

Miranda Intelligence – Public Affairs Chatter

Investment Law: The Fine Print

Mexico's new infrastructure investment law went into effect on April 9. The regulation creates a legal framework for mixed investment in strategic infrastructure — spanning energy, transport, water, health, education, tourism and urban development — through contracts open to domestic or foreign firms, with a duration of up to 40 years. It also formalises a new category of **Strategic Investment Contracts**, which define the relationship between private developers and government entities and are designed to support long-term project financing and execution.

The legislation's fiscal design is carefully constructed. The law does not, by itself, authorise public spending or borrowing; projects remain subject to the Federal Budget and Fiscal Responsibility Law, must register and monitor multi-year commitments, and may access support such as financing, guarantees or tax incentives only with the relevant legal approvals.

It also allows complex financing structures — including the use of special purpose vehicles and capital markets instruments such as CKDs, CERPIs and Fibra E — without automatically classifying them as public debt, while preserving a stepped dispute-resolution scheme: alternative mechanisms first, arbitration if necessary, and federal courts at the end of the chain. The goal is to provide private investors with certainty, without surrendering public control. As President Sheinbaum herself said at the April 12 inauguration of the first of 15 planned national Economic Development Hubs in Huamantla, Tlaxcala: “The State cannot do everything.”

The new law sparked an initial flare-up of controversy, based on the fake claim that the government could start tapping workers' pension savings to fund strategic public projects. Amafore moved quickly to contain the alarm, stressing that the legislation does not authorise the discretionary use of retirement savings and does not compel Afores to divert a fixed share of their portfolios into public works. Nothing has actually changed.

Amafore's clarification included a reminder that the 30% investment ceiling is not new; it has existed within the regulatory framework since Consar updated regulation in October 2024 to allow Siefors for younger workers to invest up to that level in structured instruments. The new law neither changes that cap, nor does it make it mandatory. Amafore also reiterated that each Afore's investment committee must evaluate projects independently and professionally, and that infrastructure investments will proceed only when projects are profitable, well-structured and able to clear the sector's technical and risk

filters. This aligns with the law's broader intent to **channel private, public and even social capital into viable projects under a disciplined institutional framework.**

Afores currently allocate only around 8% to 9% of managed assets for infrastructure through vehicles such as CKDs and CERPIs — well below the regulatory ceiling. Industry estimates suggest that, in time, allocations could rise toward 25%, potentially mobilising between MXN 1.2 trillion and MXN 1.5 trillion for productive infrastructure, particularly as the pipeline of eligible projects expands under the new framework and gains institutional backing.

One of the less discussed but more consequential features of the new infrastructure law is that each year's draft budget must include a specific section, broken down by sector, showing the multi-year spending commitments tied to strategic investments signed in previous years. That means listing each contract, how much has already been spent, how far execution has advanced, the timetable, and the annual or deferred payments still committed for the year ahead.

Lawmakers argue that this should make liabilities, risks and contingencies more transparent, while giving strategic projects stronger budget protection over time — particularly given that the law also introduces preferential treatment for infrastructure commitments in future budget planning. The practical aim is fairly clear: to improve the chances that major works are actually completed, and to reduce the familiar risk of public money being scattered across projects that are announced with enthusiasm and then quietly left behind.

The law stipulates 180 days to issue secondary regulations, another 180 days for the Finance Ministry's guidelines, and 120 days to install the Strategic Planning Council. Projects launched in 2026 may still be submitted to the Council to qualify for Strategic Investment Vehicles, while older ones may migrate into Mixed Participation Schemes with prior approval. In practice, this adds a layer of institutional filtering before the new model is fully operational, with the Council playing a central role in prioritising projects, determining eligibility and structuring public-private participation across sectors.

Pension Reform Meets the Problem of Retroactivity

Mexico's new pension reform, which went into effect on April 11, is being presented politically as a strike against so-called "golden pensions". Legally, however, the more consequential issue is structural, not symbolic. The amendment to Article 127 establishes a new ceiling: pensions and retirement benefits for trust-level personnel in decentralised agencies, state-owned enterprises, national credit institutions and public trusts must not exceed 50% of the remuneration of the president. Crucially, the decree does not limit itself to future cases, ordering current pensions granted under earlier schemes be adjusted to the

new cap, while giving institutions 90 days to modify contracts and general working conditions.

The legal vulnerability is clear. Article 14 of the Constitution states that no law shall be given retroactive effect to the detriment of any person, and critics are already organising their argument around that principle. Columnist Sergio Sarmiento has been among the more vocal in pressing the point, arguing that whatever one's opinion of unusually generous retirement packages, applying a new cap to benefits previously granted is constitutionally suspect. His warning is that this can have broader scope beyond pension politics: once the state normalises retroactive enforcement to reduce legally valid pensions, the damage is not limited to retirees but extends to legal certainty itself.

This debate is likely to move quickly from public controversy to technical litigation. The state will argue for fiscal discipline and equity, especially given the reform's exemptions for the armed forces, voluntary individual savings, union-funded complementary schemes and previously granted judicial retirement benefits under the prior framework. Plaintiffs, meanwhile, will focus less on fairness in the abstract and more on acquired rights, legitimate expectations and the specific legal architecture under which each pension was earned.

Modernizing IP Law; Nudging Towards AI Regulation

Mexico is moving forward in its intellectual property modernization effort, with the copyright reform reaching a resolution in the Chamber of Deputies last week.

On the patents and trademarks side, President Claudia Sheinbaum signed a decree overhauling more than 200 articles of the Federal Law for the Protection of Industrial Property, published in the Official Gazette on April 3. The reform introduces legally binding response deadlines for the first time (one year for patents and industrial designs, five months for trademarks with no objections) and creates an internal oversight committee empowered to compel officials to resolve stalled applications within ten business days, under threat of disciplinary action. The law also introduces a provisional patent application mechanism, extends sanctions for intellectual property violations to conduct carried out through AI, and prohibits the registration of trademarks incorporating indigenous or Afro-Mexican cultural heritage without explicit community consent.

The Federal Copyright Law reform, which had stalled amid accusations from coalition partner the Labour Party (PT) that lobbyists were gutting its protections for artists, has now been approved by the Chamber of Deputies with 368 votes in favour. The final version — which also amends the Federal Labor Law — addresses the central concern of the debate: protecting performers, voice actors, and other artists from having their voices and likenesses replicated without consent by AI systems. Key provisions require written prior agreement before any AI-based transformation or substitution of a performer's voice or image, replace a blanket prohibition on AI imitation with a regulatory framework requiring explicit consent

and negotiated compensation, and extend the scope of copyright infringements to close legal loopholes. A last-minute amendment also corrected what critics had flagged as a "retroactivity trap" in royalty payment language that could have allowed companies to invoke decades-old contracts to avoid compensating artists.

The opposition PAN and PRI abstained, with the PRI calling the law "ambiguous and poorly designed," and PAN noting the irony of legislating on AI without first granting Congress explicit constitutional authority to do so; a step that Morena's leader in the lower house, Ricardo Monreal, acknowledged would still need to happen.

Changes at SAT Likely to be Welcomed

The SAT has appointed Jennifer Krystel Castillo Madrid as head of its Large Taxpayers Administration (AGGC), effective May 1, replacing Armando Ramírez Sánchez, who will remain within the agency in another capacity. The move places a seasoned legal and public-sector operator — with more than 18 years of experience across Mexico City's finance apparatus and most recently the Energy Ministry — in one of the most sensitive areas of tax enforcement, directly responsible for overseeing compliance among the country's largest corporate contributors.

Castillo's profile is distinctly technocratic. A law graduate from ITAM with postgraduate specialization in administrative and regulatory law, and additional executive training at IPADE, she has built her career inside the financial and legal machinery of government. Her trajectory — from the Mexico City Finance Secretariat to a senior legal role under Luz Elena González at the Energy Ministry — underscores her integration into a tight-knit policy group that has steadily expanded its influence within the federal administration.

The appointment points to a continued consolidation of power by the Sheinbaum-aligned technocratic wing of Morena, particularly in areas tied to fiscal oversight and economic management. Luz Elena González, widely seen as one of President Sheinbaum's closest and most trusted collaborators on financial matters, has increasingly placed members of her team in strategic positions beyond the energy sector, suggesting a broader institutional footprint. And Edgar Amador, the Finance Minister, is broadly from the same wing, even if not thought to be as close to the President as Luz Elena, reflected in his wilderness years out of the CDMX government while Sheinbaum was Mayor.

At the same time, the move carries clear internal political implications. Control of the Large Taxpayers Administration is central to the government's revenue strategy, given its focus on maximizing collections from major corporations and high-value taxpayers. Placing a trusted technocrat in this role reinforces a more disciplined, legalistic approach to enforcement and policy execution.

By implication, the appointment may also be read as a relative weakening of the more political AMLO-aligned networks within the fiscal apparatus. In particular, Antonio Martínez Dagnino, the current head of the SAT and widely reported to be close to Andy López Beltrán, and by extension the broader Lopez Obrador group, could see this as an encroachment by an external power center. The arrival of a senior figure tied to Luz Elena González into such a critical operational role is unlikely to go unnoticed within the institution, and may subtly reshape internal balances of influence within the SAT going forward. Might Castillo be a future head of the SAT?

Pharma Investigations Make Distressing Reading

A big investigation report by [El País](#), [Univision](#), [Quinto Elemento Lab](#) and the [ICIJ](#) underlines the counterfeit problem in Mexico's pharmaceutical market, and will not make easy reading, given its deeply distressing implications. What emerges is not a story of isolated criminality at the margins, but of a broader failure of public procurement, regulatory enforcement and supply-chain control, in which fake and suspect medicines appear to have penetrated parts of the public health system itself.

The central claim is stark: Mexico now has a criminal ecosystem dedicated to importing, manufacturing and distributing counterfeit medicines, and the problem has worsened sharply since 2018. According to the reporting, complaints over allegedly falsified medicines rose from 45 in 2018 to more than 250 a year from 2022 onward. Official health alerts followed a similar trajectory, increasing from just two in 2018 to more than 30 annually from 2022. The investigation links that rise, at least in part, to the disorder created by repeated changes in public-sector purchasing systems and the broader medicine shortages that followed.

The most disturbing element is that this is not simply a black-market story. The investigation alleges that falsified medicines have reached public hospitals, including highly sensitive oncology treatments. Keytruda, Merck's blockbuster cancer drug, sits at the centre of the reporting. In Mexico, a legal vial reportedly costs around MXN100,000, while counterfeit or suspect versions can be found for a fraction of that price in illegal markets. The gap is more than a pricing anomaly; it is an invitation to criminal arbitrage in a system under supply stress.

The reporting describes patients receiving suspect or falsified oncology medicines inside public institutions, adverse reactions, and later confirmation that certain lots had been flagged in sanitary alerts. It also points to a wider procurement problem: distributors accused or flagged for counterfeit medicines continued to win public contracts. According to the investigation, dozens of irregular suppliers sold billions of pesos of medicines to public

institutions between 2021 and 2025. That is the sort of allegation that lands with force because it suggests not only criminal penetration, but institutional tolerance, weak controls or both.

There is also a broader structural point here. High-cost medicines with chronic shortages are especially vulnerable to falsification. The reporting identifies three conditions that repeatedly appear in counterfeit cases: drugs without marketing authorisation in Mexico, medicines in short supply, and high-priced treatments. In practical terms, that makes expensive cancer therapies almost a perfect target. Small, high-value units are easier to move, easier to disguise and potentially attractive for illicit finance as well.

The Guadalajara neighbourhood of **El Santuario** is presented as the clearest symbol of the problem: an open market for stolen, adulterated and falsified medicines, operating with apparent visibility and limited deterrence. The report also cites US concerns about weak enforcement, including a lack of visible investigations and limited prosecutorial activity in related intellectual-property and counterfeiting cases.

The political and policy implications are severe. This is not just about piracy or commercial fraud. It is about patient safety, state capacity and trust in public healthcare. If genuine shortages, fragmented procurement and weak enforcement are together creating a channel for falsified medicines to enter the system, then the issue is no longer peripheral. It is becoming a test of whether the Mexican state can guarantee that medicines bought with public money are both available and real.

A CURP for Every Line, and Liability for Every Lapse

Mexico's Supreme Court has now drawn a clearer line around telecom liability in the age of digital fraud. In two decisions arising from the same case, the Court ruled that a mobile operator incurred subjective extracontractual civil liability after negligently issuing a replacement SIM card to a third party, enabling a classic SIM-swapping fraud. The consequences were not merely technical. Once control of the number was lost, the victim suffered attempted fraudulent banking transactions, unauthorised access to digital accounts and the dissemination of private images. The Court's argument was straightforward: when a mobile number functions as the gateway to a person's financial, personal and private life, a careless SIM replacement is not an administrative mishap. It is a serious legal failure.

What makes the ruling significant is the standard of care it imposes. The company admitted the SIM had been replaced but could not prove a robust verification process. It offered little more than an employee email saying an ID had been requested, without showing what document was presented, what data had been checked, or whether there were signatures, photos or any other verifiable record of the transaction. For the Court, that was not merely

weak procedure; it was negligence in a context where the risks are well known. Telecoms operators, it said, are not just technical service providers but guarantors of personal data, confidential communications and line security.

The ruling arrives just as Mexico is tightening identity controls for mobile phone lines: users now have until June 30 to register their phone numbers and link them to their CURP or face the definitive suspension of voice and data service. The stated objective is to reduce anonymity in crimes such as fraud and extortion, and the process can be completed online or through customer service centres. This makes the Court's decision even more consequential: if the state is asking citizens to tie a mobile line more firmly to their legal identity, telecoms operators will find it even harder to argue that a negligent SIM replacement is a minor procedural lapse, rather than a failure with potentially severe consequences.

Choosing Referees Under Procedural Pressure

Mexico's process for appointing three new members of the INE's General Council is beginning to look less like a routine constitutional replacement exercise and more like a test. How much procedural compression can a credibility-sensitive institution absorb before confidence starts to fray? OPINE's demand for full disclosure of applicants' public CVs, statements of intent and essays is therefore not a trivial transparency plea; it goes to the legal integrity of a process that must produce a fully integrated Council in time for the opening of the 2027 electoral period.

The concern is compounded by two additional pressures: timing and suspicion. OPINE has already warned that the late issuance of the call and the accelerated timeline limit serious scrutiny of each candidate's independence, experience and prior conduct. Meanwhile, Kenia López Rabadán, chairwoman of the House of Deputies, has publicly raised concern over reports of a possible leak of the applicant examination, stressing that such a failure should not occur in a process central to democratic integrity.

Analysts have noticed that several of the best-scoring applicants are close to the ruling party — including figures linked to Sheinbaum's orbit and to Taddei's own team — inevitably bringing up questions about impartiality.

Among the highest-rated candidates are Arturo Manuel Chávez López and Bernardo Valle Monroy, both of whom scored 99 points. Chávez currently serves as head of Talleres Gráficos de México and previously worked closely with Claudia Sheinbaum during her time as mayor of Tlalpan. Valle, for his part, was involved in drafting the most recent electoral reform promoted by the president. Also advancing to the next stage is Flavio Cienfuegos, with 86 points, who served as chief of staff to Guadalupe Taddei; along with María Fernanda Romo, also with a score of 86, currently director for the removal procedures of local electoral

councillors and for political violence against women cases at the INE. The most visible group also includes Alejandra Tello, who works as a researcher at the Electoral Judicial School of the Federal Electoral Tribunal, and Patricia Avendaño, president of Mexico City's electoral institute. Politically, the point here is not trivial: several of the highest-scoring candidates entering the final stretch of the process are linked, directly or indirectly, to Morena or to the current electoral apparatus.

Chatter box

- **Sheinbaum Heads to Barcelona and Resets a Relationship.** President Sheinbaum has formally notified the Senate that she will leave Mexico from April 16 to 19 to travel to Barcelona for the IV Summit in Defence of Democracy, upon invitation from Spanish Prime Minister Pedro Sánchez. This will be Sheinbaum's first visit to Europe as president and the first trip to Spain by a Mexican head of state in eight years, thawing a bilateral relationship that became frosty during Andrés Manuel López Obrador's term. Sheinbaum will appear alongside other progressive leaders, including Luiz Inácio Lula da Silva, Gustavo Petro and Yamandú Orsi, in a setting designed to project ideological affinity and democratic coordination.
- **Banxico Fills an Important Vacancy.** Banxico filled a vacancy that had been open for roughly six months, appointing the highly respected Aldo Heffner Rodríguez as its new chief economist effective April 13. The move closes a small but noticeable gap in the central bank's senior structure after Alejandrina Salcedo left in October to join the Bank for International Settlements. Heffner is hardly a surprise: he has led Banxico's Economic Measurement Division since 2018 and has worked within the institution since 2015, making this less a dramatic change of direction than a technocratic promotion from within.

His profile is broadly consistent with the bank's preference for continuity. Trained at ITAM and Northwestern, Heffner has focused on growth, productivity and labour market analysis, and has published on issues such as trade policy uncertainty, foreign direct investment and automation's effect on employment in Mexico. The appointment also comes with a wider internal reshuffle: Nicolás Amoroso Plaza will replace him in Economic Measurement, Julio Carrillo Abrego will take over macroeconomic analysis, and Jamel Kevin Sandoval Hernández González will become monetary research manager.

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