



REPORT TITLES RELATED TO MEXICO'S LEGAL AND CONSTITUTIONAL FRAMEWORK

Year	Topic	File #	Pages	Chart
2023				
Apr 22, 23	<p>AMLO's Stealth Legislation 2023: New doctrines of harm and nullity could punish disfavored investors</p> <p>On March 28, 2023, two packages of legislative bills were published in the <i>Gaceta Parlamentaria</i> of the Lower House of Congress. The first of these concerned civil aviation, the second, diverse administrative proposals meant to tighten the Executive's effective authority over the federal government. Of 23 such bills, a dozen concerned limits on the salaries of public officials. The others would confer new faculties on the president, also define situations in which government contracts to private parties could be canceled or rescinded. While the bills contained nothing about hydrocarbons or energy regulators, they were present in their penumbrae, posing new risks for investors.</p>	100271	4	1
2022				
Jul 21, 22	<p>Rethinking Mexico's Upstream, Part II: Legal and Policy Inflection Points</p> <p>This report identifies inflection points since the end of the 19th century that have moved the needle in Mexican oil policy, public institutions and regulations. Table 1 is a chronological listing of ten key dates.</p>	10092	30	2
Jul 20, 22	<p>Rethinking Mexico's Upstream, Part I: First Principles in the Mining Industry</p> <p>This report places Mexico's upstream oil and gas industry in a generic framework of the mining sector. We ask about society's needed for hydrocarbons and about the incentives and obligations that are offered to miners. We list a dozen principles of conduct and expectations. In 30 endnotes we apply these principles to Mexico's oil and gas industry. In the section of conclusions, we identify three events that need to take place for the Era of Lázaro Cárdenas to come to an end.</p>	10091	11	1
Jul 14, 22	<p>Legal History of Mexico's Energy Sector: An Annotated Title List of our reports, 2002-2022</p> <p>This report serves as a survey of the evolution of law, commerce and institutions in Mexico's energy sector, as seen in the titles and annotations of selected reports issued during 2002-2022.</p>	100266	16	0



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Jun 30, 22	Where Mexico Went Wrong in Oil Law and Policy: What Biden needs to know before meeting AMLO on July 12	10090	13	0
Jul 05, 22	It took almost fifty years for the constitutional flaws in <i>Roe v. Wade</i> to be identified and corrected in 2022. In this report, we identify flaws in Article 27's framing of the state's relationship to natural resources. The development of Mexico's oil industry is being held hostage. (Arguments in this report were published in a commentary in <i>The Houston Chronicle</i> on July 4, 2022.)			
Jun 01, 22	Mexico's oil industry governance, 1946-2022: Key moments sorted by presidential period	100264	6	1
	In the four pages of Table 1, salient points in the history of Mexico's oil industry are listed, sorted by presidential period.			
May 28, 22	Oil Governance and Oversight in Mexico, 1900-1960	10088	12	3
	This report provides (in Table 1) a chronology of legal dispositions and institutional developments related to the oil industry in Mexico, sorted by presidential period, from 1900-1960. The discussion focuses on the governance model of Mexico's first state oil company, Petróleos de México, S.A. (Petromex), created at year-end 1933. The company would be guided by a board of directors of seven members, three of which would be designated by the government. The general director of the company would be appointed by the board. This market-oriented approach to oil company governance would be lost by 1946, when the President of Mexico was given responsibility for designating the executive team of Pemex.			
May 06, 22	A century of public administration in the electricity industry in Mexico	100263	6	1
	A century after the federal government in Mexico issued a decree in 1922 to bring order to the electricity industry there is still no consensus as to what that order should look like. Table 1 provides an annotated list in chronological order of salient legal dispositions in the electricity sector in Mexico, 1922-2022.			
May 04, 22	Easter Sunday in the Mexican Congress, 2022	10087	23	4
	This report examines the background and implications of the vote in the congress that failed to provide a two-thirds majority in favor of constitutional amendments related to the energy sector. Table 1 is a review of six market models from 1975 to 2022. Table 2 is a chronological title list of legal dispositions related to public administration of the electricity industry, 1922-2022.			



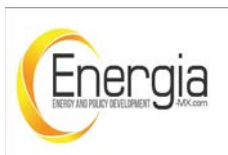
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Year	Topic	File #	Pages	Chart
Jan 31, 22	<p>What's wrong with Mexico, with Pemex? Why the Spanish Crown had it right for 300 years</p> <p>This report discerns that mineral exploration, production and public finances were better served by the framework of the Spanish colonies than by the constitutional regime established in 1917. The report extends the scope and arguments of our article published in <i>The Dallas Morning News</i> (Jan. 31, 2022).</p>	100261	2	0
2020				
May 12, 20	<p>Rule of Law in Mexico's Energy Sector: A Statistical Analysis</p> <p>Amidst new controversy in Mexico about the rule of law in the energy sector, we offer this report on how Mexico ranks the "2020 Index of Economic Freedom," as published by the Heritage Foundation. Of the 12 elements of economic freedom, we focus on those three that are associated with the Rule of Law. Transforming country rankings and the scores on each element into standardized units, or z-scores, we generated graphs to show comparisons with Mexico and the U.S., also of Mexico as a member of a subset of 9 of the top-ranked countries. In future report, we shall examine the element of labor freedom as an explanation for Pemex's inability to move from discovery to production in deepwater plays.</p>	911	13	11
Apr 07, 20	<p>Mexico's Petroleum Estate, 1884-2020: A Simplified History</p> <p>In this report, we observe that the most important date in the past 100 years is, November 9, 1940, not March 18, 1938. We reconstruct the oil history of Mexico as moments in which the externalities, positive and negative, of the system to manage the public mineral estate are reassessed. A new balancing carries risks and rewards.</p>	100247	9	2
Apr 04, 20	<p>Chronology of Mineral Regimes in Mexico, 1783-2020: Upstream socialism after 1940</p> <p>This report provides a chronology of key dates in the evolution of mineral regimes in Mexico from 1783 that are related to the oil industry. The Petroleum Law of 1901 was cited by President Andrés Manuel López Obrador speaking on March 18, 2020. We give importance to the constitutional amendment of Nov. 9, 1940, which effectively eliminated capitalism from the upstream.</p>	1000100	4	1
Apr 24, 20				



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Year	Topic	File #	Pages	Chart
2018				
Oct 04, 18	Res Nullius: Why hydrocarbon molecules don't belong to the Nation	1000090	5	0
	<p>This report asks about the meaning of terms like “property,” “direct domain” and “reserves” as found in Mexico’s constitutions and laws. The report regards the ownership of hydrocarbons applies to the terms of a commercial lease, not the ownership of molecules. The riddle of Mexican oil is seen as keeping Pemex as a state agency that is disadvantaged relative to industry peers with which it would like to have joint ventures in Mexico and beyond.</p>			
Jul 16, 18	Reimagining the Mexican Constitution: Ideas for 2024	10053	9	0
Sep 04, 18	<p>This report began as a search in the Mexican constitution for any precept that would prevent the development of a secondary market in upstream leases, that is, new investors in existing leases. Outside of Mexico, such a market is driven by the legal divisibility of a lease by area or depth. Inside Mexico, the contract area in leases issued by the National Hydrocarbon Commission (CNH) is not divisible. The main impediment is a requirement in Art. 27 that the State have "direct dominion" over lands and waters. We urge consideration of unifying the minerals and hydrocarbon regimes based on the figures of concession and farmout.</p>			
2015				
May 22, 15	The Silent Dispute over Contract Term Limits	1000073	3	0
	<p>This report comments briefly on the continuing (if below the public radar) dispute between prospective major oil companies and government authorities in the energy sector over term limits. An oil company wants his mineral lease to extend to the commercial life of the reservoir; but the political leadership (as distinct from technical leadership) wants to avoid any impression that the equivalent of a concession has been granted (in contravention of Constitutional Article 27). The vehicle of farmout may be adapted in Mexico to strengthen IOC confidence regarding term limits. of a contract.</p>			
Apr 08, 15	Petroleum Regimes in Mexico (II): Inventory of Legal Dispositions, by Historical Period	779	5	1
	<p>This report complements a related report on the <i>Petroleum Regimes in Mexico</i> (MEI 778), in which the succession of petroleum regimes is shown and in which each regime is critiqued. In this report, we provide a three-page list of 52 titles (in English) of laws and other legal and institutional documents are given for each period.</p>			



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Year	Topic	File #	Pages	Chart
Apr 06, 15	Petroleum Regimes in Mexico (I): Review of Historical Periods	778	7	1

This report examines regimes in Mexico, going back to the Colonial Period. It identifies five distinct periods, corresponding to a change of political authority or to a change in the legal regime. Each period is evaluated in relation to vectors of commercial development such as the miner/oil company's legal relationship to the mineral resource. The current period, which began in 1940, is one in which it is "the Nation" that is deemed to carry out the development of Mexico's petroleum estate. Each period is evaluated by reference to its promotion of the deployment of private capital and talent.

2014

Oct 31, 14	Translation Issues in the Hydrocarbon Laws	1000046	1	0
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To succeed, Mexico's energy reform will require a plain translation of the language and concepts of the laws and regulations for hydrocarbon and electricity sectors into "Houston English," that is, into the language of international commerce in the oil and power industries. Some lexical choices and omissions by the lawmakers are inauspicious. This report examines the terms for title conveyance, metering point and license.

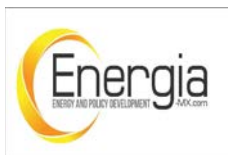
Oct 10, 14	Administrative Rescission in Mexico's Hydrocarbon Law	1000040	3	0
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Oct 11, 14

This report continues with the examination of problematic terminology in the 2014 energy reform legislation. Where, in the earlier report (MEI No. 772), we examined a dozen such terms, here the focus is just on one: "administrative rescission," which is found in the Hydrocarbon Law in Articles 20-21. The concern is about the discretionality that is allowed to the Hydrocarbon Commission in the rescission of a license for an exploration or production block. By Article 21, a rescission is permanent; there is no remedy such as arbitration or appeal, and there is no period to cure a cited defect in performance.

Sep 22, 14	Post-Reform Blues: What does the Mexican Energy Reform mean in English?	772	9	1
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This report observes that many of the concepts that are embraced in the 2014 energy reform have their roots in ideas that had first appeared in previous presidential administrations, for example, the idea proposed during the Fox administration that Pemex's board of directors should include executives from the private sector. The report identifies some dozen key terms that are found in the energy legislation that are either ambiguous or are tropicalized to give a unique Mexican significance.



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Year	Topic	File #	Pages	Chart
Aug 07, 14	Senate Minute on the Hydrocarbon Revenue Act	100195	4	2
	<p>This report identifies problematic concepts that are set forth in the text of the Hydrocarbon Revenue Act (signed into law in a presidential ceremony on August 11. Some of these problematic concepts are found in legislation and regulations of host countries around the world, and are not unique to Mexico. One of these is cost reimbursement: the State wants to be able to disqualify costs that are deemed unnecessary to E&P activities. A concern of interest to Mexico is the legal figure of a contract price of natural gas, given that the value of gas is determined on a netback basis from Henry Hub.</p>			
Jul 25, 14	The Senate's Majority-Approved Hydrocarbon Legislation	1000037	1	3
	<p>The report identifies a problematic concept in the legal figure of "subsurface hydrocarbons," where there intent would seem to be that it is the State that owns the reserves, not the lease-holder. This report provides a table of contents and index to the Senate-majority approved hydrocarbon legislation that was later promulgated on August 11, 2014.</p>			
Jul 18, 14	Mexico's Vetted Pemex Law: First Impressions	1000036	1	0
	<p>This report offers first impressions of what is still left to be done to make Pemex an oil company that can compete inside and outside Mexico. Among the measures yet to be taken are these: 1) restructure Pemex as a stock-issuing company, 2) global hiring, 3) professional, executive appointments and 4) the freeing Pemex employees from the perverse effects of falling under the Public Servant Accountability Act (LFRSP).</p>			

2013

Dec 08, 13	Joint Senate Committee Report on Energy Reform	1000011	5	1
	<p>By early afternoon on Saturday, December 7, copies of the Joint Senate Committee Report had been leaked to reporters based in Mexico City; and by the end of the day the 295-page report was posted online. Our report offers our initial reactions, along with caveats. There is much to applaud on the oil side, less on the power side. The legal strategy carries some risk: the idea is to append this document to the proposed constitutional amendments as a framework that will bind the congress in 2014 when it writes implementing legislation. We include a 3-page table of contents to the Senate document.</p>			



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Jan 26, 13	ITAM's Oil Reform Proposal (Part II)	100155	8	0
Jan 28, 13	<p>Calls and suggestions for energy reform in Mexico have been heard and read for a generation in Mexico. The Energy Reform of 2008 was well-intentioned, but it neither introduced market price signals nor did it promoted competition with (that is, against) Pemex or CFE. In mid-January 2013, another call for upstream reform was issued by the Woodrow Wilson Center in Washington. The paper argues for sweeping changes that would give the government and Pemex more flexibility. We examine the arguments presented, and offer picaresque rejoinders by Pemex E&P and by PMI Comercio.</p>			
2012				
Oct 08, 12	Mexico does not need Constitutional Change to Update PEMEX	100812	1	0
	<p>An telephone inquiry from Notimex on October 5, 2012, in relation to the announcement by President Felipe Calderón that morning of an oil discovery at Supremus-1, near the U.S.-Mexco maritime border, resulted in an article in <i>Milenio</i> about the reaction of Houston-based analysts to the discovery. A Press Perspective was prepared later that day, commenting on the rumors of "constitutional changes. The article is here reprinted in Mexidata.org. (http://www.mexidata.info/id3464.html).</p>			
Oct 02, 12	Tesis 193/2011 ~ Jurisprudence by Contradiction: The Supreme Court Establishes Case Law	100143	9	3
Nov 13, 14	<p>For more than a decade, in Guadalajara and in other cities where the CRE has issued permits for natural gas distribution, LPG interests have successfully blocked the local distribution company (LDC) from installing the pipeline infrastructure. Techniques have changed: in the late 1990s there were physical intimidation and misinformation campaigns, then a series of civil suits. At last, the Supreme Court (SCJN) stepped in, overturning a local court's ruling that Jalisco Civil Code could justify blocking LDC construction. In the process, the first case law in Mexico's energy sector was established.</p>			
May 26, 12	FCPA Risk in Mexico (Part II): Wal-Mart vs. Sempra	100127	30	7
Dec 18, 12	<p>This report is a follow-up of an earlier report on FCPA risks in Mexico, published July 23, 2011. In that report report we examined diverse risks as seen in the stories of Metalclad, Marathon Oil and Sempra Energy in Mexico. In this report, we examine, comparatively, the allegations of illicit payments in Mexico made by Wal-Mart and Sempra. At the same time, we reexamine the discussion among economists about the efficiency of corruption as a mechanism that promotes economic development.</p>			



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2011				
Nov 01, 11	Sanciones que asombran	110111	2	0
	Hay auditorías que contribuyen a la parálisis, no al fortalecimiento, de Pemex. GEORGE BAKER* Quis custodiet ipsos custodes? En la coyuntura de hoy, la pregunta del poeta romano Juvenal puede expresarse así: ¿Quién vigila a los auditores? Las sanciones administrativas en contra de algunos altos funcionarios de Pemex incitan a éste y a otros cuestionamientos. [...] Published in ENERGIA A DEBATE (available online)			
Oct 24, 11	Making Sense of PMI Executive Sanctions	100106	8	2
Nov 17, 20	This report examines the puzzling turn of events by which the two most well known Pemex executives, Rocío Cárdenas and Sergio Guaso, were relieved of their duties on the same day, along with members of their teams. The focus of the report is on the findings of government auditors who found fault in the pricing of coker naphtha in a series of export sales. The report concludes that the auditors acted without a grounding in the dynamics of commodity markets, and that revisions to the law are needed to protect traders.			
2010				
Dec 08, 10	Pemex Regulations vs. the Constitution	100069	8	2
	The Mexican Supreme Court ruled on December 2 and 7, 2010, that the complaints of unconstitutionality by the Chamber of Deputies in diverse matters relating to Pemex were unfounded. These court rulings seem to give Pemex the legal green light to proceed with a strategy at the heart of the Energy Reform of 2008 to attract operating companies to serve as contractors in diverse areas, including mature fields and deepwater. In this report, we explore the question, Are there still areas where Pemex's program is vulnerable to further legal challenges?			
Oct 20, 10	The Math, Science and Politics of Pemex Upstream Contracts	100063	9	5
	This Market Note examines the outlook for Pemex's upstream contracts in the light of the legal terminology of upstream contracts as found in Mexico and other countries. Attention is also given to Pemex's estimate for undiscovered resources in deepwater provinces of the Gulf of Mexico. The report concludes that Pemex and the Government must be more forthcoming about Mexico's resource potential in order to gain support for a deepwater development program in which IOCs would participate.			



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Mar 21, 10	Legal Structure of the Mexican Energy Sector: Demystified	100033	2	2
<p>This report provides a simplified (and demystified) description of public administration in the energy sector. The goal is quickly arrive at vantage point from which the legal and institutional landscape in which the upcoming public tenders for Pemex's performance contracts may be seen.</p>				
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2007				
Aug 20, 07	Third Parties in Pemex service contracts	731	5	5
<p>Midway in the Fox administration senior executives in Pemex began speaking of the need for changes in the Mexican constitution in order to remove doubts about the legality of the newly introduced figure of the Multiple Service Contract (MSC). Three years later, they had worked out a much broader view of the role of third parties in the areas of E&P, refining, gas and chemicals. For this, regulatory and constitutional changes would be needed to give substance to the concepts of "strategic alliance" and "participation contract." This report examines and critiques this broader view.</p>				
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2003				
Jun 11, 03	Legal reform as trigger event in Mexico's energy sector?	644	11	1
<p>This report asks if the Fox Administration is planning a reengineering of the legal foundation of the Mexican State. The report mentions two seminars held in April and May 2003, one at Harvard and the other at the Iberoamericana University. The policy issues discussed in these seminars present a preview of possible future developments in the energy sector.</p>				
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2001				
Jul 30, 01	Energy Sector Information Act	526	9	0
Jan 23, 03	<p>This report analyzes the lack of market discipline in energy sector reporting, and proposes measures to standardize reporting, units of measure and access to people, seminar presentations and data. The idea of an Energy Sector Information Act for Mexico is explored.</p>			



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1999

Mar 04, 99	PEMEX procurement pitfalls	326	1	0
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Examples of how things can go wrong in procurement practices of Pemex Exploration & Production (PEP).

1993

Jan 06, 93	El papel de la ley no escrita en el sistema judicial mexicano	010693	1	0
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This article by George Baker (The Role of Unwritten Law in Mexico's Judicial System), was one of a series of articles that were critical of the judicial actions by the Salinas government against the leaders of the Oil Union. The essay argues that case against the union leaders was for their having broken unwritten rules. Published in *La Opinión* (Los Angeles), Jan. 6, 1993.