



MEXICO'S ENERGY SECTOR: COMMERCIAL & POLICY OUTLOOK

FRI, JUL 7, 17

Energy Topics for NAFTA Renegotiation

File **10048**
Pages 5
Charts 1

This report provides a list of 16 topics in the oil and power sectors that, hypothetically, could become matters of negotiation regarding NAFTA. The topics are in two categories: 1) Unequal treatment before the law and 2) Unfair restriction of economic opportunity. In the first group is the status of Pemex and CFE as government agencies which confers advantages not available others. In the 2nd group is the absence of the standard legal figure of farmout, which allows a leaseholder to divide his lease horizontally or vertically to seek maximum recovery and economic benefit. For each topic, a remedy is proposed.

1

FRI, NOV 11, 16

Trump Clouds over Mexico: Impact on the Energy Reform

File **825**
Pages 9
Charts 0
Updated 11/17/2016

This report was prepared with an appreciation of the reaction in Mexico and among Mexicans living in the U.S. to the unexpected outcome of the presidential elections. The report offers a glimpse of how Mexico could be affected by policies advocated during the campaign. The government has the mandate to take bold policy measures unthinkable in normal times. The report lists a dozen ways where improvements are needed for the energy regime to be competitive with that of the U.S.

2

FRI, NOV 13, 15

Annual Meeting of the US-Mexico Bar Association

File **794**
Pages 8
Charts 1
Updated 11/15/2015

With energy as the general theme of the conference, members of the US.-Mexico Bar Association (<http://usmexicobar.org>) held their annual meeting in Houston November 4-6. The keynote speaker was Carlos Morales, the former 10-year head of Pemex E&P. Discussions touched on controversial topics such as administrative rescission, arbitration and contract stabilization. Some topics were missing from the program, such as national content and the legal significance of the neologisms of the 2014 energy reform, as in "productive state enterprise" and "Coordinated Regulator in Energy."

3

MON, APR 14, 14

NAFTA @ 20 at the Baker Institute: The Trade Pact's Significance Is Debated

File **1000029**
Pages 11
Charts 0

The conference held on April 7 brought back together officials from the 1980s and early 1990s who were instrumental in the negotiation of the U.S.-Canada FTA as well as NAFTA. Today, there is no consensus as to the significance of NAFTA. Carla Hills cited the growth of trade statistics; Jaime Serra noted that the economic cycles of the 3 countries move together. The World Bank believes that the China Effect is more important than NAFTA in explaining the growth of the Mexican Economy. We ask about the value of trade statistics and about the 10% import duty on gas in 1994.

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REPORTS ON MEXICO'S ENERGY SECTOR

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WED, DEC 18, 13

NAFTA AT 20

File 1000016
Pages 4
Charts 0
Updated 8/20/2017

NAFTA is a story of mixed success, of pluses and minuses. There is a temptation to depict the successes of NAFTA in terms of trade statistics. It turns out, however, that U.S. and Mexican trade statistics do not take into account intra-firm commerce. In 1991, Mexico changed its national chart of accounts to include what, previously, had been "border transactions"; making trade statistics of little help in trying to gauge the success of NAFTA. The negotiators failed to achieve an oil reform, and Pemex jinxed foreign investment in the gas market by means of a tariff on imports.

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THU, NOV 21, 13

The Virtual Betrayal of Energy Reform

File 1000009
Pages 3
Charts 3

In the early 1990s, despite the promise of NAFTA and other international trade agreements, Mexico's energy sector turned neither toward a market economy nor toward a mixed economy; it turned toward a "virtual market economy" in which indicators of competitiveness were accepted as a substitute for actual competition. The report offers a perspective on how to judge the seriousness of the current cycle of energy reform. The report draws on an earlier article published in *Energy Studies Review* (McMaster University), Vol. 6 (3). <http://digitalcommons.mcmaster.ca/esr/vol6/iss3/1>.

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TUE, DEC 11, 12

NAFTA @ 20: Regional competitor or springboard to TPP?

File 100151
Pages 7
Charts 1
Updated 12/18/2012

The 20th anniversary of the signing of the North American Free Trade Agreement (NAFTA) took place during an intense period of expectation regarding the policy intentions of the incoming government of President Enrique Peña Nieto. The NAFTA story, as narrated in several conferences, was about its success. Some speakers, such as Mexican Amb. Arturo Sarukhán, said that the experience of NAFTA would contribute to the formation of a Trans-Pacific Partnership. The present report comments on the glass half empty. Table 1 itemizes disappointments with the results of NAFTA.

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TUE, JUL 27, 04

NAFTA: a mixed success at 10--abrogated at 15?

File 668
Pages 9
Charts 3
Updated 2/23/2007

This report reviews the first ten years of NAFTA, and asks if the agreement in its present form will reach a 15th anniversary. As measured, regional trade expansion has been substantial, but wages are flat or declining. Some controversies, like trucking, energy and softwood lumber, defy resolution. Mexican industry is generally opposed to any further opening of the economy. Is regional convergence of the kind seen in Europe an option? If so, the premises and terms of NAFTA will need to be replaced by a broader vision.

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TUE, MAY 25, 04

The risk of virtual expropriation: Metalclad and Marathon Oil

File 673
Pages 9
Charts 5

This report examines the risk to investors in infrastructure projects in Mexico from indirect or regulatory expropriation. The cases heard in the first ten years of NAFTA leave serious doubts about the remedies available under its Chapter 11. This report examines two virtual expropriations: that of Metalclad Corp. in 1997 and that of Marathon Oil in 2004. Two questions are asked: What went wrong? and What are the lessons?

9

WED, MAR 10, 04

LNG politics and permits after expropriation in Baja

File 670
Pages 10
Charts 2

This report examines the logic of due diligence in Mexico's energy sector in the light of the unexpected interruption of negotiations between the State of Baja California and Marathon Oil Company. Marathon's proposed project was the most far-reaching regional development project proposed for the state in a generation. What lessons are to be drawn for regulators and the remaining and future LNG developers in relation to projects in Mexico?

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WED, APR 16, 03

Aftershocks in NAFTA over Iraq

File **637**
Pages 7
Charts 0
Updated 4/17/2003

This report comments on an address given on April 8, 2003 by Peter Godsoe, chairman of Scotiabank, to the Canadian Chamber of Commerce of Mexico. The banker expressed concern about possible future reprisals against Canada and Mexico for their respective decisions not to support the Bush Administration's position regarding Iraq. [11](#)

WED, DEC 18, 02

NAFTA and North America Energy: Mexico's relative gains, 1980-2010

File **618**
Pages 8
Charts 5
Updated 12/19/2002

Since 1980 Mexico, Canada and the U.S. have expanded energy supplies and markets, but at different rates. This report evaluates the advances of Mexico and Canada during the historical period of 1980-2000 using the U.S. as a benchmark. A forecast for the period 2000-2010 illustrates expectations for the three countries. [12](#)

WED, DEC 4, 02

NAFTA and North America Energy

File **609**
Pages 5
Charts 15
Updated 12/5/2002

On Mid-2002, the North America Energy Working Group published their first study "The Energy Picture". This report provides a description of the NAEGW group and presents the main conclusions of their energy study in the framework of NAFTA. The energy supply and demand by country for 1980, 1990, 2000 and a forecast for 2010 are presented. [13](#)

FRI, DEC 10, 99

Houston Access Mexico 99 conference on NAFTA

File **384**
Pages 1
Charts 0

"Mexico Access" symposium, sponsored by the Greater Houston Partnership and the Consulate General of Mexico, among others, was held in Houston December 6-7. The theme of this year's conference was "The Five Years of Nafta. Past and Future." [14](#)

TUE, AUG 12, 97

Resistance to Fair Trade in China and Mexico

File **212**
Pages 1
Charts 0

This report comments on the prematurely optimistic expectations that Mexico would open its economy to international capital in the energy sector. Mexico's admission to the World Trade Organization (WTO) in 1992 in the early, honeymoon days of Carlos Salinas was evidence more of the expectation by the West that Mexico "would open up" than it was by evidence that Mexico had opened up in fact. An analogy with China's resistance to fair trade is presented. [15](#)