

## energy transactions

December 17, 2013

## Update: Last Obstacle Cleared for Mexican Energy Reform

*Minimum number of required state legislatures approves the much-anticipated reform; subsequent litigation imminent.*

Despite opposition from Mexico's leftist parties, 17 of the 31 state legislatures—the minimum number required under the Mexican Constitution to clear the last hurdle of the constitutional reform process—have approved the proposed constitutional reform of the energy sector (the Energy Reform) as of December 16.

As detailed in our August 15, 2013 and December 11, 2013 LawFlashes,<sup>1</sup> the Energy Reform represents a major overhaul of a 75-year-old regime that had, in the opinion of most experts, become obsolete and prevented Mexico from developing its full potential in the energy industry.

During a press conference, President Enrique Peña Nieto vowed to immediately sanction and publish the Energy Reform upon receiving the validation decree from the permanent commission of the Mexican Congress, which is expected to happen within a few days. Further, the president assured that subsequent legislation addressing the details of the Energy Reform would be enacted “during the first months of the following year.”

### Contacts

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1. View our August 15, 2013 LawFlash, “Mexican Government to Consider Overhaul of Energy Sector,” available at [http://www.morganlewis.com/pubs/EnergyTrans\\_LF\\_MexicanGovtConsiderOverhaulOfEnergySector\\_15aug13](http://www.morganlewis.com/pubs/EnergyTrans_LF_MexicanGovtConsiderOverhaulOfEnergySector_15aug13), and our December 11, 2013 LawFlash, “Reform Opens Door to Private Investment in Mexico's Energy Sector,” available at [http://www.morganlewis.com/pubs/EnergyTrans\\_LF\\_ReformOpensDoortoPrivateInvestment\\_11dec13](http://www.morganlewis.com/pubs/EnergyTrans_LF_ReformOpensDoortoPrivateInvestment_11dec13).

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