Question for written answer E-001536/2021 to the Commission Rule 138 Jordi Cañas (Renew)

Subject: Impact of Mexico's reform of its Electricity Industry Law on the updating of EU-Mexico

Trade Agreement

On 9 March 2021, the decree overhauling the Electricity Industry Law was published in Mexico's Official Journal. With this reform, the Mexican Government aims to prioritise the state-owned Comisión Federal de Electricidad, affording it supplier priority for the entire national electricity grid and granting it clean energy certificates. This will disadvantage private electricity generation companies, many of which are from Europe.

This has led to a conflict between the Mexican Government and European companies, who are decrying huge legal uncertainty in their investments, particularly those who have focused on renewable energy production. Many have therefore decided to sue in Mexican courts, requesting protective safeguards against the reform on the grounds that it stymies free competition and breaches the constitutional rights to health and to live in a healthy environment.

In light of this:

What specific action does the Commission intend to take to safeguard investments made by European companies that are jeopardised by this reform, thus enforcing the agreement in principle to modernise the EU-Mexico trade agreement?

Has the Commission assessed the impact of the as-yet-unratified reform on the EU-Mexico Global Economic Partnership, Political Coordination and Cooperation Agreement?