

**C26+ Innovation & Entrepreneurship working group**  
**Proposals for the U.S.-Mexico High-Level Economic Dialogue (HLED)**  
**& the North American Leaders' Summit (NALS)**

During 2022, the [C26+ Group](#) will strengthen its institutional reach and impact by aligning its efforts and recommendations to HLED's Work Plan and the NALS' goals for improving competitiveness in North America.

The **C26+ Innovation & Entrepreneurship working group** held its second meeting in March 2022. Below are four actionable proposals to improve **Innovation & Entrepreneurship** in North America, mainly for Micro, Small and Medium-sized businesses:

**1. [Binational Market Intelligence](#)**

- Despite comprising most of the business units in both countries, Small and Medium-sized Enterprises (SMEs) rarely have operations beyond their local markets due to the unawareness of the opportunities for their products and services. **Mexico and the U.S. could create a binational fund that provides SMEs affordable access to market intelligence & consumer behavior research.**

**2. [Pension funds investing in SMEs](#)**

- Unlike the U.S. and Canada, pension funds in Mexico do not invest in SMEs due to a higher risk of default. **Mexico could create a first-loss guarantee system supported by a U.S. entity** that protects the investments where recipients would enter compulsory incubation and acceleration programs to avoid risk of failure.

**3. [Programs for Micro and Small Businesses](#)**

- Most of the resources and programs for entrepreneurship are focused on innovation and technology related companies. However, most of the businesses in Mexico and the U.S. operate in the service and commerce sectors. A significant portion of these businesses lack of credit and financing opportunities and are not part of the formal market, therefore, **both governments could provide soft financing and subsidies to** 1) improve production capacities, 2) create graphic identity and corresponding registrations, 3) promote compliance with applicable regulations.

**4. [Binational Entrepreneurship Institute](#)**

- Mexico and the U.S. need to leverage the entry to the formal market and the business development of SMEs. **A Binational Entrepreneurship Institute could create a network** of entrepreneurs in both countries, **mentoring and support programs**, among others, which in turn raise the socioeconomic of minority and/or underserved populations.
- This Institute could also **finance accreditation** of states as small development centers, **implement acceleration and incubation programs** in both countries, and create business relationships between the U.S. & Mexican companies.



This paper contains the insights and recommendations of the C26+ Entrepreneurship & Innovation Working Group, a community of Mexican and American stakeholders with expertise and knowledge on the topics, eager to support and help further U.S.-Mexico collaboration.

**María Ariza**, BIVA  
**Rodrigo Bettini**, Milken Institute  
**Monique Casellas**, UC San Diego  
**Isabel Clavijo**, Prodensa  
**Hernán Fernández**, Angel Ventures  
**Luis Garza Sada**, Advenio  
**Antonio González**, Instituto Yucateco de Emprendimiento  
**Marinieves Lanzagorta**, AMAFORE  
**Camila Lecaros**, MassChallenge Mexico  
**Ricardo Mora**, Technology Hub  
**Ulrick Noel**, Asociación de Emprendedores de México (ASEM)  
**Diana E. Páez**, William Davidson Institute at the University of Michigan  
**Nomara Parra**, Ozaru  
**Enrique Perret**, U.S.-Mexico Foundation  
**Santiago Salinas**, BIVA  
**Manuel Sescosse**, Miroculus

For more information, please contact Axel Cabrera at [acabrera@usmexicofound.org](mailto:acabrera@usmexicofound.org) or [info@usmexicofound.org](mailto:info@usmexicofound.org)