

October 2024



Top Highlights

Presidential Inauguration: Claudia Sheinbaum was officially inaugurated as Mexico's first female head of state, taking office before the Mexican Congress in an Oct. 1, 2024, ceremony attended by her predecessor, Andrés Manuel López Obrador, and various international leaders. Later that day, Sheinbaum unveiled her administration's "100 Points," which include proposed constitutional reforms and ambitious infrastructure projects. The key points set the foundation for a new phase of national transformation, with a strong emphasis on promoting digitalization and technological advancements. Furthermore, Sheinbaum highlighted priority topics within her agenda, including strengthening state-owned energy companies, building a robust digital system, promoting renewable energy and implementing labor and economic reforms aimed at fostering investment and innovation.

National Leadership of Morena: Luis María Alcalde Luján was sworn in as the National Leader of Morena alongside President Claudia Sheinbaum. Alcalde Luján will hold the position until 2027 and will be assisting President Sheinbaum in negotiations with federal legislators and Morena governors to advance her agenda.

USMCA Review: Marcelo Ebrard, Secretary of Economy, began the preliminary process for the review of the United States-Mexico-Canada Agreement (USMCA) in 2026 with a visit by Luis Rosendo Gutiérrez, Undersecretary of Foreign Trade, to the United States and Canada. Gutiérrez will visit Ottawa, Toronto, New York and Washington, D.C. Meetings are expected with Senior Advisor Cara Morrow from the Office of the U.S. Trade Representative (USTR), as well as with representatives Michael Kaplan and Paul Rosen from the U.S. Department of the Treasury, along with directors of companies and business groups from the U.S. and Canada to provide economic certainty in Mexico.

CEO Dialogue: President Claudia Sheinbaum, along with several Secretaries of State, participated in the U.S.-Mexico CEO Dialogue on Oct. 15, 2024, held at the National Palace. During the event, key topics were discussed in the areas of economics, politics, investment, services and energy. In terms of investment, it was noted that work is underway on a strategy aimed at strengthening the attraction of investments, as well as an administrative simplification and digitalization strategy set to take effect in January 2025. Additionally, in regard to nearshoring, two working groups will be developed, focused on semiconductors and medical devices, along with an Advisory Council for Regional Development and Relocation, which will be led by Altagracia Gómez Sierra.



Congress Report

Secondary Laws of the Judicial Branch Reform: The House of Representatives on Oct. 14, 2024, approved the secondary laws presented by President Claudia Sheinbaum – General Law of Electoral Institutions and Procedures (LGIPE) and the General Law of the System of Remedies. The objective is to regulate the election process for Supreme Court justices, judges and magistrates, as well as to establish new institutions as part of the recently approved Judicial Branch reform. In this regard, 464 magistrate positions, 386 federal judge positions, and all Supreme Court justice positions will be elected by popular vote in June 2025. Another set of judicial positions will be renewed in 2027.

Constitutional Supremacy: Due to the controversies in the applicability regarding the recently approved Judicial Branch reform, various legislators from the Morena parliamentary group presented a constitutional reform, which establishes the inadmissibility of *amparos* (constitutional protection lawsuits) and controversies against constitutional amendments. It was approved by the Senate and is expected to be approved by House of Representatives in the upcoming weeks.

Strategic Areas and Industries: The bill that reforms the Articles 25, 27 and 28 of the Constitution was approved in both chambers of Congress. It establishes, among other provisions, the exploitation of lithium as an exclusive activity of the state. Petroleos Mexicanos (Pemex) and the Federal Electricity Commission (CFE) will be public companies instead of productive companies, and internet and lithium will be recognized as strategic areas. The bill has been published in the *Official Gazette of the Federation*. Some challenges to be addressed in the secondary laws include the financial capacity of Pemex and CFE with their shift to public company status and operational impacts for the private sector, as well as investment incentives and private sector participation in light of future regulatory changes.

Minimum Wage: In the Senate, the bill from the Joint Committees of Constitutional Points and Legislative Studies regarding salaries was approved. It establishes that the annual setting or review of general or professional minimum wages is not lower than the inflation recorded during its validity, thereby ensuring the purchasing power of workers. It was turned over to the local Congresses to continue its legislative process. It is expected to be published in the *Official Gazette of the Federation* on the following days.

"Chair Law": The House of Representatives approved the bill that amends the Federal Labor Law regarding the right to rest for workers during the workday, presented by Rep. Ricardo Monreal Ávila (Morena) and coordinators of various parliamentary groups. The bill has been sent to the Senate to continue its legislative process.

Administrative Simplification Reform: Rep. Ricardo Monreal Ávila, president of the Political Coordination Board (Jucopo) and House of Representatives' coordinator of Morena, announced that the reform to eliminate autonomous organisms which establishes the elimination of autonomous bodies and incorporates them into state ministries that directly belong to the Executive Power could be approved in December.



Executive Branch

National Energy Plan: President Claudia Sheinbaum announced on Nov. 6, 2024, that she will present the National Energy Plan focused on electricity. On Nov. 13, she will present the plan focused on Pemex.

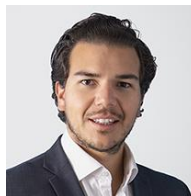
National Security Strategy: Omar García Harfuch, Secretary of National Security, presented the National Security Strategy for the 2024-2030 term. The four priority areas are 1) addressing root causes, 2) consolidating the National Guard, 3) strengthening intelligence and investigation, and 4) consolidating the security cabinet in coordination with the federal entities. In this regard, President Claudia Sheinbaum is required to present this strategy to the Senate for approval on Feb. 1, 2025.

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