

July 22 - 28, 2008

Topics

- **PRI presents modified energy reform**
- **Government and PAN welcome PRI's proposal**
- **PRD splits on supporting reform**
- **PAN reconciles with Fox, looking to 2009**
- **'No' vote wins in Mexico City, but turnout low**

After 71 days of public forums, the **PRI submitted its own draft energy reform** legislation in Congress, signed by 33 senators and 90 deputies. "In a perfect shot that left both [PRD and PAN] openmouthed, the PRI not only presented its own oil reform but also ratified its ability to 'tip the scales.'... It is no more than a nicely cooked, refried version of the initiative of President Calderón,... but with a different dress that eliminates all the negative weight of 'privatization,'" noted columnist Ricardo Alemán. In place of the government's proposal to allow private investment in refining, pipelines, and storage, the PRI favors setting up new parastatals—"baby Pemexes"—that could develop and operate these installations. These might be owned by individual states, but not by the private sector. In place of the government's 'performance contracts' for exploration, the PRI put forward essentially identical 'project contracts.' In addition, the PRI is proposing a national content requirement ranging from 30 to 60 percent. (Universal 7/24)

PAN party president Germán Martínez **welcomed the PRI proposal** and said that PAN senators will "work to move forward on the points of agreement and discuss our differences." Martínez expressed his desire to get something approved in the commissions prior to the start of the ordinary congressional session in September. Pemex CEO Jesús Reyes Heróles met with PRI governors, and Energy Secretary Georgina Kessel said that President Calderón was "open to listen to other proposals that could enrich the government's own." (Reforma and Universal 7/24)

The interim leader of the **PRD**, Guadalupe Acosta, said it was possible that the PRD could reach agreement with the PAN and PRI on a **joint energy reform proposal** "that unites the country," provided it did not have any privatization component. Andrés Manuel López Obrador dismissed the moderates in the PRD as "traitors" and called the PRI's proposal a "makeover of the intent to privatize Pemex." His allies promised a new campaign of protest actions "with or without" the rest of the party. (Reforma 7/23, Milenio 7/26, 28)

As expected, the **citizen consultation** carried out by the Mexico City government returned a resounding "No" to energy reform, by margins of about 87%-13%. Turnout in Mexico City was approximately 870,000 according to the D.F. government— well below what the PRD had hoped for, in part because of a boycott by the PAN and its allies. (Universal 7/28)

Former President **Vicente Fox** was named head of strategic planning for the PAN's national committee. The announcement coincided with a series of events at the Fox Center in Guanajuato, with the former president and his wife hosting the party leadership, led by Germán Martínez and Government Secretary Juan Camilo Mouriño, along with former party president Manuel Espino. The *Templo Mayor* column noted that naming Fox "has little to do with strategy and much to do with the 2009 elections and making peace with dissatisfied *panistas*....Fox has demonstrated he is better at campaigning than governing." (Reforma 7/26)

Key Dates

- 9/01: Presidential Informe**
- 9/28: Coahuila state elections**

Polls

Do you agree or disagree with the following proposals?

A GEA-ISA national survey showed moderate support for all major elements of the government's energy proposal, except for allowing the private sector to own and operate pipelines and installations. (www.isa.org.mx)

