



March 2025



## Top Highlights

- **Economic Outlook for Growth.** According to the Bank of Mexico, the private sector lowered its gross domestic product (GDP) growth forecast for Mexico to 0.8 percent for 2025 and to 1.65 percent for 2026. In addition, the estimated rate of inflation is 3.75 percent for 2025, and foreign direct investments (FDI) have been adjusted to 35.7 billion pesos.
- **Tariff Rates.** As of March 2025, the U.S. imposed a 25 percent tariff on Mexican and Canadian products not covered under the United States-Mexico-Canada Agreement (USMCA), including steel and aluminum. However, following negotiations between Mexican President Claudia Sheinbaum and U.S. President Donald Trump, these tariffs were temporarily suspended until April 2, 2025, allowing Mexican exports under the USMCA to enter the U.S. without levies. Nevertheless, President Trump announced on March 26, 2025, a 25 percent tariff on global vehicle imports, which will take effect on April 3, 2025, though Mexico will face a reduced tariff of 15 percent. In this regard, Mexico's Secretary of Economy Marcelo Ebrard played a key role in these negotiations by visiting Washington, D.C., multiple times throughout March to prevent further tariffs, especially on steel and aluminum, and helping to ensure that up to 90 percent of Mexican exports to the U.S. remain covered under the USMCA, thus avoiding additional duties.
- **Business Coordinating Council (CCE) Establishes Special Committee.** In alliance with the federal government, the CCE established the Special Committee for Business Investment and Relocation, led by entrepreneur Max Elmann Arazi, to stimulate private investment and diversify Mexico's economy in the coming years due to potential negative impacts that could arise from the tariff imposition announced by President Trump.



## Congress Report

- **Nepotism and Reelection.** On March 4, 2025, Mexico's House of Representatives approved a constitutional reform against nepotism and reelection that will be applicable starting in 2030. These reforms seek to prohibit consecutive reelection, eliminate electoral nepotism, guarantee the periodic renewal of public servants, promote fairness in electoral competitions and prevent the concentration of power through constitutional restrictions that ensure a leveled playing field and limit political perpetuation. The bill is still pending publication in the *Official Gazette of the Federation (DOF)*.
- **Ban on the Cultivation of Transgenic Corn.** On March 17, 2025, the DOF [published the constitutional reform](#), which establishes that the cultivation of corn in Mexico must be free from genetic modifications, particularly transgenic corn. The reform prioritizes the protection of biodiversity, food sovereignty and cultural heritage. Any use of genetically modified corn must be thoroughly evaluated to ensure it does not pose risks to health or biosafety. The goal is to preserve traditional farming practices and ecological integrity.



- **Secondary Reforms in Energy Matters.** On March 18, 2025, following the commemoration of Oil Expropriation Day, the federal government [published a decree](#) in the DOF regarding secondary energy laws, which include state-owned enterprises such as Petróleos Mexicanos (PEMEX) and the Federal Electricity Commission (CFE), and encompasses areas like electricity, hydrocarbons, energy planning, biofuels and geothermal energy. The reforms establish a new national energy model aimed at strengthening PEMEX and CFE, prioritizing state control over energy resources to ensure energy security and promote the transition to sustainable energy. Though the reforms strengthen state-owned entities, they also acknowledge the importance of the private sector in the areas of energy transition. Additionally, the issuance of regulatory laws to implement these reforms is still pending.
- **Administrative Simplification and Digitalization.** On March 19, 2025, the House of Representatives approved a constitutional reform to establish a framework for administrative simplification and the digitalization of procedures through a national law that defines principles and obligations to modernize public administration, improve government efficiency and facilitate citizen access to services. Digitalization will streamline services but requires careful attention to accessibility and data privacy. It is still pending publication in the DOF.
- **Transparency and Access to Information.** On March 20, 2025, the DOF [published a decree](#) that reforms the General Law on Transparency and Access to Public Information, General Law on the Protection of Personal Data Held by Obligated Subjects, Federal Law on the Protection of Personal Data Held by Private Parties and Organic Law of the Federal Public Administration. It aims to harmonize transparency and data protection legislation, transferring functions of the National Institute of Transparency, Access to Information and Personal Data Protection (INAI) to other government agencies, with the goal of guaranteeing these rights without generating excessive expenses or unnecessary bureaucracy, thus leading to the dissolution of this institution. The transfer of INAI's functions could raise concerns about maintaining independent oversight in data protection.



## Executive Branch

- **Federal Executive Appointments.** On March 7, 2025, President Sheinbaum confirmed the resignation of Rogelio Ramírez de la O as head of the Ministry of Finance and Public Credit. Subsequently, on March 12, 2025, the House of Representatives ratified the appointments of Edgar Amador Zamora as Secretary of Finance, Carlos Gabriel Lerma Coterá as Undersecretary of Revenue and Roberto Carlos Fernández González as Federal Treasurer. Afterwards, they were sworn in. Zamora must submit the economic pre-criteria to Congress by April 1, 2025, at the latest.
- **Binational Security Strategies.** In response to the ongoing tariff negotiations, security remains a key issue in discussions between the U.S. and Mexico. Notably, fentanyl seizures on the U.S.-Mexico border have decreased by 49.94 percent, according to U.S. Customs and Border Protection (CBP) data. However, President Sheinbaum emphasized that seizures of fentanyl have increased within Mexico, alongside the extradition of 29 drug lords to the U.S., showcasing the federal government's efforts to combat drug trafficking and enhance security.



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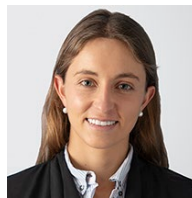
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