

**Question for written answer E-001508/2021
to the Commission**

Rule 138

Gabriel Mato (PPE), Francisco José Millán Mon (PPE)

Subject: Reform of Mexico's Electricity Industry Law and protection of European investments

The Mexican Congress has passed Andrés López Obrador's government's proposed reform of the Electricity Industry Law, which benefits the state-owned company Comisión Federal de Electricidad and jeopardises foreign investment made –

chiefly by European companies (from Spain, Italy, France, the Netherlands, Germany and Portugal, ranked by volume) – under the rules and treaties in force. This includes the Spanish company Iberdrola, which, after pledging to invest USD 5 billion in renewables in 2019, has already publically ruled out any further investment in the country.

According to data from Mexico's Secretariat of the Economy, between 1999 and the third quarter of 2020, the electricity sector received USD 17.675 billion in foreign direct investment.

Meanwhile, following the conclusion of negotiations to update the EU-Mexico Global Agreement, its signature and ratification remain pending.

Given that one of the aims in modernising the agreement is to prevent either the EU or Mexico from discriminating against the other party's service providers, what does the Commission intend to do to address the legal uncertainty which the reform of Mexico's Electricity Industry Law has created for EU companies?