

August 19, 2024

The Honorable Antony Blinken  
The Secretary of State  
2201 C Street, NW  
Washington, DC 20520

Dear Secretary Blinken,

The undersigned organizations represent businesses of all sizes employing workers across the U.S. manufacturing, chemicals, technology, services, medical technology, mining and energy sectors. We write to convey our concern about proposed amendments to Mexico's constitution that the Mexican government may enact in the next ordinary legislative period that begins on Sept. 1<sup>st</sup>.

Although the Mexican government has the sovereign right to alter its constitution, we believe that some of the proposed constitutional changes risk harming the longstanding trade and investment relationship between the United States and Mexico as well as U.S. companies' rights under the U.S.-Mexico-Canada Agreement. Should the amendments pass, the outcome will generate uncertainty in our commercial relations and threaten to undermine the forthcoming USMCA talks as part of the agreement's review in 2026. Given the swift-moving nature of this package of constitutional changes, we respectfully ask that you raise these concerns and recommend to the incoming Sheinbaum government a slower, more deliberative approach.

For background, the current administration in Mexico put forth earlier this year nearly two dozen constitutional amendments to enact systemic changes to Mexico's government. In June, the Morena party won by such wide margins in both state and federal elections that, with a near super majority in the Congress, it is now well positioned and appears intent to push for the passage of these sweeping changes as soon as possible.

Among our top concerns are amendments to weaken or even eliminate several autonomous regulatory bodies, such as the Instituto Federal de Telecomunicaciones, dismissing the expert professionals within them; to codify preferential treatment of state-owned enterprises over private sector firms; to weaken investor protections; and to prohibit altogether the sales of U.S. agricultural products and certain types of foreign investments such as open pit mining.

Several of these amendments appear to violate Mexico's obligations under the USMCA. The amendments also include a proposal to remove all judges and replace them by popular election, posing significant risks to the fundamental rule of law and the administration of justice in Mexico. Without the ability of U.S. investors to have fair and predictable recourse in Mexico's judicial system, enforcement of USMCA will come under additional strain.

In recent years, the trade in goods and services between the United States and Mexico has grown to its highest point ever, reaching nearly \$900 billion in value in 2023. The USMCA modernized NAFTA, which made North America the most globally competitive trading bloc in the world. American and Mexican companies involved in the trading relationship have grown in size, the wages of their employees

have risen, and the supply chains crossing the U.S.-Mexico border have become more resilient. In addition, companies in the United States have made increasing investments directly in Mexico. The stock of U.S. investment in Mexico reached \$144 billion in 2023, and nearly \$50 billion of that investment was made in the last nine years alone.<sup>1</sup>

We are deeply concerned that the constitutional amendments will harm not only Mexico's attractiveness as a place to invest and do business, but also North America's potential to maintain its competitive position in an increasingly complex global economy. With the USMCA as the foundation for that competitive position, we believe the Mexican government should take into account its USMCA obligations and the value of the agreement to the United States and Mexico, which will be jeopardized if these amendments are enacted as currently proposed.

Thank you for your swift intervention.

Sincerely,

Advanced Medical Technology Association  
American Chemistry Council  
American Clean Power Association  
American Petroleum Institute  
Coalition of Services Industries  
Electronic Components Industry Association  
Information Technology Industry Council  
National Association of Manufacturers  
National Mining Association

cc:

The Honorable Katherine Tai, United States Trade Representative  
The Honorable Gina Raimondo, Secretary of Commerce  
Mr. Jake Sullivan, National Security Advisor  
Members of the Senate Foreign Relations Committee  
Members of the House Foreign Affairs Committee  
Members of the Senate Committee on Finance  
Members of the House Committee on Ways and Means

---

<sup>1</sup> Bureau of Economic Analysis. Mexico - International Trade and Investment Country Facts.  
<https://apps.bea.gov/international/factsheet/factsheet.html#213>