

October 2026

Top Highlights

Mexico's Position on USMCA Review and U.S. Trade Relations. Secretary of Economy Marcelo Ebrard emphasized Mexico's favorable trade position with the U.S., citing an effective tariff rate of approximately 3.2 percent. Mexico aims to conclude the United States-Mexico-Canada Agreement (USMCA) review in 2026 to strengthen investor certainty and prioritize the reduction of Section 232 tariffs on automotive, steel and aluminum products and address ongoing Section 301 investigations. Economy Secretary Ebrard also highlighted opportunities to strengthen North American supply chains and reaffirmed that trade negotiations remain separate from bilateral security and migration discussions.

Mexico-U.S. Discuss Natural Gas Purchases. Mexico's President Claudia Sheinbaum confirmed that natural gas purchases from the U.S. have been discussed with President Donald Trump, highlighting Mexico's plans to expand gas-fired power generation through five new combined-cycle plants while strengthening domestic production. The discussions come as both leaders have indicated progress toward a potential bilateral trade agreement, with natural gas purchases emerging as a relevant component of the broader economic relationship.

New Guidelines for Strategic Infrastructure Projects. Mexico's Ministry of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público* or SHCP) published new guidelines establishing the administrative, technical and financial framework for strategic infrastructure projects. The regulations facilitate public, private and mixed-investment schemes, including deferred payment mechanisms, risk-sharing arrangements and special purpose vehicles (SPVs), and aim to strengthen project financing, execution and oversight and promote private-sector participation in infrastructure development.

Mexico's New Domestic Content Methodologies for Energy Sector. Economy Secretary Ebrard introduced new methodologies to measure, verify and increase domestic content in the hydrocarbons, electricity and biofuels sectors. This framework aims to strengthen Mexican suppliers, promote local investment and simplify regulatory compliance, including reducing verification times in the hydrocarbons sector from 18 months to 90 days. The government seeks to increase domestic content from 35 percent to 40 percent, as well as promote job opportunities, technology transfer and regional economic development.

Congressional Report

Senate Approves 2027 Federal Revenue Law. Mexico's Senate approved the 2027 Federal Revenue Law, projecting total revenues of MX$10.64 trillion, including MX$6.26 trillion in tax revenues and MX$1.48 trillion in financing. The legislation also authorizes up to MX$1.7 trillion in net domestic borrowing. Following its approval, the law was submitted to the Federal Executive for its constitutional enactment and publication in the *Official Gazette*.

Congress Approves Foreign Investment Law Reform. Mexico's House of Representatives approved amendments to the Foreign Investment Law, strengthening national security reviews of foreign acquisitions exceeding 49 percent ownership in Mexican companies operating in strategic sectors, subject to applicable thresholds. The reform expands the National Foreign Investment Commission (*Comisión Nacional de Inversiones*

Extranjeras or CNIE) to include defense, security and digital authorities, granting it the power to approve, condition or block investments, with a 45-business-day review period. Following approval by both chambers, the reform was submitted to the Federal Executive for constitutional enactment and publication.

Executive Branch

Ministry of Economy Resignations. Carlos Candelaria, head of the Strategic Planning and Evaluation Unit, and Alberto Uribe, general director for the Promotion of Domestic Content and the Energy Sector, have resigned from Mexico's Ministry of Economy. Their departures mark a shift in key leadership roles overseeing economic planning, domestic content policies and energy sector development.

CFE Presents 2026-2030 Expansion Plan. Mexico's Federal Electricity Commission (*Comisión Federal de Electricidad* or CFE) presented its 2026-2030 Expansion Plan, featuring 32 transmission projects and four mixed-investment generation projects, with awards expected in the coming months. The plan includes approximately MX$35.9 billion in investment, 7,180 megawatts (MW) of capacity and 2,152 circuit-kilometers of transmission infrastructure. Projects will be developed through Mexico's Energy and Infrastructure Investment Trust (*Fideicomiso de Inversión en Energía e Infraestructura* or FIBRA E), as well as publicly funded works and financed public works, creating new opportunities for private sector participation in Mexico's electricity infrastructure.

Mexico Presents National Biodiversity Strategy 2.0. Mexico's Ministry of Environment and Natural Resources (*Secretaría de Medio Ambiente y Recursos Naturales* or SEMARNAT) presented the National Biodiversity Strategy 2.0, establishing 47 national targets aligned with the Kunming-Montreal Global Biodiversity Framework. The strategy focuses on ecosystem conservation and restoration, pollution reduction, sustainable resource use and integrating biodiversity protection into public and private investment decisions. The government also reported progress on 87 percent of its evaluated biodiversity targets, highlighting the need to mobilize additional financing and strengthen private-sector participation.

Electoral Report

INE Appoints Interim President. Following the resignation of Guadalupe Taddei Zavala, who previously led Mexico's National Electoral Institute (*Instituto Nacional Electoral* or INE) since April 2023, Blanca Yassahara Cruz García was appointed interim president on October 27, 2026. Taddei's departure comes amid allegations of procurement irregularities and potential conflicts of interest ahead of the 2027 elections. The House of Representatives will appoint a permanent replacement through an evaluation process requiring a qualified majority.

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