

June 2024



Top Highlights

2024 Election results. Claudia Sheinbaum (Morena-PT-PVEM) won the election for president on June 2, 2024, with 59 percent of votes. The Morena-PT-PVEM alliance will have a constitutional majority in Mexico's House of Representatives and a simple majority in the Senate, only three seats away from a constitutional majority, which they are likely to achieve in the future. In local results, Morena-PT-PVEM won seven of nine governorships and will have a majority in more than 27 local congresses. Consequently, the new president is poised to hold a constitutional majority, enabling her to approve legislative and constitutional reforms without the approval of opposition parties.

Prioritization of constitutional reforms. The elected president, along with President Andrés Manuel López Obrador, agreed that the new Congress, starting September 2024, will prioritize the discussion of five constitutional reforms, including: 1) judicial branch reform, 2) new social programs for women, 3) prohibition of reelection, 4) universal scholarships for basic education, and 5) modification of the law of the Institute for Social Security and Services for State Workers.

Federal cabinet members are announced. President-Elect Claudia Sheinbaum announced 13 members of her cabinet for 2024–2030. Rogelio Ramírez de la O will continue as secretary of the Treasury and Public Credit (SHCP); Marcelo Ebrard was appointed as secretary of economy; Luz Elena González as secretary of energy; Juan Ramón de la Fuente as secretary of foreign affairs; Julio Berdegué as secretary of agriculture and rural development; Alicia Bárcena as secretary of environment and natural resources; Rosaura Ruiz Gutiérrez as secretary of science, humanities, technology and innovation; David Kershnerobich as secretary of health; Raquel Buenrostro as secretary of public administration; Jesús Antonio Esteva Medina as secretary of infrastructure, communications and transportation; Edna Elena Vega Rangel as secretary of agrarian, territorial and urban development; Ernestina Godoy as executive legal advisor for the presidency; and José Antonio Merino as head of the agency of digital transformation. Sheinbaum's cabinet consists of experienced and technologically advanced individuals who will assume office on Oct. 1, 2024.

Strengthening of bilateral relationship with the United States. President-Elect Claudia Sheinbaum and U.S. Vice President Kamala Harris on June 20, 2024, discussed the foreseen opportunities in different sectors for the next six-year term. They addressed issues such as energy, migration, strengthening commercial ties, economic growth and trafficking of weapons and illicit drugs, among others. Regarding the energy sector, Harris and Sheinbaum both committed to addressing the climate crisis and promoting renewable energy in the region.

Mexico achieves ninth position in attracting foreign direct investment (FDI) in 2023. According to the United Nations Conference on Trade and Development (UNCTAD), Mexico received \$36 billion in foreign capital last year, surpassing Spain, Austria, India and Sweden in FDI rankings compared to 2022. UNCTAD noted that Europe and North America have emerged as leading destinations for FDI, reflecting a strategic shift toward regionalization and nearshoring.

The Bank of Mexico (Banxico) maintains interest rate. The governing board of Banxico decided to maintain the target for the overnight interbank interest rate at 11 percent. They affirmed that global economic expansion is expected to continue in the second quarter of 2024, albeit at a slower pace than the previous quarter.



Congress Report

The discussion process begins on Mexico's judicial reform. In order to assess the feasibility of judicial reform, the Constitutional Points Committee approved the organization of nine national dialogue forums,

scheduled to run from June 27 to Aug. 6, 2024. Various sectors, including Supreme Court justices and bar associations, are expected to participate.

Committees for the permanent commission of Congress have been formed. The first committee, covering governance, constitutional issues and justice, will be chaired by Sen. Navor Alberto Rojas Mancera (Morena). The second committee, handling foreign relations, national defense and public education, will be chaired by Sen. José Erandi Bermúdez Méndez (PAN). Finally, the third committee, focusing on finance and public credit, agriculture, development, communications and public works, will be chaired by Rep. Marcos Rosendo Medina Filigrana (Morena).



Executive Branch

Amnesty reform force entry. The Federal Executive published the direct amnesty reform in the *Official Gazette of the Federation (DOF)*, granting the president the authority to provide direct amnesty to individuals who have committed a crime or are facing criminal proceedings, granted that they provide verifiable evidence useful for uncovering the truth in cases relevant to the Mexican state.

Modifications made to the Amparo Law. Mexico's Executive Branch published in the DOF the decree amending the Amparo Law, which includes the suspension of challenged acts and the unconstitutionality of general norms. This reform repeals the exceptional provision in the last paragraph of Article 129 of the Amparo Law, which allowed a federal judge to grant suspension of a challenged act even if it contradicted provisions of public order, if denying the suspension could cause greater harm to social interests. Additionally, the reform explicitly states that suspensions granted in amparo trials challenging a general norm (law or regulations) will not have general effects under any circumstances.

Construction of three new border crossings between Mexico and the U.S. President Andrés Manuel López Obrador announced the construction of three new border crossings along the Mexico-U.S. border, including the expansion of the World Trade International Bridge in Nuevo Laredo, Mexico; the Puerto Verde Global Trade Bridge crossing between the city of Piedras Negras, Mexico, and Eagle Pass, Texas; and the Flor de Mayo International Bridge crossing between Matamoros, Mexico, and Brownsville, Texas. These projects aim to facilitate increased bilateral trade, particularly in states adjacent to Texas.

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