

## MoF appoints Undersecretary and announces measures to support economic activity

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- **The Minister of Finance, Arturo Herrera appointed Mr. Gabriel Yorio-Gonzalez as Undersecretary of Finance**
- **He announced measures to strengthen economic activity**
- **Such measures amount to MXN\$485bn (~US\$25.4bn) which include:**
  - (1) **Infrastructure projects with no impact on the budget for MXN\$50bn (~US\$2.6bn)**
  - (2) **Another MXN\$320bn (~US\$19.4bn) in credits to support consumption and investment; and**
  - (3) **MXN\$116bn (~US\$19.41bn) to accelerate hiring and advance projects tenders in 2020**

**Mr. Herrera also appointed Mr. Gabriel Yorio-González as Undersecretary of Finance.** Most recently, Mr. Yorio was Head of the Public Credit Unit at SHCP, where he participated in some key projects, such as: (1) The debt restructuring process of the new Mexico City Airport in Texcoco, State of Mexico; and (2) the management of Mexico's foreign debt liabilities, successfully refinancing US\$ 3.6 billion that allowed the government to reduce its net obligations for the next seven years.

Regarding his professional experience, he previously worked at the World Bank, specializing in the public sector as consultant in Treasury and Debt Management. He has also held posts in Mexico's infrastructure and public services development bank, Banobras, and as Director in Mexico City's Treasury Department during Andrés-Manuel López-Obrador administration as major. Mr. Yorio has a B.A. in Economics from Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM), a master's degree in Economics from Colegio de México, and a master's degree in Policy Management from Georgetown University.

### Mr. Yorio's professional experience and education

#### Professional experience

##### Ministry of Finance

Head of Public Credit and International Financial Affairs (2018-2019)

##### World Bank

Public Sector Specialist (2016-2018)

Treasury and Debt Management Consultant (2013-2016)

##### National Bank for Infrastructure and Public Services

Deputy Director for Technical and Financial Assistance (2011-2013)

Financial Advisory Manager (2007-2011)

##### Mexico City Treasury

Public Debt Director (2004-2007)

Assistant Treasurer (2002-2004)

Deputy Director of Treasury Operations (2001-2002)

#### Education

Master's Degree in Policy Management from Georgetown University

Master's Degree in Economics from Colegio de México

Diploma in Local Government Management from CIDE

B.A. in Economics from Instituto Tecnológico y de Estudios Superiores de Monterrey

Source: Gabriel Yorio's LinkedIn Profile; MoF, El Economista Newspaper

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**Measures to strengthen the economy.** Amid an adverse external backdrop and with analysts downgrading growth estimates, the Minister of Finance, Arturo Herrera, announced some measures aiming to eliminate current inertia of economic activity in order to have a more efficient response to external shocks. The Mexican government intends to channel about MXN\$485bn (~US\$25.4bn) to promote infrastructure projects as well as private consumption.

**Infrastructure projects.** According to Mr. Herrera, MXN\$50bn (~US\$2.6bn) will be directed to promote, along with the private sector, infrastructure projects such as roads, hydraulic infrastructure, urban transportation and development solid waste management. The MoF highlight projects such as an integral system for ecological management and waste processing in Nuevo León (MXN\$10bn); an urban transport project in Ciudad Juárez, Chihuahua (MXN\$2bn); as well as the desalination Plant “*Los Cabos*”, in Baja California Sur (MXN\$1bn).

**Credits to support investment and consumption.** Development banks will provide up to MXN\$270bn (~US\$14.2bn) in new loans and guarantees to small and medium companies as well as to micro-businesses. Moreover, NAFIN’s *Productive Chains Program* will be expanded. In terms of consumption, the *National Fund for Workers Consumption* (Fonacot) will be able to grant 1.2 million new loans at preferential rates, as well as payroll loans with better conditions in order to support households at the beginning of the school year. Moreover, the *Sociedad Hipotecaria Nacional* will launch, in the first week of September, a mortgage loan program for workers with more than one source of income. NAFIN will serve Pemex contractors and other government suppliers’ financing needs, while Bancomext (*Eximbank*) will oversee energy and mining projects. Finally, MXN\$50bn will be directed to integration of value chains in the agricultural sector, infrastructure modernization and agro-logistics, particularly in the South-Southeast Region of the country.

**Advanced hiring and tender processes.** Finally, the government will apply MXN\$116bn (~US\$19.41bn) to start hiring and tender processes for next year so that projects could start in early 2020.

**Measures announced to strengthen economic activity**

MXN\$bn

	MXN\$bn
<b>Total</b>	<b>485</b>
<i>Credit to SMEs</i>	270
<i>Infrastructure projects</i>	50
Nuevo Leon’s waste management plant	10
Transportation in Ciudad Juarez, Chihuahua	2
Desalination plant in Baja California Sur	1
Other projects	37
<i>Credit to agro-industrial developments</i>	50
Advanced hiring and tender processes for 2020	116

Source: MoF

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