



July 2025



Top Highlights

Bilateral Agreement Between Mexico and U.S. President Claudia Sheinbaum announced on July 9, 2025, that a delegation led by the Ministry of Economy, Finance and Foreign Affairs will negotiate a "general agreement" with the U.S. on trade, migration and security, including new tariffs on copper and pharmaceuticals. President Sheinbaum noted progress on cooperation schemes for a "secure border" and sovereignty-respecting security draft, previously presented to U.S. President Donald Trump at the Group of Seven (G7) Summit held in Canada. Meanwhile, Mexico's Secretary of Foreign Affairs Juan Ramón de la Fuente attended the Brazil, Russia, India, China and South Africa (BRICS) Summit, highlighting upcoming Mexican projects in pharmaceuticals and digital technologies.

Compensatory Quotas. President Trump informed President Sheinbaum on July 12, 2025, of a 30 percent tariff on Mexican exports to the U.S. that is set to begin on Aug. 1, 2025, citing security concerns over fentanyl trafficking. The letter did not clarify whether the tariff would cover all goods or only those outside the United States-Mexico-Canada Agreement (USMCA). In response, President Sheinbaum met with business leaders on July 15, 2025, and is holding negotiations to accelerate Plan Mexico. Additionally, the U.S. Department of Commerce (DOC) ended the 2019 Suspension Agreement on July 14, 2025, for fresh tomatoes from Mexico, reinstating a 17.09 percent anti-dumping duty. As part of its strategy ahead of the 30 percent tariffs, Mexico is also considering countervailing duties on U.S. chicken and pork in response to measures by the U.S. on Mexican tomatoes. Furthermore, President Sheinbaum stated that formal consultations for the USMCA review will begin in September 2025. She also confirmed business sector participation, mainly through the Business Coordinating Council (CCE), and highlighted ongoing coordination with technical teams. President Sheinbaum acknowledged that the recent U.S. tariff threats citing national security have created tensions outside the treaty's framework, prompting the establishment of a formal working group to address these issues. President Trump later announced on July 31, 2025, that he will extend the existing tariffs with Mexico and pause the higher tariffs that were initially set to go into effect on Aug. 1, 2025.

First Address to the Nation. As the first anniversary of Mexico's first female presidency approaches, President Sheinbaum confirmed that the first address to the nation will be delivered in writing to Congress on Sept. 1, 2025, by Mexico's Secretary of the Interior Rosa Icela Rodríguez, as required by the Constitution. President Sheinbaum also plans to host a public event to present the report, though the location is yet to be decided.

Financial Strategy for Petróleos Mexicanos (PEMEX). Mexico's Ministry of Finance (SHCP) will issue \$7 billion to \$10 billion in debt to provide liquidity and help PEMEX meet short-term obligations. Authorities stressed that this is not a government guarantee for the company. Experts view the move as positive but insufficient, noting that PEMEX's total debt exceeds \$130 billion pesos and transparency around the operation remains limited. The measure forms part of PEMEX's ongoing financial restructuring under President Sheinbaum's energy reform.



Congress Report

Extraordinary Period of Sessions. The extraordinary session of Congress concluded on July 1, 2025, and several key reforms were approved, including the: 1) Federal Law on Economic Competition, 2) Law on Telecommunications and Broadcasting, 3) Federal Law for the Prevention and Identification of Operations with Illicit Proceeds, 4) General Law on Forced Disappearance of Persons, 5) National Law to Eliminate Bureaucratic Procedures and 6) Regulatory Law for the Railway Service. The corresponding decrees were published in the



Federal Register on July 16, 2025. In addition, President Sheinbaum stated that she is responsible for submitting nominations for commissioners to the Federal Telecommunications Institute (IFT) and new National Antimonopoly Commission (CNA), which replaces the Federal Economic Competition Commission (COFECE). She indicated that these proposals will be sent around Sept. 1, 2025, when the Senate session begins.



Executive Branch

Extortion Law. President Sheinbaum presented a constitutional reform to standardize extortion laws nationwide, making it a serious crime prosecuted *ex officio* without requiring victims' complaints. The bill seeks to unify state legislation, create specialized prosecution units, strengthen the anonymous 089 reporting system and provide operational tools such as blocking extortion-related phone numbers and freezing linked accounts. The aim is to address the 28 percent rise in extortion since 2019 and reduce its severe socioeconomic impact.

Screwworm Updates. Mexico's Secretary of Agriculture and Rural Development Julio Berdegué met with U.S. Secretary of Agriculture Brooke Rollins to outline a plan to resume cattle exports. President Sheinbaum requested clear criteria for the border closure and announced a \$30 million pesos investment to build an insect production plant to eradicate screwworm.



Elections

Transition in the Judicial Branch. President-Elect of Mexico's Supreme Court of Justice Hugo Aguilar and the current President of the Supreme Court of Justice Norma Lucía Piña Hernández held an inaugural meeting described as open and constructive, agreeing on a smooth leadership transition. A team will prepare a detailed report on the Court's resources and pending files, to be delivered in August 2025. Regular sessions have been reduced until Aug. 13, 2025, to facilitate the handover of nearly 8,000 cases still pending resolution.



Firm Announcement

Holland & Knight Partner Rodolfo Rueda has been named an Honorary Member of The Dialogue's Mexico Program Advisory Council, a new initiative that aims to deepen understanding and cooperation between the U.S. and Mexico during a time of political transition and evolving regional priorities. In his role on the council, Mr. Rueda will provide strategic advice, participate in conferences and help identify potential corporate members for the program.

Contact Us



Rodolfo Rueda

Partner
Mexico City
+52.55.3602.0634
Houston
+1.713.244.8208
rodolfo.rueda@hklaw.com



Lizeth Córdova Solís

Senior Policy Advisor
Mexico City
+52.55.3602.8070
lizeth.cordova@hklaw.com