



THE UNITED STATES TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON

March 31, 2022

Secretary Tatiana Clouthier
Secretariat of Economy
Av. Insurgentes Sur 1940, Florida, 01030
Mexico City, Mexico

Dear Secretary Clouthier:

I am looking forward to the second meeting of the USMCA Free Trade Commission in July in Vancouver. I think we can both agree that a full implementation of our Agreement remains a priority for both of us, and that only through joint adherence to its obligations can we successfully advance our shared interests and North American competitiveness.

At the heart of the USMCA are core obligations with respect to trade and investment, including with respect to non-discriminatory treatment. For a long time now, the U.S. government has raised serious concerns about a series of administrative, regulatory and legislative changes in Mexico's energy policies as violating these core obligations, including the 2021 changes to the Electric Power Industry Law.

We have also been very clear that the USMCA applies to Mexico's energy sector, and have been candid with the Secretariat of Economy about our concerns. We are unable to ignore the growing group of stakeholders also raising their concerns—from environmental NGOs, members of Congress, business associations, and companies large and small.

Unfortunately, while we have tried to be constructive with the Mexican government in addressing these concerns, there has been no change in policy in Mexico, and U.S. companies continue to face arbitrary treatment and over \$10 billion in U.S. investment in Mexico, much in renewable energy installations, is now more at risk than ever.

In the spirit of partnership, and continued serious desire to strengthen our joint competitiveness, I want to inform you that I will be considering all available options under the USMCA to address these concerns. I therefore urge your Government to discontinue these concerning actions and ensure the rights of U.S. investors and exporters are protected.

Sincerely,

A handwritten signature in blue ink, appearing to read "K. Tai".

Ambassador Katherine Tai