International Travel Final Report The Honourable Margaret McCuaig-Boyd Mission to Mexico City Mexico City, Mexico September 29 – October 3, 2016

Abertan Government

Overview:

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From September 29 – October 3, 2016, Minister Margaret McCuaig-Boyd led a delegation to Mexico City to sign a Memorandum of Understanding (MOU) with the Mexican Energy Secretariat and attend Mexico's historic Second Renewable Energy Auction as the Mexican Energy Secretary's guest of honour. The Minister also undertook a number of meetings with Mexican research institutions, government officials, and Alberta companies operating in Mexico.

This mission and the signing of the MOU is a direct result of deliberate efforts over the past 12 months to establish and grow a relationship with the Mexico's federal government. Since December 2015, Mexican Energy Secretariat officials have visited Alberta three times and had met with the Minister in Houston during CERAWeek 2016.

Mission Objectives:

The mission had three objectives, which were accomplished as outlined below:

- 1. Build partnerships and strengthen relationships with the Mexican Energy Secretariat, a key international energy player. This objective was accomplished by:
 - Attending the Second Renewable Energy Auction as Energy Secretary Pedro Joaquin Coldwell's guest of honour;
 - Signing a Memorandum of Understanding (MOU) with the Mexican Energy Secretariat for cooperation in the energy sector; and
 - Working-level engagement with Leonardo Beltran, Undersecretary of Energy, to discuss the implementation and prioritization of the MOU.
- 2. Strengthen trade and investment linkages between Alberta and Mexico, which was accomplished by:
 - Meeting with Alberta companies operating in Mexico to learn from their experiences in the Mexican market;
 - Identifying opportunities for Alberta technologies, products, and services in Mexico's energy value chain by meeting with the Mexican Petroleum Institute;
 - Meeting with the largest University in Latin America, the National Autonomous University of Mexico;
 - Identifying opportunities to increase cooperation in research and technology development between Alberta and Mexico; and
 - Meeting with Mexican government officials and investors to promote Alberta as a reliable trade partner and source of energy products, knowledge, technologies, and services.
- 3. Diversify markets for companies seeking business opportunities in Mexico's energy sector by:
 - Advocating on behalf Alberta's midstream energy companies, technologies, products, and services; and
 - Promoting Alberta's midstream sector before an audience of Mexican investors.

Results:

The mission brought about three significant outcomes closely tied to the objectives.

Firstly, Alberta entered into an MOU with the Mexican Energy Secretariat. This MOU formalizes Alberta's critical energy relationship with Mexico, while also targeting five specific areas of collaboration:

- 1. Climate change mitigation, including the integration of renewables into the electricity grid;
- 2. Greenhouse gas and methane emissions reductions;
- 3. Capacity development in the energy sector;
- 4. Policies for developing heavy oil, unconventional resources, and value-added products; and
- 5. Increasing overall energy-related trade and investment between Alberta and Mexico.

Mexico recently underwent a significant energy reform and committed to renewable energy targets similar to those of Alberta. The MOU will provide a formal foundation for Alberta to learn from Mexico's experience in shifting towards renewable energy, while also sharing Alberta's world-class energy technology and knowledge. This formal relationship with a major international energy player will strengthen Alberta's reputation within the international community as a responsible and sustainable energy resource trading partner.

Secondly, the mission's various engagements allowed the Minister to highlight Alberta's world class energy innovation, technology and knowledge. The Minister undertook meetings with the Mexican Petroleum Institute and the National Autonomous University of Mexico (UNAM), the largest post-secondary institution in Latin America. These significant research institutions are currently either formally partnered with or exploring opportunities to partner with Alberta post-secondary institutions in energy-related research projects. The Mexican Energy Secretariat has committed to more than \$20 million CAD in funding for joint research initiatives between Mexican research institutes, such as UNAM and the Mexican Petroleum Institute, and the Universities of Alberta and Calgary, which the Minister lauded during the mission. In her high-level meeting with UNAM and the Mexican Petroleum Institute, the Minister reaffirmed her desire to continue to deepen the research partnerships between jurisdictions, which will be further encouraged through the newly signed MOU. The Minister also promoted Alberta to the Mexican Energy Secretariat as a reliable trade partner and source of energy products, knowledge, technologies and services.

Lastly, Alberta Energy supported Alberta Economic Development and Trade in bringing a delegation of 34 Alberta midstream energy companies to Mexico City for a four-day business mission to engage with potential Mexican investors, including various business-to-business meetings. Senior Alberta Energy department officials attended portions of the business mission program and spoke alongside the Canadian Ambassador to Mexico and senior officials from the Mexican Energy Secretariat. This mission introduced a significant group of Alberta-based companies to the Mexican market and provided them with information and contacts that will be crucial for doing business in Mexico. Several companies have indicated a strong likelihood of entering the Mexican energy market in the near future as a result of the mission.

Delegation:

- Honourable Margaret McCuaig-Boyd, Minister of Energy
- Graham Mitchell, Chief of Staff, Office of the Minister of Energy
- Two department of Energy staff members

Final Itinerary:

Date	Event
Thursday, September 29	Departure to Mexico City
Friday, September 30	Meeting with TransCanada Mexico
	Attend Mexico's Second Renewable Energy Auction
	Sign a Memorandum of Understanding with the Mexican Energy Secretariat
	Attend Women in Energy dinner
Saturday, October 1	Visit the Mexican Petroleum Institute
Sunday, October 2	Meeting with International Frontier Resources Corp.
Monday, October 3	Meeting with ATCO Mexico
	Working-level meeting with the Mexican Energy Secretariat
	Meeting with the National Autonomous University of Mexico
	Minister returns to Edmonton
Tuesday, October 4	Department officials participate in Alberta Midstream Trade Mission to promote Alberta's midstream sector to Mexican investors

Significant Speaking Role:

 Minister McCuaig-Boyd spoke at Mexico's Second Renewable Energy Auction on September 30, 2016, before Mexican government officials, renewable energy companies and national Mexican media outlets.

News Release:

• Alberta promotes investment, strengthens ties with Mexico – September 28, 2016

Press coverage:

- <u>Alberta's energy minister is heading to Mexico to promote investment</u> September 30, 2016 Jwnenergy
- MOU creates foundation for Alberta/Mexico Energy Relationship October 3, 2016 Daily Oil Bulletin
- <u>Con las primeras dos subastas electricas, Mexico triplico su capacidad en energias renovables</u> September 30, 2016. El pueblo (in Spanish).

International Travel Final Expenses

Expenditures by Participants	Amount
Travel (includes airfare, airport service fees, ground transportation costs, including taxis, car rentals, parking, trains, buses as well as mileage to/from airport or taxis to/from airport in Alberta, including any cancellation fees)	\$4,860.40
Accommodation (room charges and related taxes)	\$4,389.71
Meals (includes restaurant bills and tips, meals on hotel bills, per diem meal claims, share of group meals or working sessions)	\$1,626.01
Incidental and Miscellaneous (includes cell phone rental charges, incremental costs for all electronic devices such as roaming charges for cell phones, iPads and costs associated with communications such as the costs incurred for media call-backs, conference/registration fees, including cancellation fees, fax and internet charges, passport and visa fees, medical and inoculation fees, laundry and dry cleaning, baggage handling, out-of-country per diems, and other sundry expenditures)	\$866.53
Sub-Total	\$11,742.65
General Mission Expenditures	Amount
Receptions and Hosting (receptions, luncheons, dinners, and events that are hosted by the Government of Alberta that are specific to the mission and include meeting related costs for room rental, room rental for hosted events, food, beverages, catering staff, service charges, entertainment, flowers)	\$0
Incidental and Miscellaneous (includes translation of document fees, publications, shipping charges, gifts purchased specifically for mission, Canadian Embassy/High Commission/Consulate charges for services provided to the GOA)	\$0
Sub-Total	\$0
Total Costs	\$11,742.65