

# Mexico

## 1. Industrial Strategy

Mexico's industrial strategy has seen considerable changes over the last 50 years. Mexico implemented an Import Substitution Industrialisation (ISI) model in the mid-twentieth century, encouraging domestic production through tariff protection, state-owned firms, and credit subsidies.<sup>1</sup> This approach helped to build an industrial base, but it also resulted in inefficiencies and reliance on protected markets.

Mexico's policy framework evolved throughout the 1980s and 1990s, as it liberalised trade and investment regimes in response to financial problems and globalisation pressures. The introduction of the maquiladora program, which allows duty-free imports for re-export production, has expedited integration with North American supply chains, particularly in automotive, textile, and electronics.<sup>2</sup> The adoption of the North American Free Trade Agreement (NAFTA) in 1994 solidified this export-oriented strategy by encouraging foreign direct investment and cross-border industry links.<sup>3</sup>

In recent years, industrial strategy has been shaped by the Programa Sectorial de Economía 2020–2024, which prioritises innovation, productivity, and inclusive development.<sup>4</sup> While Mexico officially dissolved its Special Economic Zones (SEZs) in 2019 due to poor performance,<sup>5</sup> nearshoring dynamics following NAFTA's renegotiation into the United States-Mexico-Canada Agreement (USMCA) have revitalised industrial strategy, with a focus on attracting advanced manufacturing, renewable energy, and digital sectors.<sup>6</sup> Strategic industries receive financial support and regulatory control from organisations like the Banco Nacional de Comercio Exterior (Bancomext) and the Secretariat of Economy

## 2. Digital (Development) Strategy

Mexico's digital strategy is based on a combination of federal policies, constitutional reforms, and sectoral initiatives aimed at enhancing connectivity, fostering innovation, and strengthening digital governance. The overarching goal is to close the digital divide, increase competitiveness, and strengthen institutional capacity for a data-driven economy.

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<sup>1</sup> Nora Lustig, *Mexico: The Remaking of an Economy* (Brookings Institution Press 1998).

<sup>2</sup> Jorge Carrillo and Alfredo Hualde, 'Maquiladoras in Mexico: The Export of Jobs and Technology' (1998) 4 *Journal of Borderlands Studies* 1.

<sup>3</sup> Gary Clyde Hufbauer and Jeffrey J Schott, *NAFTA Revisited: Achievements and Challenges* (Peterson Institute for International Economics 2005).

<sup>4</sup> Secretaría de Economía, *Programa Sectorial de Economía 2020–2024* (Gobierno de México 2020) <<https://www.gob.mx/se/acciones-y-programas/programa-sectorial-de-economia-2020-2024>> accessed 19 August 2025.

<sup>5</sup> Secretaría de Hacienda y Crédito Público, 'Decreto por el que se abrogan diversas disposiciones en materia de Zonas Económicas Especiales' (DOF, 2019) <[https://www.dof.gob.mx/nota\\_detalle.php?codigo=5556814&fecha=30/04/2019](https://www.dof.gob.mx/nota_detalle.php?codigo=5556814&fecha=30/04/2019)> accessed 19 August 2025.

<sup>6</sup> OECD, *Economic Survey of Mexico 2022* (OECD 2022) <<https://www.oecd.org/economy/mexico-economic-snapshot/>> accessed 19 August 2025.

Key initiatives include:

- National Digital Strategy (2013, updated 2021): launched under President Enrique Peña Nieto and subsequently revised, the strategy aims to expand broadband access, digitise government services, and promote open data.<sup>7</sup>
- Agenda Digital Nacional (2021–2024): Developed by the Secretaría de Comunicaciones y Transportes (SCT) and Secretaría de Economía, it sets objectives for infrastructure development, cybersecurity, and fostering the digital economy.<sup>8</sup>
- Constitutional Reform on Telecommunications (2013): Strengthened the Federal Telecommunications Institute (IFT) and mandated universal access to broadband as a constitutional right.<sup>9</sup>
- Mexican National AI Agenda 2018-2030: Provides a framework for responsible AI adoption and governance.<sup>10</sup>

Mexico's digital strategy faces challenges, including uneven regional connectivity, gaps in digital literacy, and limited investment in advanced infrastructure such as 5G. However, ongoing reforms under the Digital Agenda reflect a sustained policy effort to bridge divides and align with OECD and regional standards.<sup>11</sup>

### 3. Main Constitutional Provisions

Mexico's constitutional framework establishes key principles for economic governance, fundamental rights, and the regulation of digital and technological activities.

The *Constitución Política de los Estados Unidos Mexicanos* (CPEUM), first enacted in 1917 and subsequently amended, provides the legal foundation for market regulation and the digital economy.

- Economic organisation: Articles 25–28 of the Constitution mandates the state to oversee national economic development, ensuring it serves the public interest while promoting free competition and preventing monopolies.<sup>12</sup>

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<sup>7</sup> Gobierno de México, *Estrategia Digital Nacional* (Presidencia de la República 2013; updated 2021) <<https://embamex.sre.gob.mx/hungria/images/stories/docs/nds.pdf>> accessed 19 August 2025.

<sup>8</sup> Secretaría de Comunicaciones y Transportes, *Agenda Digital Nacional 2021–2024* (Gobierno de México 2021) <[https://dof.gob.mx/nota\\_detalle.php?codigo=5628886&fecha=06/09/2021#gsc.tab=0](https://dof.gob.mx/nota_detalle.php?codigo=5628886&fecha=06/09/2021#gsc.tab=0)> accessed 19 August 2025.

<sup>9</sup> Constitución Política de los Estados Unidos Mexicanos (as amended, 2013 Telecommunications Reform), Diario Oficial de la Federación (DOF).

<sup>10</sup> Mexican National AI Agenda 2018-2030

<[https://wp.oecd.ai/app/uploads/2022/01/Mexico\\_Agenda\\_Nacional\\_Mexicana\\_de\\_IA\\_2030.pdf](https://wp.oecd.ai/app/uploads/2022/01/Mexico_Agenda_Nacional_Mexicana_de_IA_2030.pdf)> accessed 4 September 2025.

<sup>11</sup> OECD, *Digital Government in Mexico: Sustainable and Inclusive Transformation* (OECD 2020) <[https://www.oecd.org/en/publications/digital-government-in-mexico\\_6db24495-en.html](https://www.oecd.org/en/publications/digital-government-in-mexico_6db24495-en.html)> accessed 4 September 2025.

<sup>12</sup> Constitución Política de los Estados Unidos Mexicanos (CPEUM), arts 25–28, Diario Oficial de la Federación (DOF).

- Digital access: Article 6, amended in 2013, enshrines access to information and communication technologies, including broadband and internet, as a constitutional right.<sup>13</sup>
- Data protection and privacy: Article 16 recognises the right to personal data protection, forming the basis for Mexico's federal data protection laws.<sup>14</sup>
- Federalism and regulatory authority: Articles 73 and 124 grant Congress exclusive powers over foreign trade, telecommunications, and economic policy, ensuring a unified legal framework for industrial and digital sectors.<sup>15</sup>

#### 4. Main Regulatory Provisions and Policy Developments

Mexico's regulatory framework for the digital and industrial economy combines strategic policy initiatives with binding legislation in key areas such as data protection, telecommunications, and financial technology. These instruments aim to strengthen digital infrastructure, foster innovation, and safeguard users' rights in an increasingly connected economy.

- Protection of Personal Data held by Private Parties 2025<sup>16</sup>
- Federal Telecommunications and Broadcasting Law<sup>17</sup>
- Law Regulating Financial Technology Institutions<sup>18</sup>
- National Digital Strategy 2021–2024: Establishes federal priorities for digital inclusion, open government data, interoperability, and cybersecurity across public administration.<sup>19</sup>
- National AI Agenda (2021): Sets non-binding objectives for ethical AI development, human capital formation, and innovation ecosystems, forming part of Mexico's alignment with OECD digital policy frameworks.<sup>20</sup>
- National Cybersecurity Strategy (2017): Provides a national blueprint for cyber resilience, inter-agency coordination, and public-private cooperation on critical infrastructure protection.<sup>21</sup>

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<sup>13</sup> CPEUM, art 6 (as amended by Decreto de Reforma Constitucional en Materia de Telecomunicaciones, DOF 11 June 2013).

<sup>14</sup> CPEUM, art 16 (as amended, DOF 1 June 2009).

<sup>15</sup> CPEUM, arts 73, 124 (DOF).

<sup>16</sup> Protection of Personal Data held by Private Parties 2025

<<https://www.basham.com.mx/mailling/Federal%20LAW.pdf>>

<sup>17</sup> Federal Telecommunications and Broadcasting Law

<[https://www.dof.gob.mx/nota\\_detalle.php?codigo=5352323&fecha=14/07/2014#gsc.tab=0](https://www.dof.gob.mx/nota_detalle.php?codigo=5352323&fecha=14/07/2014#gsc.tab=0)>

<sup>18</sup> Law Regulating Financial Technology Institutions

<[https://www.dof.gob.mx/nota\\_detalle.php?codigo=5515623&fecha=09/03/2018#gsc.tab=0](https://www.dof.gob.mx/nota_detalle.php?codigo=5515623&fecha=09/03/2018#gsc.tab=0)>

<sup>19</sup> Gobierno de México, Acuerdo por el que se expide la Estrategia Digital Nacional 2021–2024 (DOF 6 September 2021) <[https://www.gob.mx/cms/uploads/attachment/file/678863/Acuerdo\\_por\\_el\\_que\\_se\\_expide\\_la\\_Estrategia\\_Digital\\_Nacional.pdf](https://www.gob.mx/cms/uploads/attachment/file/678863/Acuerdo_por_el_que_se_expide_la_Estrategia_Digital_Nacional.pdf)> accessed 25 August 2025.

<sup>20</sup> Gobierno de México, *Agenda Nacional de Inteligencia Artificial* (Gobierno de México

2021) <[https://36dc704c-0d61-4da0-87fa917581cbce16.filesusr.com/ugd/7be025\\_6f45f669e2fa4910b32671a001074987.pdf](https://36dc704c-0d61-4da0-87fa917581cbce16.filesusr.com/ugd/7be025_6f45f669e2fa4910b32671a001074987.pdf)> accessed 25 August 2025.

<sup>21</sup> Gobierno de México, *Estrategia Nacional de Ciberseguridad* (2017) <<https://www.gob.mx/cms/uploads/attachment/file/399655/ENCS.ENG.final.pdf>> accessed 25 August 2025.

## 5. Regional Economic Treaties

Mexico anchors its trade policy in key regional and interregional agreements that ensure market access and support its integration into global value chains:

- United States–Mexico–Canada Agreement (USMCA/T-MEC, 2020)<sup>22</sup>
- Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP, 2018)<sup>23</sup>
- Mexico–EU Global Agreement (2000; modernised 2023)<sup>24</sup>
- Latin American Integration Association (ALADI)<sup>25</sup>

## 6. Plurilateral Agreements

Mexico strengthens its global trade engagement by participating in key plurilateral initiatives under the WTO framework:

- Joint Statement Initiative on E-Commerce<sup>26</sup>
- Joint Statement Initiative on Services Domestic Regulation<sup>27</sup>
- Joint Statement Initiative on Investment Facilitation for Development<sup>28</sup>

## 7. International Disputes and Proceedings

Mexico has been a respondent in only one dispute directly concerning digital policy:

- DS204 (Mexico – Measures Affecting Telecommunications Services, 2002–2004): A complaint by the United States challenging restrictions on cross-border telecommunications services under the GATS, with the panel ruling partly in favour of the US.<sup>29</sup>

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<sup>22</sup> Office of the United States Trade Representative, *United States–Mexico–Canada Agreement (USMCA/T-MEC)* (entered into force 1 July 2020) <<https://ustr.gov/trade-agreements/free-trade-agreements/united-states-mexico-canada-agreement>> accessed 26 August 2025.

<sup>23</sup> Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) (entered into force for Mexico 30 December 2018) <[https://www.msccbs.gob.es/profesionales/saludPublica/ccayes/alertasActual/Docs/cptpp\\_eng.pdf](https://www.msccbs.gob.es/profesionales/saludPublica/ccayes/alertasActual/Docs/cptpp_eng.pdf)> accessed 26 August 2025.

<sup>24</sup> European Commission, *EU–Mexico Trade Relations (Modernised Agreement)* (signed 28 April 2020, provisional application pending) <[https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/mexico\\_en](https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/mexico_en)> accessed 26 August 2025.

<sup>25</sup> Latin American Integration Association (ALADI), *Treaty of Montevideo 1980* <<http://www.aladi.org/>> accessed 26 August 2025.

<sup>26</sup> World Trade Organization, *Joint Statement Initiative on E-Commerce* (WTO 2022) <[https://www.wto.org/english/tratop\\_e/ecom\\_e/joint\\_statement\\_e.htm](https://www.wto.org/english/tratop_e/ecom_e/joint_statement_e.htm)> accessed 26 August 2025.

<sup>27</sup> World Trade Organization, *Joint Statement Initiative on Services Domestic Regulation* (WTO 2022) <[https://www.wto.org/english/tratop\\_e/serv\\_e/dataset\\_servdomesticreg\\_e.htm](https://www.wto.org/english/tratop_e/serv_e/dataset_servdomesticreg_e.htm)> accessed 26 August 2025.

<sup>28</sup> World Trade Organization, *Joint Statement Initiative on Investment Facilitation for Development* (WTO 2022) <[https://www.wto.org/english/tratop\\_e/invest\\_e/investfac\\_e.htm](https://www.wto.org/english/tratop_e/invest_e/investfac_e.htm)> accessed 26 August 2025.

<sup>29</sup> World Trade Organization, *Mexico – Measures Affecting Telecommunications Services (DS204)* (Panel Report, 2 April 2004) <[https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds204\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds204_e.htm)> accessed 26 August 2025.

This remains the only dispute directly related to digital policy. Other disputes have addressed traditional trade measures, such as anti-dumping measures, measures concerning the importation, marketing and sale of certain products and tax measure.<sup>30</sup>

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<sup>30</sup> World Trade Organization, *United States – Final Anti-Dumping Measures on Stainless Steel from Mexico (DS344)* (Panel Report, 20 May 2008) <[https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds344\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds344_e.htm) accessed 26 August 2025>; World Trade Organization, *United States – Measures Concerning the Importation, Marketing and Sale of Tuna and Tuna Products (DS381)* (Panel and Appellate Body Reports, 13 June 2012) <[https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds381\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds381_e.htm)> accessed 26 August 2025; World Trade Organization, *Mexico – Tax Measures on Soft Drinks and Other Beverages (DS308)* (Panel Report, 7 March 2006) <[https://www.wto.org/english/tratop\\_e/dispu\\_e/cases\\_e/ds308\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds308_e.htm)> accessed 26 August 2025.