MEXICO

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1. Regulatory Forecast	Mexico does not maintain a regulatory forecast for measures of general applicability. However, the General Directorate of Standards (DGN), which is part of the Secretaría de Economía, manages the National Standardization Program (PNN). The PNN lays out an annual plan for NOMs and NMXs (voluntary standards). The information contained in the PNN is provided by regulatory agencies, national standardization bodies and national standardization committees. Note: regulatory entities can develop technical regulations through the NOM process, as well as through other regulatory measures. See **Administrative Procedure Federal Law (LFPA, by its Spanish initials), articles 69-D and 69-E** and **Federal Metrology and Standardization Law (LFMN, by its Spanish initials), article 43, 60, Section I, 61-A.**
2. National Regulatory Register	All draft regulatory measures (including draft NOMs) are published online. The Mexican online system is called SYRIA (http://www.cofemersimir.gob.mx/). Through SYRIA, Mexico publishes and informs all interested parties of the opportunity to comment on draft regulatory measures. The information provided on SYRIA includes: 1) the draft regulatory measure, 2) the corresponding RIA, 3) public comments, and 4) the opinions issued by COFEMER. In addition, draft and final NOMs, draft and final conformity assessment procedures (CAPs), as well as replies to public comments on such measures, are published in the NOMs Catalogue (http://www.economia-noms.gob.mx/noms/inicio.do), and all draft and final NMXs are compiled online (http://www.economia-nmx.gob.mx). An agency may petition COFEMER to exclude a draft regulatory measure and RIA from being published on SYRIA. COFEMER will positively consider granting such a petition if publishing the draft measure in advance could compromise its effectiveness.

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	All final regulatory measures are published in the DOF. Such measures are not binding until they are published in the DOF. See **LFPA, article 69 – K**, **LFMN Article 39-II**, and **RLFMN, Article 26.**
3. Advanced Notice of Proposed Rulemaking	Mexico does not issue advanced notices of proposed rulemaking.
4. Opportunity for Public Comment and Participation	All draft regulatory measures and their corresponding Regulatory Impact Assessments ("RIA") submitted to the Federal Commission for Regulatory Improvement ("COFEMER") are published on SYRIA and are later published in the Mexican Official Gazette ("DOF") when they have been finalized. NOMs are developed by national standardization consulting committees ("CCNN") in which private sector entities participate. The CCNNs are led by DGN and other regulators. All draft NOMs, whether proposed by DGN or other agencies, are also notified to the WTO by Mexico's National Contact Point, which is part of DGN. The objective of the RIA on International Trade is to ensure that a general administrative act that is not following the NOM process but which fulfills the definition of a TBT or SPS measure is also notified to the WTO. The LFMN and the RLMFN require agencies to provide a minimum of 60 calendar days for the public to submit comments on draft NOMs. The RLFM establishes the information that the NOM publication must include and the minimum requirements for all comments submitted. Each publication must include: • the name of the NOM, which indicates its subject matter; • the initials PROY-NOM when the draft is a NOM, and the initials PROY-NOM-EM when the draft is an emergency NOM; • the initials of the agency proposing the NOM; and

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	• the year when the draft NOM was approved. The LFPA does not explicitly require COFEMER to request comments on general administrative acts nor does it specify the duration of the comment period. However, COFEMER is required to consider comments submitted by interested parties through SYRIA when opining on a draft regulatory measure. The regulator must also demonstrate to COFEMER that it considered the comments and made changes to the measure as a consequence. COFEMER publishes all comments on SYRIA, unless the commenter requests that its comments not be made public. See **LFPA. Article 69 – J; LFMN. Article 47, section I and 51**-A; and **RLFMN, Articles 33 and 44, 80, 81.**
5. Publication of Evidence/ Regulatory Analysis	The LFPA requires agencies to submit all draft regulatory measures to COFEMER and to attach a corresponding RIA where the measure would impose costs on citizens (explained in detail below). COFEMER's RIA Manual lists the different types of RIAs that may be required to be submitted with the draft regulatory measure and the content that each RIA must include. Interested parties may submit comments related to both the draft regulatory measure and its corresponding RIA. If the RIA does not satisfy COFEMER, COFEMER may request corrections from the agency before issuing a final opinion on the draft regulatory measure. A final opinion is required before the final regulatory measure is published in the DOF. Before issuing its opinion, COFEMER analyzes the draft regulation and its corresponding RIA to determine whether the draft regulation complies with the Regulatory Quality Agreement (Acuerdo de Calidad Regulatoria or "ACR"). The ACR requires that the draft regulation be issued only under the following conditions:

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	a) the regulator has complied with its legal obligations; b) the draft regulation complies with Mexico's international obligations; and c) the draft regulation's competition and market efficiency benefits exceed its costs. See **RLFMN, Article 30** and the **RIA Agreement.** If a proposed modification to a draft regulatory measure will add new requirements, a new RIA must be submitted with the proposed modification. To note, agencies have complete freedom to modify a regulatory measure if the modification does not create new or stricter requirements or procedures. In the event that a new requirement is added, the agency must inform COFEMER through the electronic RIA system. If COFEMER determines that the draft regulation has been substantially modified, COFEMER may require the process to restart. <u>Technical note on NOMs and conformity assessment procedures (PEC):</u> Conformity assessment procedures, which define the way in which the NOMs must be complied with, are subject to different international rules (see articles 2 and 5 of the WTO TBT agreement, for instance). Nevertheless, the procedures applicable to both under Mexican law are quite similar (e.g., public consultation, delayed entry into force, necessity of a Regulatory Impact Assessment to justify their issuance). The PEC can also be part of a NOM: for the past several years, the Mexican government has made an effort to place a PEC for each technical standard within the NOM. There are PECs that apply across sectors and PECs that apply only to a specific set of technical standards. See **LFPA. Article 69-H**; **LFMN**, **Articles 45, 51, and 52**; and **COFEMER'S RIA Manual ("RIA Manual").**

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6. Respond to Stakeholder Input	Agencies are required to respond to comments submitted by interested parties. COFEMER must consider all comments submitted by interested parties before finalizing its opinion on a draft regulatory measure. Specific to NOMs, the LFMN establishes that at the end of the comment period, the national standardization consulting committee ("CCNN") that oversees the process of developing the draft NOM must consider and respond to the comments received. CCNN must also explain why certain comments were not taken into account in the final NOM. In addition, the LFMN requires that CCNN's responses to comments be published in the DOF at least 15 calendar days before publishing the final NOM. See **LFPA, Article 69 – J; LFMN, Article 47, section I and 51-A; and RLFMN, Articles 33, 44, 80, and 81.**
7. Reasonable period for entry into force	The LFPA establishes that a regulation of general applicability enters into force on the date it is published in the DOF, unless the regulator decides otherwise. NOMs, on the other hand, do not enter into force for at least 60 days after they have been published in the DOF. In some instances, international agreements require that a NOM enter into force no sooner than six months after publication. For example, article 7.8.7 of the TBT Chapter of the Pacific Alliance states that: "[t]he conditions established in Article 2.12 of the WTO TBT Agreement [about the prudential time between publication of technical regulations and their entry into force] notwithstanding, the Parties shall understand that the expression "prudential time" means normally a period of no less than six months, unless this would hinder attaining any legitimate goals being pursued." Also, article 6.9.5 of the SPS Chapter of the Pacific Alliance indicates that: "…inasmuch as it may be possible and appropriate, the Party must grant at least six months between the publication date of a final regulation

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	and its entry into force, except in emergency situations and when the measures being proposed facilitate trade or their content is substantially the same as that of an international standard, guideline or recommendation..." See **LFPA, Article 4; RLFMN, Articles 34 and 81**; **TBT Chapter of the Pacific Alliance, Article 7.8.7;** and **SPS Chapter of the Pacific Alliance, Article 6.9.5.**
8. Opportunity for Judicial Review	The LFPA does not explicitly provide for an adjudication process. However, in practice, regulations are often challenged in court. See **LFPA, Articles 83 to 96; Federal Administrative Contentious Procedure Law (LFPCA);** and **Habeas Corpus Law.**
9. Clearly Written and Understandable Regulations/ Directives	In general, the PE Agreement establishes that agencies and entities drafting regulatory measures must "*draft the principles that constitute them in full compliance with the Constitution and with regulated laws and cogently and systematically in compliance with the national legal order, and they must be structured in an orderly and logically progressive, clear, brief and simple fashion."* Additionally, the EF Agreement requires that, in preparing the drafts for laws and decrees of the Federal Executive Branch *"…agencies must write their drafts in a congruous, clear and simple manner".* The RLFMN requires that NOMs be drafted and structured in accordance with the rules of drafting and structuring technical regulations required by international standards or guidelines. See **RLFMN, Article 28; Agreement that includes the guidelines to prepare, review and file draft regulatory measures ("PE Agreement") (see, especially, Article 5);** and **Agreement that includes the guidelines to prepare, review and follow up on draft regulatory measures ("EF Agreement") (see, in particular, Article 11).**
10. Use of Valid and Reliable Data & Sound Science	

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	The RIA Manual encourages agencies to, whenever possible, include the empirical (statistical or scientific) information backing their assertions, as well as the sources for the information. Specifically, the RIA Manual recommends including all references and documents used in preparing the RIA and offers the following potential sources of information as examples: • INEGI economic and population censuses; • Bank of Mexico's statistical information and studies; • Studies by domestic and international universities; • Domestic, international and foreign standards dealing with similar problems; • Government research documents; • Documents and studies by international organizations; • Non-governmental organizations' documents and studies; and • Foreign documents and studies. See **LFMN, Article 45; RFMN, Article 32;** and the **RIA Manual.**
11. Risk-Based Approach	The RIA Manual establishes that a risk analysis be undertaken when the high-impact RIA form (discussed in detail below) is used for a draft regulation. COFEMER and the agencies use the risk analysis to identify the best mechanisms to address the risk and avoid over-regulation and under-regulation. See the **RIA Manual** and the **AGREEMENT that modifies the RIA Manual ("RIA Agreement").**
12. Regulatory Impact Assessment (RIA)	Save for the narrow areas exempted from COFEMER's review, the LFPA requires all regulatory agencies to complete an RIA for any draft regulatory measure that may create compliance costs for private parties and submit it to COFEMER. COFEMER published the RIA Manual for agencies to use in completing an RIA. The Manual specifies the type of RIA that must be submitted depending upon the level of anticipated impact

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	that the draft measure will have. See **OECD Article Chapter 2, Page 49; LFPA article 69-H; and LFMN article 45.** In addition, the LFMN requires that an RIA be submitted with a draft NOM. The RIA must include: 1) an explanation of the goal pursued by the NOM, 2) the standard(s) being proposed, 3) the alternatives that have been considered and the reasons for rejecting them, 4) a comparison of the NOM with existing regulations, and 5) a general description of the advantages and disadvantages of the NOM, as well as the technical feasibility of demonstrating compliance with the NOM. If the measure could have a broad impact on the economy or a significant effect on a specific sector, the RIA must include a cost-benefit analysis. The level of COFEMER resources that is devoted to its review and opinion on a given draft regulatory measure is dependent upon the level of anticipated impact that the draft regulatory measure may have. The higher the potential impact on private parties, the more resources COFEMER will devote to reviewing and opining upon the measure. See OECD Article Chapter 3, Page 60. To determine the types of RIA analysis that an agency must prepare and submit to COFEMER, agencies are required to use four primary tools that are made available through an online system. The first of these tools is known as the Regulatory Impact Calculator. The regulator uses this tool to identify, for example, all expected impacts of the draft regulatory measure, the number of affected parties, and the number of years over which impacts are expected to occur. Based on the answers provided, the calculator will indicate to the regulator what type of RIA it must perform. The results of the calculator are sent to COFEMER. The second tool is the Competition Impact Checklist. This tool requires the agency to answer fourteen questions that are designed to determine whether the draft regulatory measure limits the number or range of

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	suppliers, the ability of suppliers to compete, or the choices and information available to consumers, as well as whether the draft measure would reduce the incentive of suppliers to compete. Based on the answers provided, the competition impact checklist tool will indicate to the regulator whether it must perform a competition impact analysis. The third tool is the Risk Impact Checklist. This tool requires the regulator to answer questions to determine whether the draft regulatory measure is designed to reduce risks for: human, animal, or plant health; public security; labor hazards; the environment; or consumer protection. Depending on the answers provided, the risk impact checklist tool will indicate to the regulator whether it must perform a risk impact analysis. The fourth tool is the Foreign Trade Impact Checklist. This tool requires the regulator to answer questions to determine, inter alia, the impact that the draft regulation may have on international trade by taking into account: international standards, guidelines or recommendations, and international commitments such as those contained in Free Trade Agreements. Depending on the answers provided, the foreign trade impact checklist tool will indicate to the regulator whether it must perform a foreign trade impact analysis and whether it must be notified to the WTO. If that's the case, DGN and the Department of Economy (SE) will receive a notification when the agency completes the calculator and submits the information to COFEMER. The regulator may need to perform one, two, three or all four of these analyses in an RIA for a particular draft regulatory measure, depending on the results of the calculator exercise. But COFEMER retains the power to request a high-impact RIA at any time. See OECD Article Chapter 3, Pages 64-65. Consequently, there are numerous potential types of RIAs that an agency may need to complete and submit to COFEMER for its review and opinion. A regulator may be required to prepare an RIA in two other circumstances.

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	First, COFEMER may require the regulator to prepare an RIA where a regulatory measure is being updated, but the updated regulatory measure is not expected to impose any additional obligations. A periodic updating RIA will update the substantive analysis of the initial RIA, rather than developing an entirely new analysis. The periodic updating RIA can therefore be applied in cases where the initial analysis followed either the high-impact or moderate-impact requirements. If the regulator had not prepared an RIA when the regulatory measure was first published, then this type of RIA will not be applicable. An agency will not need to submit a "periodic updating RIA" if COFEMER grants an exemption to the agency. Second, a regulator is required to prepare an emergency RIA where specific criteria are met – when the draft regulatory measure will not remain in force for more than six months, it is designed to address an immediate harm, and no previous emergency RIA has been prepared in relation to the same issue. See OECD Article Chapter 3, Page 62; see also **LFPA, Article 69-H** and the **RIA Manual.**
13. Pro-Competitive Analysis	The Federal Commission for Economic Competition ("COFECE") may also require a competition analysis. For example, if COFECE determines that a draft regulation will impact competition and the calculator did not detect it (or the calculator was manipulated by the agency), it may request an RIA with a competition analysis via COFEMER. Coordination between COFEMER and COFECE to issue opinions regarding draft regulatory measures with a competition analysis is defined in a Collaboration Agreement between those institutions, as executed in 2012, ratified in 2013, and modified in 2016. Under the agreement, COFEMER will notify COFECE of those draft regulatory measures that include an RIA with competition analysis, and COFECE will provide COFEMER with observations and/or recommendations regarding the provisions of the draft regulatory measure that could affect competition and the free operation of markets. See item 12 and the **RIA Agreement.**

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14. Assessment of International Impact	See item 12. Additionally, COFEMER analyzes the draft regulation and its corresponding RIA to determine whether the draft regulation complies with the ACR, which requires that the draft regulation can be issued only if the draft regulation complies with Mexico's international obligations. See **RLFMN, Article 30** and the **RIA Agreement.**
15. Leverage Private Sector in the Development of Standards & Conformity Assessment	One of the LFMN's objectives is to "…promote the convergence of the public, private, scientific and consumer sectors in preparing and complying with Mexican Official Standards [NOMs] and Mexican Standards [NMXs]…" The LFMN prioritizes participation of private parties in preparing NOMs and NMXs and in evaluating compliance. DGN has recognized ten bodies in Mexico to develop NMXs, and each has a specific scope that it is not permitted to exceed (at least in theory). For example, ANCE is the national standards body for the electrical sector. The government retains the power to decide if suppliers can rely on private parties to evaluate whether they have complied with a certain NOM, or if suppliers must rely on governmental conformity assessment bodies for such services. The national accreditation body, EMA, accredits laboratories, product certifiers, and other conformity assessment bodies to do business in Mexico. Pursuant to the LFMN, Mexico has long relied on standards developed by certain private sector bodies – e.g., ISO, IEC, and Codex – but not others. Recent trade agreements (i.e., Pacific Alliance and CPTPP) contain a provision that defines "international standard" as a standard that fulfills the TBT Committee's six principles, so the definition of international standard is potentially wider now.

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	There are two potential entry points for standards into the Mexican regulatory system. When developing a draft measure, DGN and other regulators consider the use of international standards, as well as NMXs (which may be based in whole or in part on international standards). In cases where a regulatory agency may not view a particular standard as "international," it may still be willing to use the standard if it's part of an NMX. That provides a second potential entry point if stakeholders participate in the process through which Mexican national standards bodies develop NMXs. See **LFMN, Articles 51-A and 51-B, 65, 66, 68-72, and 79-87;** and **RLFMN, Articles 68, 69, 71-79, and 87-91.**
16. Ex-Post Assessments of Regulatory Impacts	COFEMER implemented the AEXP to provide agencies with an ex post RIA procedure for evaluating regulations in force. The ex post RIA tool evaluates whether the regulation met its objectives after it has been in force for a certain time. Ex post evaluation for general administrative acts is voluntary. However, the LFMN establishes that NOMs must be reviewed every 5 years when they were reviewed with a high impact RIA to determine whether they are obsolete or have become outdated due to technological developments, or whether they require being harmonized with international standards and thus whether they should be modified or eliminated. COFEMER can also request an agency to conduct an ex post evaluation of any NOM within one year after it entered into force. See **LFMN. Article 51; AGREEMENT implementing Ex post Regulatory Improvement Declaration ("AEXP");** and **NOM Agreement, Article 4.**

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17. Located Close to Important Government Decision Makers	The Federal Commission for Regulatory Improvement (COFEMER) is the central coordinating body for regulation in Mexico. It is located within Mexico's Department of Economy (SE), which, in turn, is under the direction of the President. COFEMER has technical and operational autonomy to make its own decisions and implement its legal mandate. However, because it is located within SE, it does not have authority over its own budget. COFEMER is led by a General Director, who is appointed by Mexico's President. The General Director must coordinate his actions with those of the head of SE and work with him/her to, among other things, establish COFEMER's budget. See **LFPA, Articles 69-E, 69-F, and 69-G;** and **Internal Regulations of the Federal Regulatory Improvement Council ("RICOFE")**.
18. Given Formal Authority of Regulatory Oversight	COFEMER's main role is to review draft regulatory measures (i.e., (i) general administrative acts and (ii) NOMs) and to promote interagency coordination and transparency in regulatory development. COFEMER's non-binding opinion is not required to publish a draft regulatory measure for comment on SYRIA, but it is required before the agency can publish a final measure in the DOF. See Article 69-E Section I of the LFPA. To fulfill its role, COFEMER reviews and opines on draft regulatory measures by assessing the measures themselves as well as regulatory impact assessments (RIAs) required to be submitted by agencies proposing the measures. This review and opinion process officially begins when the agency submits to COFEMER its draft regulation and RIA, which are published on SYRIA for public comment. COFEMER has authority to review all draft regulatory measures from all Mexican federal agencies – irrespective of the level of economic impact – except for draft regulatory measures in the following areas: • fiscal matters directly related to taxes;

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	• matters related to administration of judicial proceedings under Labor and Agrarian law; • matters for the Attorney General within his/her constitutional authority; • administrative responsibilities of public servants; and • any regulations issued by the Secretariats of National Defense and Navy. COFEMER is organized under four general coordinators, each of which covers specific regulators and areas of regulation: (1) measures taken by the President, the Attorney General, and SE; (2) health (e.g., Salud and Cofepris) and environmental measures; (3) measures on social development and indigenous peoples; and (4) measures relating to energy, electricity, telecom, and transportation. COFEMER also reviews existing regulatory measures with the objective of reducing the number of regulations and/or simplifying regulations; and develops draft laws and administrative programs to improve regulatory measures in specific economic sectors or activities. After its review, COFEMER may require the regulator to conduct a more detailed and robust regulatory impact analysis than the results from the Regulatory Impact calculator would otherwise warrant, if it determines that the measure could potentially have a high impact on private parties. COFEMER's opinions and recommendations, which are published on its webpage, are technically not binding on the agencies. In other words, an agency does not need to take the comments into account or follow COFEMER's opinions and recommendations. However, COFEMER's opinions can be relied upon by parties in any subsequent judicial proceedings regarding the measure as an "indication" (although a negative opinion is not binding on the court). It is not uncommon for COFEMER to issue opinions with negative views and

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	recommendations. In addition, an agency needs COFEMER to issue a final opinion before it can publish the regulation in the DOF, which provides COFEMER with leverage to push for changes in the measure. See **LFPA, Articles 1, 4, 69, 69-A, 69-E, and 69-H.**
19. Staffed with Experts and Given Independence	COFEMER is comprised of over 120 public servants, 40 of whom draft opinions on draft regulatory measures. Most of the public servants who work at COFEMER are economists and lawyers, but the agency also employs scientists and statisticians.
20. Given the Necessary Scope of Review to be Effective	COFEMER has the authority to: review the national regulatory framework, draft regulatory measures; and the performance of regulations through the ex post RIA process. It also has authority to make proposals to the President regarding improvements to the national regulatory framework. See **LFPA, Title Three A.**
21. Establish and Foster Good Regulatory Practices and Principles of Regulation	COFEMER's role in ensuring regulatory improvement in Mexico means that it promotes and encourages federal agencies to adopt best regulatory practices, such as use of RIAs, and reviews draft regulatory measures with the goal that such measures generate benefits that exceed their costs. In addition, COFEMER promotes regulatory improvement at the state and local level through collaboration agreements (https://www.gob.mx/cofemer/acciones-y-programas/agenda-local). The LFMN also incorporates some best regulatory practices in preparing NOMs: • Representativity: all sectors affected by a NOM should take part in its preparation or modification. • Consensus: from all interested sectors, in approving or modifying a NOM.

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	• Transparency: during the preparation or modification of a NOM. • Rationality: through the mandatory use of an RIA and COFEMER's regulatory improvement process. • Review: at least every 5 years, all NOMs must be reviewed by COFEMER to determine whether they are obsolete or have become outdated due to technological developments, or whether they require being harmonized with international standards and thus whether they should be modified or eliminated. See **Constitutional Reform concerning Everyday Justice, Regulatory Improvement. February 5, 2017,** Constitutional Article 25 (State Planning); **LFMN, Articles 38-51**; and **RLFMN, Articles 28-41.**
22. Ensure Forward Planning of Regulatory Activity	COFEMER must submit to Congress an annual report that includes all regulatory measures it has reviewed during the past year. Additionally, the LFPA establishes that federal agencies should submit to COFEMER, at least every two years, a program for improving how they regulate. They must also submit reports on their progress. COFEMER has published guidelines for agencies in the DOF on how to conduct these biennial programs. An agency needs to prepare a draft program, publish it for public comment online, and respond to each comment. After COFEMER provides an opinion and recommendations on the draft program, the agency publishes a final program. See **LFPA. Articles 69-D and 69-E; LFMN, Articles 43, 60, Section I, 61-A**; **RLFMN, Articles 55 and 56;** and **Guidelines of the 2017-2018 Regulatory Improvement Programs.**

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23. Review Proposed and Final Regulatory Measures before they are Published	COFEMER reviews and opines on all regulatory measures before they are published in the DOF. For a regulatory measure to be published in the DOF (which must occur if the measure is to enter into force) COFEMER must issue its opinion regarding the measure. The opinion is non-binding, but see item 18. See **LFPA, Articles 69-H, 69-J and 69-L; LFMN, Articles 38-51; and RLFMN, Articles 28-41.**
24. Coordinate International Regulatory Cooperation	Responsibilities for IRC have been divided as follows (but see the update below): COFEMER leads on "horizontal regulatory cooperation." It strongly promotes international regulatory cooperation, mostly with Latin American and Asia-Pacific countries, by way of technical cooperation agreements, organization of and participation in international events, and participation in forums such as OECD, APEC, and the Pacific Alliance. DGN participates in specific or sectoral regulatory cooperation activities, if NOMs under its jurisdiction are involved. The Undersecretariat of Foreign Trade of Economia (SE) negotiates Chapters on Regulatory Cooperation as part of FTA negotiations. SE recently requested that the OECD review international regulatory cooperation in Mexico, which could yield relevant recommendations.

UPDATE

On May 18, 2018, the General Law was promulgated and published in the Federation's Official Gazette. With this new legal framework, COFEMER's power will be extended throughout the entire territory of Mexico, creating arguably the most powerful central coordinating authority for regulation in the world.

In short, COFEMER has become CONAMER, a national regulatory improvement commission with the authority to review regulatory measures developed at the federal level and perform a number of coordination activities with respect to state and municipal regulatory activities. As part of the new architecture, the General Law will require each state and municipality to create a central coordinating authority on regulatory improvement headed by a high-level official (Undersecretary or equivalent).

With respect to the rulemaking process, the new General Law will:

- define "regulation" in a broad manner, in order to cover any legal instrument of general application issued by regulatory authorities at the federal, state, and municipal levels (including laws, regulations, criteria, NOMs, guidelines, and manuals);

- oblige all regulatory authorities at the federal, state, and municipal levels to publish a Regulatory Agenda twice per year (in June and December), to publicize their regulatory forecasts and request public comment;

- provide regulatory improvement authorities at the federal, state, and municipal levels with the power to block the issuance of a regulation in cases where the regulator does not modify its regulatory impact analysis to reflect the recommendations of the regulatory improvement authority;

- require regulatory authorities at the federal, state, and municipal levels to repeal one regulatory obligation or act before promulgating a new one;

- mandate regulatory authorities at the federal, state, and municipal levels to conduct ex-post regulatory impact analyses every five years for regulations that impose compliance costs; and

- require that the costs of a new regulation be offset by modifying or repealing an existing regulation(s). In a draft regulation, a regulator must:

(1) indicate which regulations will be modified or eliminated such that the cost of compliance will be reduced in an amount that is equal or greater than the cost of compliance with the new obligations set out in the draft regulation; and

(2) provide relevant information in the RIA.

Note: The cost that is reduced must be related to the same regulated matter or sector. The obligation to offset the cost of a new regulation does not apply to certain measures, such as emergency regulations and regulations that by their nature must be issued or updated periodically. And the relevant regulatory improvement authority will assess whether the cost will be offset, based on its analysis of the information provided by the regulator. If the authority determines that the cost will not be offset, the regulator cannot issue the regulation.

The General Law will also establish a National Council:

- The Council will comprise several Ministers (Secretaries), a representative of the President of Mexico, the President of the Regulatory Improvement Observatory, the Heads of five State Regulatory Improvement Authorities, and the Head of CONAMER.

- The Council will develop an implementing regulation for the General Law, including revised guidance for conducting regulatory impact analyses, within 15 months of entry into force.

- CONAMER will be required to propose a National Regulatory Improvement Strategy with a 20-year vision to the Council, within 30 days after the Council has been installed.

Other elements of note:

- A National Observatory of Regulatory Improvement – comprising highly respected citizens with honorary appointments – will be established within six months after the Council is installed to participate in the implementation of the General Law and issue recommendations.

- Mexican states will have one year after the General Law enters into force to pass new state laws to ensure compliance with the General Law, and each state will install a State Council within 90 days after passage of its respective implementing law.

- An electronic catalogue will be created no later than three years after the General Law enters into force that will publish in one location all regulations, permits, and formalities at the federal, state, and local levels in Mexico.

- A new complaint mechanism, called "*Protesta Ciudadana*" or "Citizen's Protest," will be implemented. Under the new process, any person will be able to raise concerns with respect to the actions or inactions of a public servant – for instance, whenever an official of a regulatory agency does not provide a public service with sufficient quality or the service is provided with delays, without any reasonable justification.

- And CONAMER becomes Mexico's international authority for regulatory improvement, with legal authority to sign international agreements with equivalent foreign agencies.