

Mexico - GCC Relations





1. Key Domestic Developments

Mexico is a federal republic comprising 31 states and Mexico City, its Federal District. Each state is divided into municipalities. The federal government consists of three branches: executive, legislative, and judicial.

The executive branch is led by the President, elected for a single six-year term. Claudia Sheinbaum Pardo became Mexico's first female president in October 2024, succeeding Andrés Manuel López Obrador. The President appoints cabinet members, the attorney general, diplomats, high-ranking military officials, and Supreme Court justices. Recent judicial reforms introducing the popular election of judges have raised concerns about judicial independence.



The legislative branch is bicameral, comprising the Senate and the Chamber of Deputies, with members elected through a combination of popular and electoral votes.

The judiciary includes federal and state courts, with the Supreme Court of Justice at the top. The court consists of 11 justices appointed by the President. Other judicial bodies include the Electoral Tribunal, which oversees elections, and the Federal Judicial Council, which manages the administration of the judiciary.

Economically, Mexico is the world's largest Spanish-speaking country and the second-largest economy in Latin America. While the COVID-19 pandemic led to an 8.5% economic contraction, the country rebounded with a 4.3% growth in 2022. In 2024, growth was projected at 2.2% amid inflation concerns. Prudent fiscal policy has helped stabilize the economy, though Moody's downgraded Mexico's credit outlook to negative in late 2024, citing policy and institutional risks.

In early 2025, the U.S., under President Donald Trump, imposed a 25% tariff on Mexican imports over concerns about immigration and drug trafficking. The move has strained trade relations and raised concerns about potential violations of the USMCA trade agreement. Mexico's key industries, including automotive and electronics, are expected to be significantly impacted.

Socially, Mexico continues to struggle with crime, violence, and corruption despite being a major tourist destination. Drug trafficking, homicides, and gender-based violence remain persistent issues. Migration remains a contentious issue between Mexico and the U.S., with economic instability and security concerns driving emigration. The current administration is prioritizing income equality and domestic security to address these challenges.

A major infrastructure project, the Interoceanic Corridor of the Isthmus of Tehuantepec, aims to enhance trade by providing an alternative to the Panama Canal. While promising for economic growth, the project faces security and infrastructure challenges.

Key Economic and Social Data

GDP: USD 1.78 trillion (2023)

GDP Per Capita: USD 13,926 (2023)

Annual Growth Rate: 3.2% (2023)

Inflation: 3.77% (2025)

Population: 131, 946, 900 (2025)

Unemployment Rate: 2.7 % (2025)

Credit Rating: S&P-BBB with a stable outlook; Moody- Baa2 with a negative outlook; Fitch-BBB with a stable outlook.



2. Mexican Foreign Policy

Key Foreign Policy Initiatives

Mexico has long adhered to a non-interventionist foreign policy, grounded in principles of human rights, sovereignty, and diplomacy. This approach emphasizes respect for international law, the legal equality of states, and non-intervention in the domestic affairs of other nations. Historically, Mexico has maintained a limited role in foreign affairs while strategically expanding its economic and diplomatic ties.

In early 2025, escalating trade tensions with the United States reshaped Mexico's foreign policy priorities. In March, the U.S., under President Donald Trump, imposed a 25% tariff on Mexican imports, citing concerns over immigration and drug trafficking. This move has strained trade relations and raised concerns about potential violations of the United States-Mexico-Canada Agreement (USMCA). In response, Mexico has intensified efforts to diversify trade partnerships, strengthening ties with China, the European Union, and Latin America to mitigate economic disruptions. The government has also prioritized negotiations within regional blocs such as the Pacific Alliance and CELAC to reduce dependence on U.S. trade.

Since October 2024, Juan Ramón de la Fuente has served as Mexico's Minister of Foreign Affairs, succeeding Marcelo Ebrard Casaubon, who transitioned to the role of Secretary of Economy. Under de la Fuente's leadership, Mexico has reinforced diplomatic engagement with key trade and strategic partners, particularly in Latin America, the Gulf region, and Asia. Despite the challenges posed by U.S. tariffs, Mexico has continued to deepen economic cooperation with the Gulf Cooperation Council (GCC) countries, particularly Saudi Arabia and Qatar. Recent negotiations have focused on expanding trade beyond the energy sector, with investment agreements aimed at overcoming logistical barriers and facilitating bilateral trade.

As part of its broader economic diversification strategy, Mexico signed an updated Air Services Agreement with Qatar in early 2025, streamlining business travel and promoting investment in infrastructure and technology. Additionally, Mexico has maintained active participation in multilateral organizations such as the G-20, WTO, OECD, and United Nations, where it continues to advocate for global economic stability, environmental sustainability, and regional security.

Amid ongoing regional instability, Mexico has reinforced its diplomatic efforts in Latin America, advocating for dialogue in crisis-stricken nations such as Venezuela and Haiti. The country remains committed to a non-interventionist approach while expanding economic and diplomatic partnerships to safeguard its economic and geopolitical interests.

3. GCC-Mexico Fact Sheet

- Mexico Trade in Goods with GCC Countries, 2023 (USD thousands)

Country	Exports	Imports
Bahrain	11,378.58	66,437.27
Kuwait	89,771.61	375.51
Oman	31,106.08	42,696.71
Qatar	75,385.27	37,713.11
Saudi Arabia	284,967.78	106,308.40
United Arab Emirates	365,484.48	323,180.20
GCC Total Amount	858,093.80	576,711.20

Source: Worldbank





Establishment of Diplomatic Relations:

Bahrain: 1975

Kuwait: July 23, 1975

Oman: July 31, 1975

Qatar: June 30, 1975

Saudi Arabia: September 12, 1952

United Arab Emirates: September 12, 1975

Key Research Centers and Think Tanks

- Consejo Mexicano de Asuntos Internacionales (Mexican Council on Foreign Relations)
 -established November 22, 2001. https://www.consejomexicano.org/
- Centro de Investigacion y Docencia Economicas (Center of Research and Economics Training -CIDE) https://www.cide.edu/investigacion/publicaciones/
- Mexico Evalua https://www.mexicoevalua.org/
- Instituto Mexicano para la Competitividad (IMCO) (Mexican Institution for Competitiveness) https://imco.org.mx/
- Ethos Innovacion en Politicas Publicas (Ethos Innovation in Public Policy) https://imco.org.
- Fundacion IDEA (IDEA Foundation) (2005) https://www.fundacionidea.org.mx/
- C230 Consultores https://c-230.com/

Key Regional Experts

- Dr. Jaime Zabludovsky Kuper (COMEXI)
- Dr. Marta Tawil Kuri (Center for International Studies; El Colegio de Mexico)
- Alejandra Galindo Marines (University for Monterrey, Mexico-Arab Center for Research and Policy Studies)

- <u>Jose Antonio Romero Tellaeche (CIDE)</u>
- Luis Rubio (CIDAC)
- Veronica Baz (CIDAC)
- Dr. Theresa Alfaro-Velcamp (SSU and UCT)
- Erick Viramontes

4. Key Developments in Mexico-GCC Relations

Mexico-GCC

In 2025, Mexico commemorates 50 years of diplomatic relations with the Gulf Cooperation Council (GCC) member states, excluding Saudi Arabia, with which formal ties were established earlier, in 1952. This half-century milestone highlights the ongoing and evolving partnerships between Mexico and the GCC countries of Bahrain, Kuwait, Oman, Qatar, and the United Arab Emirates.

Over the past five decades, Mexico and these GCC countries have cultivated robust economic, political, and cultural connections. A testament to this growing relationship is the significant increase in trade volume. In 2022, the total trade exchange between the GCC countries and Mexico surged by 25%, escalating from \$3.3 billion in 2021 to \$4.4 billion. This trade balance favored Mexico, with \$3.4 billion worth of goods exported to the GCC, including vehicles and vehicle parts valued at \$0.9 billion.

These economic engagements are complemented by diplomatic initiatives aimed at strengthening bilateral ties, including high-level visits, bilateral agreements, and initiatives. As Mexico and the GCC nations celebrate this 50-year milestone, the focus is on further enhancing collaboration across various sectors, including technology, finance, renewable energy, and education. This partnership not only reflects shared economic interests but also a mutual commitment to fostering cultural and diplomatic ties, paving the way for continued growth and cooperation in the coming years.



Mexico-Bahrain

- In October 2024, Bahrain's Ambassador to Mexico, Shaikh Abdullah bin Rashid Al Khalifa, met with members of the Mexican International Chamber of Commerce (ICC) in Mexico City. The discussions focused on enhancing trade relations and increasing the presence of Bahraini companies in the Mexican market. The Ambassador highlighted Bahrain's business-friendly environment and attractiveness to foreign investors, especially in the logistics sector.
- During the October 2024 meeting, members of the Mexican ICC expressed a strong interest in developing trade relations with Bahrain. They acknowledged Bahrain's position as a leading financial center in the Gulf region and discussed opportunities to enhance economic ties and expand investment opportunities for both countries.
- In August 2023, Mexico and Bahrain celebrated the 48th anniversary of their diplomatic relations. Mexican Ambassador to Bahrain (non-resident), Aníbal Gómez Toledo, emphasized the enduring and constructive dialogue between the two nations. He noted that both countries have solidified their cooperation through agreements on investment and taxation, and are engaged in ongoing negotiations on political consultations.

Mexico-Kuwait

In September 2023, during a celebration of Mexico's Independence Day, Mexican Ambassador to Kuwait, Miguel Ángel Isidro, highlighted the strengthening of bilateral relations, marked by high-level visits and the signing of 25 treaties and agreements. He noted that trade between the two countries is growing at an impressive annual rate of 28.5%.

On February 2, 2022, Mexican Ambassador to Kuwait, Miguel Angel Isidro congratulated the state of Kuwait on its 61st Independence Day and applauded the ongoing bilateral relationship and close collaboration the two countries have held over the years. He also discussed the keenness of both sides to expand economic and commercial relations in the coming years.

Mexico-Oman

- In January 2025, Oman's diplomatic efforts facilitated the release of 25 crew members, including Mexican sailor Arturo Zacarías Meza, who had been held captive by Houthi rebels in Yemen for over a year. This humanitarian intervention highlights Oman's commitment to international cooperation and the safety of foreign nationals.
- In September 2024, Mexican Undersecretary of Foreign Affairs, María Teresa Mercado Pérez, visited Muscat to co-chair the second meeting of the Political Consultation Mechanism with Oman's Undersecretary for Diplomatic Affairs, Sheikh Khalifa Bin Ali Al Harthy. The discussions focused on enhancing political dialogue and expanding bilateral cooperation in areas such as food security, port development, risk management, and diplomatic training.
- On July 31, 2024, Mexico and Oman commemorated the 49th anniversary of their diplomatic relations, reflecting on nearly five decades of collaboration and mutual respect.
- In May 2023, Sheikh Khalifa Alharthy, Oman's Foreign Ministry Undersecretary for Political Affairs, met with Carmen Moreno Toscano, Undersecretary of the Mexican Foreign Ministry, in Muscat. The meeting emphasized strengthening economic cooperation between the two countries and addressed regional and international issues of mutual interest.



Mexico-Oatar

- In December 2024, in an interview, Mexico's Ambassador to Qatar, Guillermo Ordorica. discussed the growing economic and cultural ties between the two nations, highlighting Mexico's participation in the FIFA World Cup 2022 and the introduction of a halal certification program to facilitate meat exports.
- In February 2024, Mexican Secretary of Agriculture, Víctor Villalobos, embarked on a four-day visit to Qatar to seek Qatari investment opportunities in Mexico's agricultural industry.
- In November 2022 Mexican Foreign Minister Marcelo Ebrard Casaubon visited Doha again to inaugurate the "Mexico Center" which was a temporary establishment to support the nearly 100,000 Mexicans who traveled to attend the 2022 FIFA World Cup in Oatar. During this inauguration HE Ebrard thanked Qatar for its support and positive relationship with Mexico.
- In 2022, Mexican Foreign Secretary Marcelo Ebrard Casaubon attended the opening of Qatar's new embassy in Mexico City, where officials on both the Qatar and the Mexican side praised each other for their cooperation and stressed the importance of ongoing bilateral relationships.
- In March 2022, Foreign Minister Marcelo Ebrard Casaubon visited Qatari Foreign Minister Mohamad bin Abdulrahman bin Jassim Al Thani in Doha to attend the Doha Forum where he called on Qatari businessmen to invest in Mexico. Both leaders applauded their nations' strong ties, especially in economic and commercial areas.

Mexico-Saudi Arabia

- In February 2025, Mexico and Saudi Arabia signed an updated Air Services Agreement, building on previous discussions about establishing a direct flight route between Riyadh and Mexico City. This aims to boost trade, business travel, and tourism between the two countries
- In September 2024, Mexican Undersecretary of Foreign Affairs María Teresa Mercado Pérez visited Saudi Arabia to strengthen bilateral ties, focusing on trade, investment, renewable energy, tourism, and connectivity. Key discussions included Saudi investment in Mexico's infrastructure projects, renewable energy cooperation, and establishing direct flights between Mexico City and Riyadh, reinforcing Mexico's engagement with the Gulf Cooperation Council (GCC).
- Mexican Secretary of Foreign Affairs Marcelo Ebrard Casaubon visited Rivadh in March 2022 to attend the Saudi-Mexico Business Forum Convened by the Federation of Saudi Chambers to discuss emerging business opportunities in the region, including megaprojects like Red Sea Global and NEOM. They also discussed investing further mutually, in tourism including the possibility of establishing a direct air route between Saudi Arabia and Mexico.

Mexico-UAE

In January 2025, the UAE and Mexico reported a 20.8% increase in non-oil trade, reaching \$2.6 billion in 2023 compared to \$2.1 billion in 2022, reflecting a robust and growing economic partnership.

- In September 2024, Mexican Undersecretary of Foreign Affairs María Teresa Mercado Pérez visited Abu Dhabi, where she met with UAE Minister of State Ahmed Bin Ali Al Sayegh. Their discussions focused on bilateral cooperation in strategic sectors such as energy, agriculture, science and technological innovation, climate change, education, and culture.
- As of 2023, the United Arab Emirates (UAE) surpassed Saudi Arabia to become Mexico's top trading partner within the GCC. Mexico's Exports to the UAE: Approximately \$1.97 billion, with major exports including cars (\$516 million), vehicle parts, and broadcasting equipment. UAE's Exports to Mexico: Approximately \$444.63 million, with key exports comprising unwrought aluminum (\$474 million).
- In December 2023, on the sidelines of the COP28 conference in Dubai, both nations signed a Memorandum of Understanding and Comprehensive Partnership, aiming to bolster political relations and promote economic, commercial, and cultural exchanges.

5. Supporting Documents

- **GRC** Publications and Workshops
- GRC Commentary & Analysis 2024: GCC-Latin America Trade and Investment Relations
- GRC Publication 2016: Latin America and the Gulf: Assessment of Current and Future Trends
- GRC Publication 2016: The Gulf and Latin America: Exploring New Avenues of Exchange
- GRC Publication 2014: Integration Processes in Latin America
- GRC Publication 2013: The Gulf and Latin America: An Assessment of Expectations and Challenges
- GRM Workshop 2013: The Relationship between the Gulf Countries and Latin America: The Role of Non-State Actors
- GRM Workshop 2012: An Assessment of Opportunities and Possibilities: The Gulf and Latin America













@Gulf_Research Gulfresearchcenter gulfresearchcenter gulfresearchcenter







Gulf Research Center Jeddah (Main office)

19 Rayat Alitihad Street P.O. Box 2134 Jeddah 21451 Saudi Arabia Tel: +966 12 6511999 Fax: +966 12 6531375 Email: info@grc.net



Gulf Research Center Riyadh

Unit FN11A King Faisal Foundation North Tower King Fahd Branch Rd Al Olaya Riyadh 12212 Saudi Arabia Tel: +966 112112567 Email: info@grc.net



Gulf Research Center Foundation Geneva

Avenue de France 23 1202 Geneva Switzerland Tel: +41227162730 Email: info@grc.net



Gulf Research Centre Cambridge

University of Cambridge Sidgwick Avenue, Cambridge CB3 9DA United Kingdom Tel:+44-1223-760758 Fax:+44-1223-335110



Gulf Research Center Foundation Brussels

Avenue de Cortenbergh 89 4th floor, 1000 Brussels Belgium

