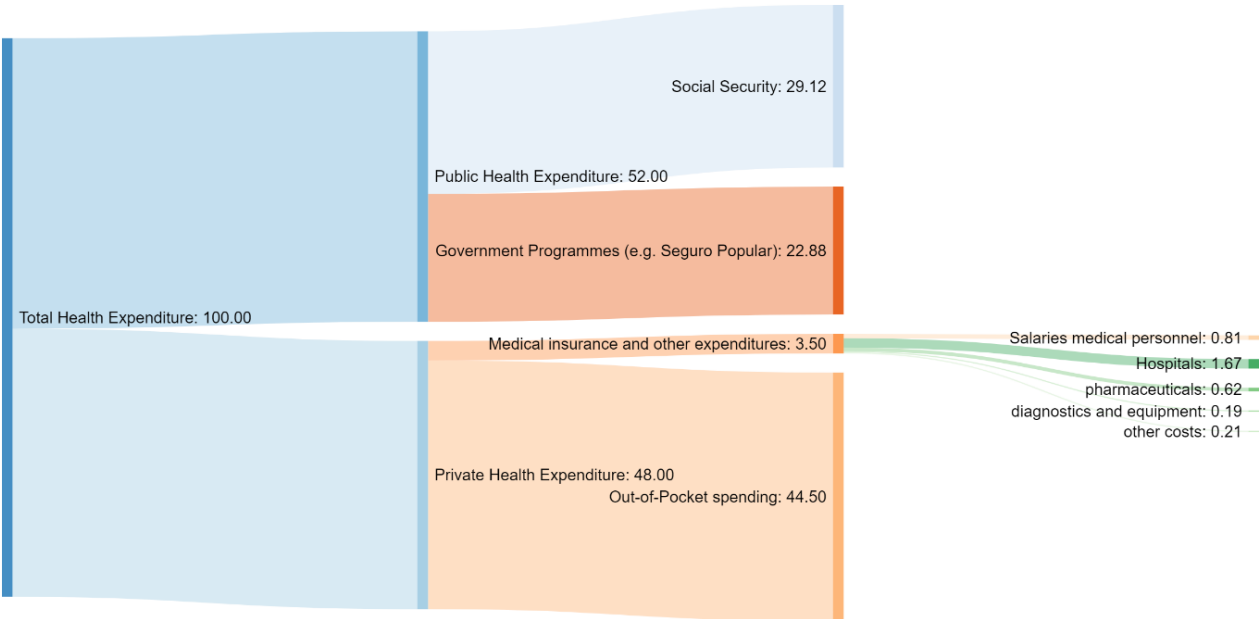


Figure 10: Flowchart of Mexico's Health Expenditure In Percentages (THE=100). Data From Asociación Mexicana De Instituciones De Seguros (2017)

### 4.3 Health Status & Burden of Disease

Mexico carries a double burden of disease. It faces health problems that stem from poverty (such as infections, malnutrition, and reproductive health problems) as well as health problems stemming from unhealthy lifestyles (non-communicable diseases). Most deaths in Mexico are caused by non-communicable diseases, such as ischemic heart disease and chronic kidney disease (Figure 12). Based on OECD health indicators, Mexico ranks significantly lower on all indicators for health status compared to other countries. However, Mexico has limited resources available for health, which impacts the quality and availability of care.

Life expectancy in Mexico is one of the lowest amongst OECD countries: 75 years (male and female average), compared to the OECD average of 80.6 (OECD, 2017). Obesity is the highest risk factor in Mexico, with 73% of the population being overweight or obese (33% of adults). Healthcare costs spent on treatment for obesity related diseases in Mexico are projected to grow by almost 211% by 2050 (Rtvelandze, 2014). More about the impact of obesity on the burden of disease can be found in Text Box 1. Unlike Mexico's obesity statistics, alcohol and tobacco

consumption in Mexico are lower in comparison to other OECD countries. For example, 7.6% of the population smoke daily compared to the OECD average of 18.4%.

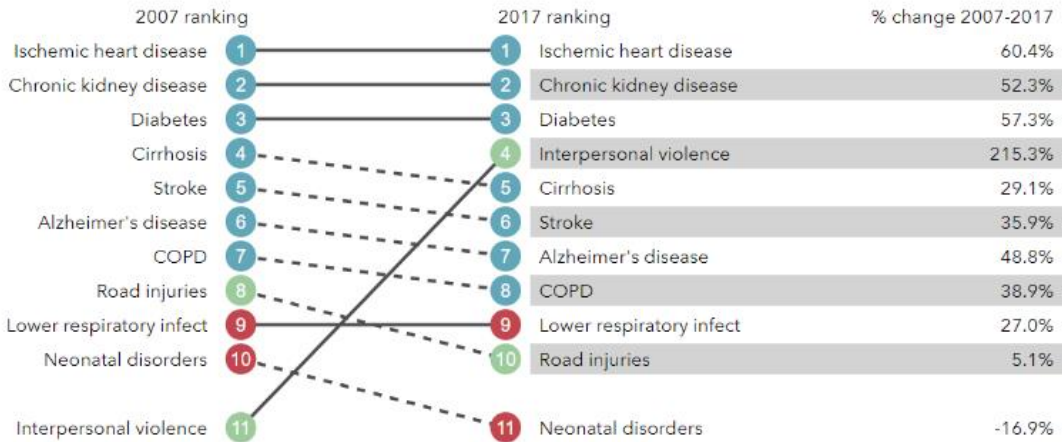


Figure 11: Top 10 Causes of death in 2017 and percent change, 2007-2017, all ages, number (Healthdata.org, 2018)

**Text Box 1: Obesity in Mexico**

Obesity is one of Mexico’s biggest health challenges, as more than 30% of the adult population is currently obese and 35% of teenagers aged 12-19 are overweight or obese. It is predicted that by 2050 this will rise to 54% (men) and 37% (women) with more people being obese than overweight.

Obesity is linked to a range of comorbidities, such as cardiovascular disease (CVD), type 2 diabetes, cancer, osteoarthritis, and other conditions. Additionally, obesity is also associated with psychosocial illnesses, such as depression, and lower health-related quality of life. Lastly, more work-related impairments have been found amongst people with obesity, such as lower productivity and higher absenteeism (DiBonaventura et al., 2017). Mexico’s high prevalence of obesity largely explains the high prevalence of diabetes. In fact, Mexico has the highest prevalence of diabetes amongst OECD countries: 15.8% of adults, more than double the OECD average (OECD, 2017).

As a response to the obesity epidemic, Mexico has implemented several policies to improve health amongst the population. Examples are the sugar-tax (introduced in 2014), nutritional labelling on food products, and better regulation of food advertising targeted at children. The sugar-tax has been deemed a success as the purchase of soft drinks has fallen significantly (5.5% in the first year, 9.7% in the second year), especially in the poorest households (OECD, 2017).

#### 4.4 Health Infrastructure

In 2002, enormous public investments were made in healthcare infrastructure with the introduction of *Seguro Popular*. The reform included a program to increase and strengthen provision of services in order to deal with the increase in demand. 15 highly specialised centers, 200 hospitals and almost 2 000 mobile clinics were constructed, and an additional 4 000 health centers were renovated and equipped (Parker, et al., 2018). Nevertheless, OECD data from 2018 show that there are still only 1.5 beds per 1000 inhabitants in the country (OECD, 2018).

In 2017, there were a total of 4 538 hospitals in Mexico, of which 69% were private hospitals. According to the OECD, there are 11.4 publicly owned and 28.6 private-for-profit hospitals per 1 million inhabitants in Mexico. Between 70 and 80 percent of all medical services provided are carried out by public healthcare institutions (International Trade Administration, 2016). Based on these numbers, we can assume that most public health providers are overcrowded. The Secretariat of Health is the largest public healthcare institution as it operates 741 hospitals throughout the country. The IMMS institution has 265 affiliated hospitals, the ISSSTE institution has 111 hospitals. In addition, there are a variety of government hospitals, such as the Navy and Military hospitals, distributed across the country (World Health Organization, 2017). Most hospitals are concentrated in Baja California, Queretaro and Mexico City (Mexico Health Review, 2018). An overview of the amount of health facilities per institution can be found in table 5.

Table 5: Infrastructure per institution in Mexico, 2015 (World Health Organization, 2017)

Type of Service	Total	Min of Health	IMSS	IMSS Prospera	ISSTE	Other	Private
Primary Health Facilities	22 072	14 387	1 143	4 198	1 063	654	627
Hospitals	4 456	741	265	80	111	189	3 070
Medical offices	88 390	39 639	18 121	5 058	6 619	5 546	13 407
Operation rooms	9 235	1 891	1 469	122	330	429	4 994
Total beds	184 112	62 270	47 463	3 931	10 749	10 185	44 514

Most private hospitals in Mexico have less than 20 beds and function mainly as outpatient clinics, offering primary health care and some specialized diagnostic and treatment services (World Health Organization, 2017). The large number of private facilities in Mexico is partly due to the influx of a number of large private hospital chains who have worked with specialised construction companies to close the gap in healthcare provision. These companies simultaneously work in Public-Private-Partnerships (PPPs), providing construction, equipment, and sometimes operations to public sector hospitals. With these dynamics in play, there is expected to be a number of hospital build projects underway in coming years. An important resource which publishes information on the details of public hospitals under construction and in the development phase is: <https://www.proyectosmexico.gob.mx/proyectos/>. Large private hospital groups and private hospital construction companies are presented in Table 6 (page 22); an overview of current larger hospital build projects are presented in Table 7 (page 23).

**Text Box 2: Private Hospital Build Project**

In May 2019 the first brick of Hospital Cumbres was laid. Once complete this 18 000m<sup>2</sup> hospital will be the 12<sup>th</sup> hospital of Christus Muguerza and will house the highest level of technological equipment. The hospital will have 72 rooms, four of which will be suites, five general surgery rooms, a toco-surgery room, an Adult, Pediatric and Neonatal Intensive Care area, as well as an imaging area equipped with cutting-edge technology (Christus Muguerza, 2019).

**Text Box 3: Expanding Public Hospital Networks through PPP schemes**

Mexico tendered its first PPP pilot program in 2005 and has since implemented or contracted at least 10 healthcare Infrastructure-based PPP projects. Initially all projects included nonclinical services, such as housekeeping, laundry, security, parking and cafeteria services; however, later contracts incorporated clinical support services, such as laboratory, haemodialysis and medical gases, which had previously been outsourced (Abuzaineh, et al., 2018).

Table 6: Big private hospital groups and Hospital construction companies active in Mexico

Private Hospital group	Description	Website
Grupo Empresarial Angeles	Currently has 25 hospitals in México (of which 10 are located in México city) and one under construction	<a href="https://www.grupoempresarialangeles.com/">https://www.grupoempresarialangeles.com/</a>
ABC Medical Centre	Currently has integrated medical centre and 10 specialist hospitals	<a href="https://centromedicoabc.com/en/">https://centromedicoabc.com/en/</a>
Star Médica	Currently has 14 hospitals spread over Mexico	<a href="http://www.starmedica.com/home/es/red-hospitales">http://www.starmedica.com/home/es/red-hospitales</a>
Christus Muguerza	Currently has 11 hospitals, one Outpatient Services Unit, 20 Medical Treatment Centers, 3 Rehabilitation and Therapy Centers, 4 Social Work Clinics and an ambulance system.	<a href="http://www.clusterdesalud.com/en/christus-muguerza-hospital">http://www.clusterdesalud.com/en/christus-muguerza-hospital</a>
Hospital Construction Company	Description	Website
Prodemex	One of the leading Mexican construction and infrastructure companies	<a href="http://www.prodemex.com/">http://www.prodemex.com/</a>
Copasa	Spanish construction and infrastructure company	<a href="http://www.copasagroup.com/es/inicio/">http://www.copasagroup.com/es/inicio/</a>
Advance Builders	Mexican construction and infrastructure company	<a href="https://www.abq.mx/">https://www.abq.mx/</a>
Epccor	Mexican – North American construction company, a.o. constructor of all Teletón rehabilitation hospitals	<a href="http://www.epccor.com/">http://www.epccor.com/</a>
Alvarga Construcciones	Mexican construction and infrastructure company	<a href="http://alvarga.mx/">http://alvarga.mx/</a>
Globali	Mexican construction and infrastructure company	<a href="http://www.globali.mx/">http://www.globali.mx/</a>
OHL	Spanish construction and infrastructure company	<a href="https://www.ohl.es">https://www.ohl.es</a>

Table 7: Hospital Construction Projects (Combined proyectosmexico.gob.mx and news article sources, 2019)

City/ Region	Name	Type of Hospital	Stage
Mexico City	Centro Hospitalario Naval	Public Secondary General Hospital	under construction
Mexico City	Torre Clínica de Especialidades Frontera	Private Specialized Clinic	under construction
Mexico City	Hospital General de Zona, Cuajimalpa	Public General Hospital	under construction
Mexico City	Hospital General Dr. Gonzalo Castañeda	Public General Hospital	under construction
Mexico City	Hospital General Regional Sur o (Tláhuac)	Public General Hospital	under construction
Tepetzotlán	Hospital General Regional	Public General Hospital	under construction
Nuevo León	Hospital Cumbres	Private general hospital	under construction
Durango	Hospital de Especialidades Gomez Palacio	Public Specialized Hospital	under construction
Veracruz	Hospital Regional de Alta Especialidad Coatzacoalcos	Public Specialized Hospital	under construction
Puebla	Torre Clínica II de Especialidades Hospital Ángeles Puebla	Private Specialized Clinic	under construction
Acuña	Hospital de especialidades del IMSS Acuña	Public Specialized Hospital	under construction
Pachuca	Hospital de especialidades del IMSS Pachuca	Public Specialized Hospital	under construction
Zaragoza	Hospital General Regional No. 25	Public General Hospital	under construction
Atacomulco	Hospital de especialidades del IMSS Atacomulco	Public Specialized Hospital	under construction
La Paz	Hospital IMMS La Paz	Public General Hospital	under construction
Chiapas	Hospital General en Tapachula, Chiapas	Public General Hospital	under construction
Tabasco	Hospital General en Villahermosa, Tabasco	Public General Hospital	under construction
Nayarit	Hospital General "Águiles Calles Ramírez"	Public General Hospital	under construction
Nayarit	Hospital General de Zona en Bahía de Banderas, Nayarit	Public General Hospital	under construction
Tepic	Hospital General en Tepic, Nayarit	Public General Hospital	under construction
Mexico City	Hospital General en la Zona Oriente de la Ciudad de México y Estado de México (Texcoco)	Public General Hospital	Development phase
Torreón	Torreón Hospital General en Torreón, Coahuila	Public General Hospital	Development phase
Puebla	Hospital Regional de Amozoc	Public General Hospital	in development phase
Puebla	Hospital Regional de Cholula	Public General Hospital	in development phase
Puebla	Hospital de San Alejandro	Public General Hospital	in development phase
Puebla	Torre de especialidad gineco-obstetricia La Margarita	Public Specialty Tower	in development phase
Durango	Hospital General en Durango	Private General Hospital	in development phase
Querétaro	Hospital Ángeles Centro Sur	Private General Hospital	in development phase
Tampico	Hospital General en Tampico, Tamaulipas	Public General Hospital	in development phase





## 4.5 Current Policy Planning

The current president of Mexico, López Obrador, won the 2018 election using *austerity politics*. The president vowed to reduce unnecessary government spending by introducing cuts to government-worker salaries and pensions. The president's own salary was halved. One of the new president's key campaign promises was to invest the funds made available through these austerity measures into Mexico's public health sector (López Obrador, 2018).

Post-election, President López Obrador promised to create a universal and free health care system comparable to that of the United Kingdom, Denmark, and Canada (Mexico News Daily, 2019). He stated that this would be possible by increasing the healthcare budget by 1% of Mexico's GDP. The new *Health Institute for Wellbeing* would replace the functions of the *Seguro Popular* and work collaboratively with IMSS and ISSSTE. The *Health Institute for Wellbeing* will then apply policies of the IMSS-BIENESTAR program (see Text Box 4) and take over units and hospitals that are attached through local governments funded through the *Seguro Popular* (The Mazatlan Post, 2019). Additionally, the institute will concentrate on the acquisition of medicines, healing material and medical equipment. Constitutional reform is needed to realise this, since state allocated funds will be used by the federal government (Mexico News Daily, 2018). As of September 2019, the Mexican congress has not yet approved this constitutional reform. Analysts agree that a universal system is achievable under the current administration but are sceptical regarding the unification of the Mexican public health system due to its technical and economical complexity (Woodman, 2018). As a result, there are some reservations about the reform, as it will most likely introduce or exacerbate inconsistencies in health care quality and coverage across different socio-economic groups in the country.

### Text Box 4: The IMSS-BIENESTAR program

The IMSS-BIENESTAR programme (IMSS-Welfare) provides medical care and medicines to over 13 million Mexicans in rural and indigenous communities that do not have social security. The Bienestar programme, previously COPLAMAR, has been in effect for forty years. During these years, the programme has contributed to reducing maternal health and infant mortality in rural areas, contributed to the eradication of diseases such as polio, measles and rubella, and has set up Centers for Rural Care for Adolescents (*CARA - Centros de Atención Rural al Adolescente*).

The IMSS-BIENESTAR programme includes 4 086 medical units of which 80 are secondary rural hospitals, 3 618 rural medical units, 15 urban medical units, 143 mobile medical units, 46 rural obstetric care centers and 184 health brigades. Together, these provide almost 64 000 consultations each day (IMSS, 2019).

### 4.5.1 The National Plan of the Mexican Institute of Social Security 2018-2024 (*Plan Nacional del IMSS 2018-2024*)

In January 2019, President López Obrador and Germán Martínez Cázares, director of the IMSS, presented the National Plan of the Mexican Institute of Social Security 2018-2024. The IMSS, which provides health coverage to salaried workers, stated that it would work together with the Federal State to increase access to care for all Mexicans and combat corruption in the health system. The national strategy consists of the following general objectives:

1. An inclusive and unified system that guarantees the right to health and access to medical care and medication (free for people without social security);
2. A preventative and comprehensive IMSS (strengthening the first two lines of care);
3. A nearby IMSS (digitalization and participation);
4. A sustainable and transparent IMSS (increasing communication and reducing human shortages);
5. A qualitative and evaluated IMSS (standardization and quality management);
6. An intersectional IMSS.

The first aim focusses on increasing access to health, mostly for marginalized people. The *Plan Nacional* emphasizes the expansion of the IMSS-BIENESTAR program, which provides care in rural areas (Text Box 4), strengthening LGBTQIA+ and disability care, and emergency care for all – regardless of their affiliation. The second aim focusses on health prevention and promotion, with plans to implement a palliative care programme, and expanding medical and social infrastructure. The third aim focusses on digitalization of administration and services in IMSS affiliated organizations, and the establishment of mechanisms for telemedicine and homecare. Currently, homecare is rare and very costly (Gropo Farei, 2019). The fourth and fifth aim both concern human and monetary shortages. While the aims involve overcoming shortages in health personnel and the monitoring of standards, it is not yet clear how this will be achieved. For more information on the *Plan Nacional del IMSS 2018*, please read the [programme from the Ministry of Health](#).

#### 4.5.2 Policy & Budgets for 2020

In September 2019, the AMLO presidency announced key budgets and allocations. A total of 33.7 billion USD has been allocated to the Mexican Public Health System, representing a 2.1% increase compared to 2019. However, this is equal to 2.5% of the GDP, which is the same proportion of GDP allocated in 2019. The 2.1% increase stems from increases to IMSS (3.6% increase), and ISSSTE (3.4% increase). The IMSS budget increase has been set aside for projects and programmes that increase healthcare services (approximately 629.4 million USD) and infrastructure (33.7 million USD). This is a budget increase of 5.4% and 244.5% to healthcare services and infrastructure respectively. Within the ISSSTE system, 124.1 million USD has been allocated to the supply of key medications (an increase of 14.9 %). Social infrastructure projects will have their budgets increased by 172.7%. The biggest budget cut has been in the funds allocated to the administrative operations of funds, which saw a reduction of 88.7 million USD.

The *Seguridad Social's* complete budget for 2020 has been reduced by 64.2 million USD, a 1.7% reduction compared to 2019. However, the Mexican government aims to replace the *Seguridad Social* with another system in the near future. Plans that aim to adjust, reform, and cancel various provisions, including the creation of the new National Institute for Health and Wellbeing (INSABI) has been presented in Chamber, but have not yet been approved as of October 2019. Other social health programmes have also been subjected to cuts in the new budget, such as the programmes for the prevention of addictions, HIV/AIDS, obesity and diabetes (SIEP.mx 2019).

Although no concrete policy plans have resulted from below mentioned initiatives and these are not reflected in the 2020 budget, the current president has announced future investments with regard to the following:

- More programmes directed at health promotion and prevention – with a focus on healthy diet and chronic diseases (Woodman, 2018);
- Formalization of all workers in the health sector, including funds to provide bases and good benefits to workers. This is said to be based on seniority, good performance and the availability of resources (The Mazatlan Post, 2019);
- Focus on rural medical units as a starting point to improve health services and access to healthcare (AMLO, 2019)

#### **Text Box 5: Experiences of a Dutch Entrepreneur in terms of Current Policy Planning**

BR Medical is a Mexican company founded by a Dutch entrepreneur 15 years ago. The company is an importer of European products related to spine and orthopaedics: “At the moment, BR Medical experiences more difficulties than usual with doing business with the public sector. As a result of policy and political complexity after the elections, many foreign SMEs who started doing business in Mexico over the past couple of years are have been hesitant to continue investing in the country around the election period and in the presidents first year. Nevertheless, the issues are expected to be resolved once the policy plans are defined and the budgets have been allocated. Mexico will still be in need, potentially more than ever before, of foreign medical imports. This change may open doors for foreign products and medical solutions. If one is prepared, one can take advantage of this the moment as soon as the political situation stabilises. The Mexican market, due to its size, is interesting and in great need of innovative medical solutions from foreign companies.”

## 4.6 Further Reading

If you would like to expand your understanding of the Mexican health system, the following publications provide excellent overviews:

- [OECD Reviews of Health Systems: Mexico 2016](#)
- Plan Nacional del IMMS 2018, please read the [Programme from the Ministry of Health](#)
- [Mexico Health Review 2018](#) by Mexico Business Publishing
- [Economic Packages for 2020](#) (*Paquete Económico 2020*)

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## 5 MARKET ACCESS

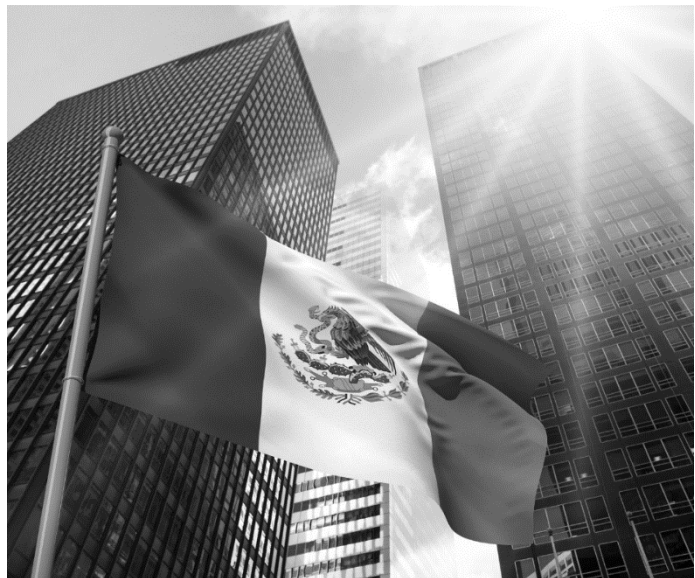
### 5.1 Doing Business in Mexico

Mexico is currently ranked 54 out of 190 countries in the ease-of-doing-business-index, ranking below Italy and above Chile (World Bank Group, 2019). Personal relationships and patience are at the heart of many business transactions in Mexico. Consequently, business is usually conducted face-to-face and takes time. Without strong, long-term relationships, it is unlikely to conduct business. Patience is required during business meetings, as these usually last longer than typical European or North American meetings: business lunches often span more than 2 hours. Business etiquette requires that meetings include time for informal small talk before discussing business. It is considered rude or aggressive to be too direct and to the point. This can sometimes result in meetings and negotiations being slow-paced.

Mexican etiquette can at times make it difficult to say no. This means that in practice a 'yes' is not always a 'yes'. Indirect and tactful phrasing is often used, as well as emotional expressions (Export.gov, 2018). While it is common to arrive late in social activities, punctuality is the standard for business and government appointments. However, it is not uncommon for Mexican counterparts to arrive late for meetings.

With international counterparts, Mexican businesspeople sometimes remain tentative for an appointment until the person is confirmed to have arrived in Mexico. Therefore, it is recommended that one reconfirms one's appointment shortly before in order to ensure that the meeting will not be cancelled. When first meeting your counterpart, shake hands upon meeting and at departure. When a relationship has been established, greetings can range from hugs, kisses on the cheek, or a pat on the back (the latter is only used by men).

Mexican culture is hierarchical. Decisions are made by top executives; and it is thus important to arrange business meetings with the executives in charge and not junior representatives. Consequently, ensure that you are of similar seniority as your Mexican counterpart. Titles and formal expressions are highly valued; thus, it is important to address your counterpart in the correct and appropriate way. Mexicans place a high value on appearance, and it is important to dress accordingly. In dressing, it is better to be over-dressed (including jewellery), and high-quality accommodation and means of transportation (Acrecent, n.d.). Be aware of different cultural meanings in vocabulary. For example, mañana (tomorrow) often means in the near future and not tomorrow as the direct translation implies.



# TIPS FOR DOING BUSINESS IN MEXICO

## Text Box 6:

### THE DO'S

- Show good manners (including learning some basic phrases in Spanish).
- Be polite – address people by their title, use formal expressions and avoid using someone's first name until invited to do so.
- Be warm and friendly, establish a relationship with your counterpart.
- Have meetings with top executives.
- Wear professional attire and make sure your appearance is appropriate.
- Participate in business lunches – start with informal conversation before the business discussion.
- Be punctual for business and government appointments.
- Bring and distribute enough business cards.
- Re-confirm your meeting shortly before the appointment.
- Invest time in building your personal relationship and demonstrate your interest in a long-term presence and investment in the region.
- Make use of economic or healthcare (trade) missions, collective activities, economic diplomacy and relations with Dutch public parties such as the Embassy.

### THE DON'TS

- Be aggressive or too direct in negotiations.
- Refuse drinks offered during meetings (usually coffee).
- Compromise too soon in negotiations.
- Get demotivated too quickly, processes and projects are often long-term and can stand still for a while

## 5.2 Market Access

Mexico is Latin America's second largest medical device market and is the leading medical device importer in the region (BMI, 2017). In 2017, medical device imports were estimated at 4.8 billion USD, whilst in 2016 pharmaceutical imports were estimated at 3.8 billion USD. Low domestic investment in research and development has resulted in Mexico's medical device demands being met by imports: approximately 90% of all medical devices sold in Mexico are imported (Emergo in Martinez-Clark, 2018).

### 5.2.1 Registration & Licensing

In Mexico, medical devices and *In-Vitro* Diagnostic (IVD) devices are governed by COFEPRIS, a division within the Mexican Ministry of Health (Secretaría de Salud). Medical devices are classified in three terms (I, II, and III) and some products are on the COFEPRIS list for deregulated products. It is important to check within which category your device is regulated and which specific documents and procedures are required. In general, medical devices must comply with the safety, quality and efficacy standards set by COFEPRIS. These include local factory standards, technical product specifications, lifetime of the device, storage requirements, labels and instructions for use. All classes require home country approval. A common way to satisfy this requirement is with a [Certificate of Free Sale \(CFS\)](#) or [Certificate to Foreign Government \(CFG\)](#) (Emergo, 2019).

Authorization is valid for five years and is granted to a local entity. This allows for manufacturing, marketing and use in Mexican territory. If a medical device is already registered in the US, Canada or Japan the producer may apply for the "expedited process" or an equivalence review, which requires fewer documents. The review can be carried out by COFEPRIS (this takes 6-12 months) or an authorized third party reviewer (within four months) (Rey-Ares et al., 2016).

If one has no local presence in Mexico, Dutch companies may appoint a Mexico Registration Holder (MRH) as an in-country regulatory representative. The MRH manages the application and registration in Mexico. Furthermore, an appointed distributor must be specified in the registration dossier prior to submission to avoid having to modify one's registration(s) later (Emergo, 2019).

### 5.2.2 Reimbursement

Reimbursement of a medical device depends on whether or not its related procedure is included in one of Mexico's benefit plans. Manufacturers, academic, and public institutions can formally propose inclusion of a new procedure or technology by submitting information (i.e. application forms, device specifications and EE according to Mexican guidelines) to the interagency committee (which consists of the General Health Council, and representatives from all institutions). Each member of the council individually evaluates the application. The procedures ability to save costs and improve people's health are the deciding factors, especially for high-cost chronic diseases (Martinez-Clark, 2018). Additionally, the *Centro Nacional de Excelencia Tecnológica en Salud* (CENETEC) provides HTA reports regarding the technology. The decision is final when consensus is reached amongst commission members. The decision is published on the website for 10 days, during which it can be appealed. It is also published in the Government Gazette (Rey-Ares et al., 2016). After approval, the devices that are qualified to be purchased for the public system are published in the *Cuadro Básico Interinstitucional and Catálogo de Instrumental y Equipo Médico*. It is important to note that coverage policies are defined for procedures and thus do not specify the brand or model. This means a device might be reimbursed without an explicit device evaluation (Martinez-Clark, 2018).

Companies may freely set the price of their device without regulation or benchmarking. However, due to the high number of competitors and the fact that procurement is done through tenders (often based on price) prices are often modified from the original (Xcenda, 2015). Additionally, the interagency commission negotiates a price for the whole public health system. All items have their price re-negotiated on the *Cuadro Básico Interinstitucional and Catálogo de Instrumental y Equipo Médico* annually (Martinez-Clark, 2018).

### Text Box 7: Deficiencies in the Medical Device Industry in Mexico

Studies show that there are three main areas of deficiency in the Mexican medical device industry: 1) Some regulations are based on insufficient clinical evidence, 2) Follow-up and methodology are not always followed, and 3) Decisions are often price-based, which sometimes means that they don't meet the requirements for clinical procedures. As a result, there has been a call for more clear and efficient legislation to be implemented nationwide (Lingg, Wyss & Dúran-Arenas in Martínez-Clark, 2018).

## 5.2.3 Medical Supply Chain and Procurement

Most large hospitals (both public and private) desire modern and specialised medical devices. While some smaller private hospitals buy used or refurbished equipment, public hospitals are prohibited by law to do so. Public tenders are used for purchases over 3 100 USD, but investments below this amount do not have to be tendered for. Public hospital device procurement generally takes place through the public procurement portal Compranet: <https://compranet.hacienda.gob.mx/>. To gain access to information on new tenders or on companies to which tenders are awarded, companies need a Federal Company Registration (RFC) in Mexico. This can be a legal representative of your company in Mexico. However, in order to obtain a legal representative company, need to have their company registered in Mexico.

Only companies (providers, distributors or contractors) that have a *Registro único de Proveedores y Contratistas* (RUPC) are able to apply for tenders. Foreign companies usually work with existing RUPCs to have their products included in their portfolio's or maintain relations with contractors who apply for or have won tenders. For instance, in the construction or provision of medical equipment for a new hospital. Ideally, the products and companies applying for tenders are already known to the specialists and hospital directors who provide input to formulate tenders.

In an effort to reduce costs, it is not uncommon for hospitals to hire organisations that offer "integral surgery services" or services per event. These services provide all the products to perform a procedure (e.g. surgery, sterilization), while a hospital avoids large investments in the needed materials, instruments and inventory (international Trade Administration, 2016).

## 5.2.4 Dutch Cases of Market Entry

Multiple Dutch companies have found their way into the Mexican market (26 of them responded to the interest survey in Section 2). Read about lessons learned and best practices in two case studies in Text Boxes 8 and 9.

### Text Box 8: Tips for Market Entry by Eurotape (Strength: Medical Devices)

*Eurotape is a manufacturer and developer of top quality self-adhesive products for reusable surgical covering materials such as double-sided OP-tapes, inserts, die-cuts, OP-strips and related products.*

Tips for Dutch entrepreneurs thinking about entering the Mexican market:

- It can take **time** and **effort** to get interested counterparts to respond to your messages. A lack of email response does not necessarily mean that there is no interest in your product/solution. However, switching communication methods and contacting clients through WhatsApp accelerated the process a great deal.
- The Medical Fair **FIME** that takes place in Miami each year is an important meeting point for potential Mexican clients.
- **EX Works** – It is best to allow the customer to arrange the transport and clearance of goods.
- Beware of fluctuations in **exchange rates**.
- Rather than starting negotiations at a low price, customers prefer the psychology of receiving a discount.

### **Text Box 9: Bayards (Strength: Hospital Build)**


*Most trauma patients are transferred to hospital by helicopter. Emergency medicine, fast transport, and good accessibility demand a helicopter and a helipad that is safe and operable in all weather conditions. Bayards specializes in maintenance free aluminium helipads that can be installed on any existing building, whether it is low or high rise.*

Mexico is Bayards largest Latin American market and is also where they have local representation for the whole of Latin America. Having local 'eyes and ears' is essential for their success in the country. As a hospital build company, close relations with major players in the field, such as the *Sociedad Mexicana de Arquitectos Especializados en Salud (SMAES)* is essential. As a provider of medical solutions, we pro-actively engage with hospitals such that they are informed of the benefits of our product before designating the planning or design to a third party, and before the development of a public tender.

Bayards works with both the public and private sector in the country. Participation in the private market is easier compared to the public market. Over the past 1.5 year most hospital build projects in which Bayards has participated has been put on hold due to the change in government and uncertainties about new policies.

**Tip!** Follow Mexican construction personnel, architects, and those involved with hospitals on LinkedIn! A like, short comment and follow-up email on published information are likely to help you engage with these players.

## 5.5.1 Useful Organisations For Market Entry and Further Information

- The Embassy of the Kingdom of the Netherlands in Mexico City , and the Consulate-General
- Read: [Roadmap Medical Devices Mexico](#)
- Read: [COFEPRIS Medical Device Registration Mexico](#)
- Read: [Importing Medical Devices into Mexico](#)
- Watch the video: [Overview of the medical device market in Mexico](#)
- [Holland House Mexico](#)
- [Netherlands Business Support Office Querétaro](#)

## 5.5.2 Inter-American Development Bank

The Inter-American Development Bank (IDB) focuses on and finances projects that stimulate economic development in Latin American and Caribbean countries (Inter-American Development Bank, 2019). An overview of challenges and opportunities available in Mexico, as set out by the IDB, can be found here: <https://www.iadb.org/en/countries/mexico/overview>.

For more information on potential opportunities for the Dutch LSH sector, in collaboration with the IDB, you can contact Corinne Abbas or Jules van Son from the Dutch Enterprise Agency (RVO).

- Corinne Abbas: [corinne.abbas@RVO.nl](mailto:corinne.abbas@RVO.nl)
- Jules van Son: [jules.vanson@RVO.nl](mailto:jules.vanson@RVO.nl)

Additional information about doing projects with international organisations can be found on the following website: <https://www.rvo.nl/onderwerpen/internationaal-ondernemen/netwerken-en-contacten/internationale-organisaties>



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## 6 ALIGNING DUTCH STRENGTHS WITH MEXICAN OPPORTUNITIES

Whilst [Section 2](#) of this report shows the interest of the Dutch Health sector in Mexico, Section 6 aligns Dutch strengths in the sector with Mexican opportunities.

### 6.1 Medical Devices & Supplies

The strength 'Medical Devices & Supplies' encompasses solutions which improve health delivery. Organisations within this strength offer solutions for diagnostics, treatment and related processes, and typically partner with providers of primary, secondary and tertiary care services and/or intermediate organisations.

#### 6.1.1 Trends

Mexico is dependent on imports for 90% of their medical devices and supplies. However, the public sector is experiencing deficits in the availability of even the most basic medical devices and supplies. In early 2019, a major social media riot went viral as public hospital directors and doctors posted pictures of how they were forced to try saving lives using plastic bottles and carton boxes in the absence of appropriate medical equipment and supplies. The hashtag #YoTambienImprovisado (translated to "I also improvise") was used (El Universal, 2019). Private hospitals on the other hand usually purchase the most innovative medical equipment and have sufficient resources to attend to patients who can afford these services. Even so, there is a lack of maintenance of equipment in both the public and private sector (COINDISSA, 2019).

Through his 'Austerity Politics' (see [Section 4.5](#)) Mexico's president Andrés Manuel López Obrador has promised to make budgets available to be invested in the public health sector, this includes investment in equipment of public hospitals and primary health centers.

#### 6.1.2 Opportunities

Although price is the primary consideration in the procurement of equipment in both the public and private sector, reputation plays an important role in buying decisions. European providers have an excellent reputation, especially when it comes to quality and product longevity. Services such as training and maintenance are also increasingly recognized.

In September 2019, the current presidency announced that it would make increased budgets available for public healthcare infrastructure and procurement, especially for the IMMS (increase of 3.6%) and ISSSTE (increase of 3.4%) (see detailed budgets in [Section 4.5.2](#)). Once these budgets are made available, the public system is most likely to invest these funds through purchasing medical devices and supplies, and potentially looking to purchase these from companies abroad. By entering the market now, one will be able to introduce one's product or service to healthcare providers before the influx of players emerge. This is described as 'first mover advantage' and is a business strategy applied by some Dutch companies that are active in Mexico (Interviews, 2019).

The private healthcare sector is currently filling gaps by providing Mexicans who can afford it the opportunity to purchase healthcare services. The private sector is easier to access and always looking to provide the best quality care for the best price. Many private healthcare providers are dependent on foreign companies to provide innovative solutions (Roundtable of healthcare leaders at the Embassy of the Kingdom of the Netherlands in Mexico, 2019).

### 6.1.3 Market Entry Considerations

Since the Mexican health sector is very price-sensitive, it is important to demonstrate that the innovation or new product is valid and accessible. In practice, this means investing in pilots or joint projects with Mexican clients or counterparts in order to successfully introduce your product in the country.

## 6.2 Mobility & Vitality

Mobility & Vitality encompasses solutions which help people live and age healthily. Dutch organisations within this strength offer solutions in areas such as healthy lifestyle interventions, mobility aids and monitoring systems, and typically partner with organisations which deliver elderly care, primary health care, rehabilitation services and care to vulnerable groups, such as mental health and special needs patients.

### 6.2.1 Trends

In Mexico the number of adults aged 60 years and older will almost triple from 6.3% of the total population in 2010 to almost 23% by 2050 (Central Intelligence Agency, 2015). Given the explosive growth of the elderly population and the looming social and economic burden thereof, aging is at the forefront of policy discourse. The Mexican government's primary focus is on increasing the proportion of the elderly population who receive pensions through the programme *Pensión para el Bienestar de las Personas Adultas*. Although coherent politics regarding the provision of elderly care services will be developed, individual public and private organisations are working actively to develop care programmes. Examples include:

- The *Instituto Nacional para las Personas Adultas Mayores* (INAPAM - National Institute for Older Adults)
- *Sistema Nacional para el Desarrollo Integral de la Familia* (DIF - National System for Integral Family Development)
- The local government of Mexico City, with support from the Economic Commission for Latin America and the Caribbean, launched a caregiving program in 2015 that trains health care professionals to supervise and support caregivers and family members who care for older adults (Angel, et al., 2017)
- Instituto para el Envejecimiento Digno
- Instituto Nacional de Geriátría
- Private company [Eucalyptusmed](#), who offer telemedicine and home care solutions through an alarm button system.

Given the severity of Mexico's obesity problem, solutions that help prevent, cure, or aid obese people in their daily lives are in great need. Obesity is mainly a lower-income issue, and with public budgets relating to obesity prevention being reduced, the issue is likely to become more severe.

### 6.2.3 Opportunities

The general consensus in Mexico is that there is lack of experience and expertise regarding aging and elderly care. There are little to no homecare organisations, no institutes that provide care for patients with dementia, and no public policies in place that regulate the subject. There are a few private companies that provide assistance (Roundtable healthcare leaders at the Embassy of the Kingdom of the Netherlands in Mexico, 2019).

Opportunities are first and foremost in the provision and exchange of knowledge on aging related subjects. Institutes and organisations are looking to obtain this knowledge from experienced countries. Their goal is to generate evidence in order to present to the legislator cases for implementing policies for the provision of primary care to the elderly. This provides opportunities for Dutch companies and organisations knowledgeable in the field.

Mexico's aging population is an issue that Mexico cannot escape, and the deficit in supportive solutions is evident. Both public and private sector organisations will need to start implementing and providing elderly care services and solutions, ideas of which they may find by looking at what is on offer abroad. By entering the market now, Dutch companies with solutions related to mobility and vitality will find themselves in an unsaturated market, where they will be able to prove their reliability, effectiveness, and accessibility (Roundtable healthcare leaders at the Embassy of the Kingdom of the Netherlands in Mexico, July 2019).

## 6.2.4 Market Entry Considerations

Policy and programmes relating to the elderly and the obese is not high on the political agenda. Thus, the private sector is expected to close the gap by providing services and solutions not currently available in the country. Entering the Mexican market through a private project or partnership will give you the opportunity to prove the applicability of your product in the Mexican market, and once the public sector does begin to invest in projects and programmes relating to aging and obesity, you will benefit from a good reputation. It is predicted that the Mexican Ministry of Health will increase budgets and policies towards these issues in the near future.

## 6.4 eHealth

The Dutch have strengths in the eHealth sphere, which encompasses solutions which help connect actors in the health system, often through the exchange and storage of health information. Organisations within this strength offer solutions in health information exchange, interoperability, telemedicine, serious gaming and personal health monitoring. These organisations typically partner with health care providers and consumers.

### 6.4.1 Trends

In Mexico, the term 'eHealth' is not frequently used. Policy documents and medical practitioners tend to talk about more specific applications such as 'medical informatics (TICS)' and 'telemedicine'.

In June 2019, ISSSTE announced that it would be retrofitting 174 teleconsultation systems, with the aim of increasing this number to 225 in two years. The relaunch will be used to streamline access to care in remote geographical areas and generate savings for travel expenses. The relaunch will provide remote consultations for fifteen specialities with the greatest demand, such as cardiology, neurology, orthopaedics and internal medicine. ISSSTE has already invested in telemedicine and video-conferencing equipment in the past, but investments were on hold for six years. In the near-future ISSSTE plans on doubling their tele-consultation equipment, with a focus on video-conferencing equipment (Vertigo Politico, July 2019). IMMS has developed a digital platform called [IMMS digital](#) and is working on a pilot with a general EPD that can be used for the entire IMMS system.

Private hospitals that have digitalized and embraced eHealth include Torre Médica Hospital, the ABC Hospital, Hospital Médica Sur, and the Hospitales Ángeles network. Some of these also have robot assisted surgery programmes. Private universities mostly use eHealth to connect different healthcare institutes and to improve learning facilities with virtual programs to stimulate distance learning. The Meritorious Autonomous University of Puebla and the Autonomous University of Nuevo León run a number of these programs, with a focus on telescreening, teleconsultation, teleclinics and telemonitoring (Roundtable healthcare leaders at the Embassy of the Kingdom of the Netherlands in Mexico, 2019).

#### **Text Box 10: Interview with Fundacion Nacional de Salud (FUNSALUD) Mexico (July 2019)**

FUNSALUD is a Mexican foundation that aims to contribute to the improvement of health in Mexico by being a point of reference for both the public and private sector in the discussion of relevant health issues. Due to its autonomous and independent nature, FUNSALUD has made possible the collaboration of national and international companies with public entities, academia, universities and research centers.

“FUNSALUD together with the Ministry of Health and other Mexican healthcare stakeholders has identified medical technologies that can close the gap in access in Mexico. The organisation will focus on identifying and stimulating the entrance in the Mexican healthcare market of the following healthcare solutions: Apps, AI, drones, blockchain, telemedicine, robotics, genomics, and virtual and augmented reality. Areas of opportunity for Dutch companies include: Service control systems for the elderly, sensors, software platforms that help health professionals make decisions, AI which can help patients remember to take medicines, and software that can predict certain outcomes or adverse events. After attending roundtables with healthcare stakeholders, we will be able to identify specific needs and thus be able to see which specific solutions in these fields are fitting to the Mexican healthcare sector and system. FUNSALUD is working with the Secretary of Health to implement a pilot project for Telemedicine, which might also be an interesting opportunity for Dutch companies. Solutions must comply with the four P’s: Predictive, Personalized, Preventive and Participative.”

### 6.4.2 Opportunities

Although there are multiple initiatives underway, the organisation and provision of care through eHealth solutions and the use of clinical data and EPDs in Mexico is still in its infancy. This is true for both the public and private sector. Although healthcare stakeholders have identified a need for big data solutions, the systems are reactive and at times sceptical towards the implementation of digital solutions. Despite this subtle resistance, Mexico’s healthcare challenges and associated rising healthcare costs have spurred an interest in eHealth solutions. Thus, policymakers and healthcare providers are beginning to look into eHealth solutions, and both public and private organisations will begin to offer and implement these solutions. Since eHealth is in its infancy in Mexico, these solutions will need to come from abroad. Dutch companies may benefit from building a reputation that is reliable and trustworthy, whilst the Mexican market remains unsaturated (Roundtable healthcare leaders at the Embassy of the Kingdom of the Netherlands in Mexico, July 2019).

### 6.4.3 Market Entry Considerations

Since Mexican homecare is largely non-existent and not reimbursed, digital applications that provide solutions for homecare might find difficulty entering the Mexican market. Solutions that are low-cost (for the patient) or have a clear business case for saving costs for the provider are more likely to be accepted.

- Read more about e-Health in Mexico in the [Sector Report e-Health](#) by the Embassy of the Kingdom of the Netherlands.
- See the World Health Organization’s [eHealth monitor \(2015\)](#) of Mexico.
- Open the list of current [tele- and eHealth initiatives in Mexico](#).

## 6.5 Hospital Design & Build

The strength 'Hospital Design and Build' encompasses solutions which help public and private health systems to expand and improve health infrastructure. Organisations within this strength offer solutions in design (architecture), engineering, build, planning of operations and maintenance, and project management. Providers of such solutions typically partner with public or private hospital project developers and assigned project managers.

### 6.5.1 Trends

Mexico has a shortage in health infrastructure and hospital beds, especially outside of the three main cities. Both the public and private sector have been investing and are planning to invest in construction projects (both refurbishing old hospitals and building new hospitals). In [Section 4.4](#) one can find a list with the larger hospital build projects in Mexico.

### 6.5.2 Opportunities

Due to the large number of hospital build projects underway, there are many opportunities for Dutch design, build, and hospital equipment companies to participate. Although a number of construction projects stalled during the change to the new government administration, projects are now gaining momentum again. Hospital design and build are highly regarded and as relations between the US and Mexico have become tense, healthcare stakeholders are expressing a need to shift their reference paradigm, which is usually directed at the US, towards Europe (ANHP, 2019).

### 6.5.3 Market Entry Considerations

A number of large Mexican, American and Spanish construction and infrastructure companies are leading when it comes to obtaining hospital-build concessions. These companies are interested in obtaining information on innovative healthcare solutions to incorporate into their projects. Solutions need to increase efficiency (especially with regard to maintenance) and improve quality whilst reducing costs (Roundtable healthcare leaders at the Embassy of the Kingdom of the Netherlands in Mexico, 2019).



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## 7 CONCLUSIONS

This report has highlighted opportunities for Dutch companies and organisations interested in the Mexican healthcare market. The report outlines the trends and market entry considerations in four main areas of interest: Medical Devices & Supplies, Mobility & Vitality, eHealth, and Hospital Design & Build.

Mexico is currently experiencing some political turbulence as the new government administration took office in December 2018. However, the economy is expected to stabilise by the end of 2019 as the political environment becomes clearer.

Mexico is the 2<sup>nd</sup> largest economy in Latin America and boasts the 15<sup>th</sup> largest GDP in the world. 94% of all medical devices in Mexico are imported, making Mexico the biggest importer in Latin America. When looking at sheer size, Mexico is an interesting market for all companies and organisations that want to export their healthcare solutions. Mexico's private sector provides very high quality services, but these services are restricted to the few who can afford the high premiums and are extremely concentrated in the big cities. The current public health system is complex and organised around multiple sub-systems. Each sub-system has its own contracting and care provision institutions. However, the new government has announced health reform, which aims to provide free medicines and care to all Mexicans, making the public health sector an interesting venture for prospective Dutch companies.

Mexico has a significant deficit in terms of its healthcare infrastructure and number of hospital beds. However, the public and private sector are continuously building new hospitals. New budgets for the improvement of hospital infrastructure, especially in the IMMS and ISSSTE public systems have recently been announced. European hospital design, build, and equipment are highly regarded and as relations between the US and Mexico have become tense. Healthcare stakeholders are expressing a need to shift their reference paradigm - which is usually directed at the US - towards Europe.

A number of large Mexican, American and Spanish construction and infrastructure companies are leading in terms of obtaining hospital-build concessions. These companies are interested in obtaining information on innovative healthcare solutions to incorporate into their hospital-design projects. Dutch solutions that increase efficiency and improve quality whilst reducing costs would be highly regarded.

Current estimates suggest that the number of people living in Mexico aged 60 years and over will increase from 8.9% of the total population to 27% of the population by 2050. Furthermore, obesity is the highest risk factor in Mexico, with 73% of the population being overweight or obese (33% of adults). Healthcare expenditure related to the treatment of obesity related diseases is projected to grow by almost 211% by 2050. Mexico is thus in great need of innovative solutions that can help curb the impact of an increasingly elderly and obese population on its healthcare system. Although some budgets and policies relating to the elderly and obese have been announced, opportunities for Mexican-Dutch cooperation exists primarily in the provision and exchange of knowledge regarding ageing and obese related subjects. This includes knowledge exchange on policy planning, training, education, and the financing and organisation of health services.

Many Mexican organisations are looking abroad for solutions that can assist them in combatting their current and future health challenges. However, due to bureaucratic and political hurdles there are not many foreign SMEs active in Mexico. This is especially true in the fields of apps, AI, drones, blockchain, telemedicine, robotics, genomics, and virtual and augmented reality. Building a reputation as a reliable and effective supplier with accessible solutions whilst the market is unsaturated might be the Dutch competitive advantage when investment in the sector starts to gain momentum.

## Next Steps

This report marks an important step in strengthening the bilateral healthcare relations between Mexico and the Netherlands. Working with the Netherlands Embassy in Mexico City, future steps and activities will be identified to further connect Mexican and Dutch healthcare stakeholders, building more sustainable healthcare relationships. Please get in touch with the Netherlands Embassy and TFHC for more information.



**Mexico has the 2<sup>nd</sup> largest economy in Latin America and boasts the 15<sup>th</sup> largest GDP in the world. 94% of all medical devices in Mexico are imported, making Mexico the biggest importer in Latin America.**

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# ANNEXES

## Annex 1 – List of Interviewees

An important element of the study was the fact-finding visit to Mexico City, whereby a delegation from TFHC, accompanied by representatives of the Netherlands Embassy in Mexico City and Transfer LBC, gained insights from key stakeholders in the Mexican health sector. The fact-finding visit took place over a period of three days and included 3 roundtables and 3 field visits with public and private sector health stakeholders, operating at the national, regional and local level. These organisations are listed in chronological order below:

### Round Tables:

#### 1. Roundtable #1 (29 July 2019):

- a. [Instituto Nacional de Cancerología](#): *The National Cancer Institute is a public agency belonging to the Ministry of Health of Mexico whose expertise is the treatment of different types of cancer.*
- b. [Alzheimer México IAP](#): *This association is a leader in patient care and family support and provides training to professionals and institutions in the health sector, to adequately address the enormous challenge of treating dementia.*
- c. [Grupo Empresarial Angeles](#): *Grupo Empresarial Angeles is a Mexican company owned by Olegario Vázquez Raña, proprietor of Hospitales Angeles, Hoteles Camino Real, Grupo Financiero Multiva y Grupo Imagen, multimedia company operating radio, tv and newspaper. The group has more than 14 companies in sectors of tourism, health, finance and communications.*
- d. [Asociación Nacional de Hospitales Privados](#): *The 100 Members of this association are the representatives of the best private hospitals in Mexico.*

#### 2. Roundtable #2 (30 July 2019):

- a. [Instituto para el Envejecimiento Digno](#): *The Institute for Dignified Aging is the organ of the Government of Mexico City in charge of promoting the well-being of the elderly in Mexico City.*
- b. [CINVESTAV](#): *The Center for Research and Advanced Studies of the National Polytechnic Institute is a Mexican non-governmental scientific research institution.*
- c. [COINDISSA](#): *Compañía Internacional de Distribuciones S.A. de C.V. is a company founded in 1998, for the sale and distribution of medical equipment and devices, focused on technological innovation.*
- d. [Mexican Institute of Social Security \(IMSS\)](#): *The IMSS is the basic social security instrument, established as a national public service, for all workers and their families.*
- e. [Instituto Nacional de Salud Pública](#): *The National Institute of Public Health (INSP) is recognized as an academic institution that combines research excellence with the operation of a prestigious high-level graduate program. The Institute has made important contributions to the public health of Mexico in fields such as the epidemiology of cancer and tobacco, reproductive and environmental health, vector control and infectious diseases, nutrition, program evaluation and preparation of national surveys, among others.*

#### 3. Roundtable #3 (31 July 2019):

- a. [Grupo Nacional Provincial](#): *GNP Seguros is an insurance company serving private and public sectors. It was founded more than 115 years ago, and is part of one of the largest business conglomerates in the country.*
- b. [MEDCAP](#): *Medcap finances the acquisition of medical equipment from companies in the medical sector in Mexico.*
- c. [Corporativo Neomédica](#): *Specializes in the marketing of medical equipment and material, attending government and private hospitals, private doctors and specialized distributors.*

- d. [Grupo Farei](#): Farei is a Mexican company, manufacturer of medical products and representative of important international brands such as Philips Respironics, Mada Inc, Medquip, Gentec, DeVilbiss and others.

**Field Visits:**

4. [Hospital Angeles](#), Mexico City (29 July 2019): Hospital Angeles has 23 hospitals in 14 cities, most of which are currently in the process of obtaining certification with the Joint Commission International. With significant investment in infrastructure and high end health technology, Hospitales Angeles has become the first privately owned chain of hospitals in Latin America to offer world class health services nationwide.
5. [Fundación Mexicana para la Salud](#) (30 July 2019): Funsalud is a Mexican foundation that aims to contribute to the improvement of health in Mexico, by being a point of reference for both the public and private sector in the discussion of relevant health issues. It is highly autonomous and independent in nature., FUNSALUD has made possible the collaboration of national and international companies with public entities, academia, universities and research centers.
6. [Fundación Teletón](#) (31 July 2019): Teletón México is a private institution with a patronage integrated by Mexican entrepreneurs. The objective of the foundation is the construction and operation of rehabilitation centers for disabled children and for children with cancer and autism.

## Annex 2 – List of Relevant Events and Trade Fairs

Event	Main function	Upcoming date(s)	Venue
<a href="#"><u>Expo Med</u></a>	The leading event of the Health Sector in Mexico and Central America.	9-11 June 2020	Centro Citibanamex CDMX
<a href="#"><u>Healthnology</u></a>	Event for hospital design, build, equipment and maintenance.	19 February 2020	Hotel Marquis Reforma, CDMX
<a href="#"><u>SMAES International Congress</u></a>	Congress hospital build organised by the Mexican Association of Health Architects.	14 – 16 November 2019	Academia Nacional de Medicina, CDMX
<a href="#"><u>FIME</u></a>	The largest medical trade fair highlighting advancements, innovation, technologies, medical device experts and professionals in North and Latin America.	23-25 June 2020	Miami Beach Convention Center, Miami beach US

## Annex 3 –Main Medical Associations in Mexico

Name	Main function	Website
<b>Fundación Mexicana para la Salud (Funsalud)</b>	Funsalud is a Mexican foundation financed largely by its members that aims to contribute to the improvement of health in Mexico, by being a point of reference for both the public and private sector in the discussion of relevant health issues. It is highly autonomous and independent in nature and has made possible the collaboration of national and international companies with public entities, academia, universities and research centers.	<a href="http://funsalud.org.mx/">http://funsalud.org.mx/</a>
<b>Asociación Nacional de Hospitales Privados (ANHP)</b>	The 100 Members of this association are the representatives of the best private hospitals in Mexico. The association is dedicated to improving the quality of hospital services and bringing attention to health. They analyse, document, exchange experiences, and carry out comparative studies, and look for better practices for their patients and clients.	<a href="http://www.anhp.org.mx/">http://www.anhp.org.mx/</a>
<b>Sociedad Mexicana de Arquitectos Especializados en Salud (SMAES)</b>	SMAES brings together architects, dedicated to planning, design, management, supervision, equipment, construction, conservation, evaluation and commissioning of all types of buildings related to health. It promotes the updating and professional development of each of its associates.	<a href="http://www.smaesac.org">http://www.smaesac.org</a>
<b>Asociación Mexicana de Facultades y Escuelas de Medicina</b>	Leading organization in Academic Medicine, which promotes the permanent development of quality medical education with the objective of responding to the health needs of society and fostering the innovation of articulated models of training, care and research, using high-end scientific, technological, bioethical and ecological knowledge with global relevance.	<a href="http://www.amfem.edu.mx">http://www.amfem.edu.mx</a>

## Annex 4 – List of Importers and Distributors of Medical Devices & Supplies

There are many importers in Mexico, with varying degrees of quality and scope. Finding a suitable importer is an important process which might require extensive investment of time. [Task Force Health Care](#) can help you with the qualification and selection of the right distributors. The table below provides an example of 10 Mexican importers and distributors.

Name	Website	Focus
<b>Distribuidora Mediaccessi</b>	<a href="https://mediaccessi.com.mx/">https://mediaccessi.com.mx/</a>	Medical equipment, healing material and generic and patent medicines for the public and private sector.
<b>BR Medical</b>	<a href="https://brmedical.com.mx/">https://brmedical.com.mx/</a>	Products focused on the spine and orthopaedics.
<b>Cardetex</b>	<a href="http://cardetex.com/">http://cardetex.com/</a>	Medical clothing, complete uniforms and equipment for surgical operation.
<b>Beracah Medica</b>	<a href="https://beracahmedica.mx">https://beracahmedica.mx</a>	One of Mexico's biggest distributor networks ranging from medical equipment, furniture, diagnostics, safety and hygiene, consumables and instruments.
<b>Grupo Farei</b>	<a href="http://grupofarei.com.mx/">http://grupofarei.com.mx/</a>	Manufacturer of medical products and representative of important international brands such as Philips Respironics, Mada Inc, Medquip, Gentec, DeVilbiss and others.
<b>Corporativo Neomedica</b>	<a href="https://corporativoneomedica.com.mx">https://corporativoneomedica.com.mx</a>	Specialized equipment and material in the area of minimally invasive surgery, general instruments, electrosurgery and operating room equipment.
<b>COINDISSA</b>	<a href="http://www.coindissa.com.mx/">http://www.coindissa.com.mx/</a>	Sale and distribution of medical equipment and devices, focused on technological innovation.
<b>PROMAC</b>	<a href="http://promac.mx/">http://promac.mx/</a>	Healing and Laboratory.
<b>Akranum</b>	<a href="https://arkanum.com.mx/">https://arkanum.com.mx/</a>	Surgical materials, supplies for ophthalmology and medical equipment.
<b>Biomedics</b>	<a href="http://www.biomedics.com.mx/">http://www.biomedics.com.mx/</a>	High-tech equipment and medical systems and some consumables.



Netherlands Enterprise Agency

## Agenda

For more information on upcoming activities:

[www.tfhc.nl/agenda/](http://www.tfhc.nl/agenda/)

[www.rvo.nl/actueel/evenementen](http://www.rvo.nl/actueel/evenementen)

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