

## News

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### **Mexico Energy Reform Bill Approved by Federal Congress**

On December 12, the Lower House approved the Energy Reform Bill that the Mexican Senate had approved and remitted the day before. The Bill amends articles 25, 27 and 28 of the Mexican Constitution, and it will now be sent to the Congresses of the States for approval.

The amendments to articles 25, 27 and 28 of the Mexican Constitution will allow Pemex (the state-owned oil company) to enter into agreements with private investors to share the profits from the exploration and exploitation of oil deposits and, in some cases, a percentage of the production. This new arrangement would allow the Mexican State to retain direct rights over oil and gas deposits, but it would still allow direct involvement of private investors in the industry. Also, the amendment will allow private investors to engage in transportation of oil and, most importantly, to transform oil products (basic petrochemical industry) and, under specific conditions, to sell oil and gas products.

Additionally, the constitutional amendment will allow private investors to generate and distribute electric power. However, the government will retain control over the electric power grid.

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