

Telecoms & Media 2023 (Lexology GTDT)

Category: Publications, Telecoms

written by Adrián Trejo Santiago | July 6, 2023

NHG contributed to the Telecoms & Media 2023 guide with an analysis of the key regulatory framework for the telecoms sector in Mexico, including licensing regimes, spectrum use, private equity funds, digital services, universal service obligations and data protection, among others.

With Partner Julián Garza and associate Juan Lizardi overview.

[2023 Telecoms and Media - Mexico](#)

LexGTDT Telecoms & Media 2022 - Mexico

Category: Data Protection, Publications, Telecoms

written by Adrián Trejo Santiago | July 6, 2023

Partner [Julián Garza](#) and associate Regina Yarto contributed to the development of [Mexico's Telecoms & Media 2022 LexGTDT guide](#).

NHG contributed to the Telecoms & Media 2022 guide with an analysis of the key regulatory framework for the telecoms sector in Mexico, including licensing regimes, spectrum use, universal service obligations, data protection and much more.

[2022 Telecoms and Media - Mexico](#)

LexGTDT Telecoms & Media 2021 - Mexico

Category: Data Protection, Publications, Telecoms

written by Adrián Trejo Santiago | July 6, 2023

Parter [Julián Garza](#) and associate [Paulina Bracamontes](#) contributed to the development of [Mexico's Telecoms & Media 2021 LexGTDT](#) guide.

Take a look to the Mexico's Telecoms & Media guide, a comparison on regulatory framework, restrictions and licensing requirements; spectrum use considerations; platform regulation; next-generation access (NGA) networks; data protection and cybersecurity issues; big data; local storage requirements; foreign programmes and local content requirements; advertising; must-carry obligations; regulation of new media content; digital switchover; media plurality; regulatory agencies, competition law, and appeals; and recent trends.

[Download the full Telecoms and Media 2021 guide here](#)

Mexico Fundraising Chapter in The Private Equity Review 2021

Category: Capital Markets, Energy, Partners, Project Finance, Publications, Telecoms

written by Adrián Trejo Santiago | July 6, 2023

The Law Reviews: 10th Edition - By Partners Hans P Goebel, Héctor

OUTLOOK

The private equity industry in Mexico has been re-energised in recent years by government reforms and policies, a stable macroeconomic situation, stable population growth rate, an increase in real income and an active entrepreneurial ecosystem.

Mexico has successfully completed USMCA (which superseded NAFTA) negotiations with the United States and Canada and has gone through a smooth, peaceful and democratic power transition following the presidential election that took place in July 2018, providing

certainty to investors. However, Mexico's intention of being prepared for any scenario is clear from its aim to increase trade with Argentina and the Pacific Alliance (Colombia, Peru and Chile), as well as with the European Union and Asian countries, and from the government's continued efforts over the past few years in the infrastructure and energy sectors.

While the forecasts are moderate, we expect contract and investment opportunities to be abundant as government policies support a shift towards a larger role for a combined private and public investment in the Mexican infrastructure industry and in the still-booming energy

industries. Opportunities will also be presented by the continuing rise of the fintech industry and by the implementation of the governmental programme for the economic reactivation during 2021 and onwards. The outlook for the Mexican PE industry is, therefore, positive, with local funds becoming more global and deploying capital, and investments by foreign funds increasing throughout the energy sector.

We predict that the regime governing publicly issued PE funds will continue to be improved, and that the regulations regarding investment restrictions applicable to Mexican pension funds will necessarily evolve towards alignment with the types of regimes seen in other, more evolved countries, allowing the pension funds to conduct private transactions and investments in funds or projects directly

(rather than only through publicly issued securities such as CKDs, FIBRAs, FIBRA Es and CERPIs).

[To read the full article, click here](#)

GTDT: Telecoms & Media 2020

Category: Publications, Telecoms

written by Adrián Trejo Santiago | July 6, 2023

Find out the latest trends in the Mexican market for Telecoms & Media 2020, published in the last [Lexology Getting The Deal Through](#) publication.

Written by [Partner Julián Garza](#) and [Associate Paulina Bracamontes](#)

- Mexico is very close to deploying 5G, the spectrum with greater capacity, massive connectivity and ultra-high reliability. This will allow for smart cities, real time industrial applications and autonomous driving of vehicles. In addition, they will be safer networks, consume less energy and ease financial technology.
- In regard to the universal services obligations in telecommunications matter, the Federal Electricity Commission "CFE" created a non-profit program in order to provide services including internet, increasing network coverage and broadband to those areas determined of priority by the Ministry. This has been a topic of importance for several years in order to provide these services to rural communities, in order to achieve a certain level of equality in the matter. This subsidiary "CFE Telecomunicaciones e Internet para todos" has reached its goal of 50 per cent coverage several months prior to the predicted date.
- The creation of "CFE Telecomunicaciones e Internet para todos" was in response to President Andrés Manuel López Obrador's cancellation of the public bidding for Red Troncal since it needed to be modified in accordance

to the Mexican Government's vision of providing equal access and use of information and knowledge technologies to those in poverty. The services that should have been provided by Red Troncal will now be provided by "CFE Telecomunicaciones e Internet para todos", and are currently providing non-profit internet services to 40 million people.

To read the full article click here [2020 Telecoms & Media Mexico](#)

Mexico Fundraising Chapter in The Private Equity Review

Category: Capital Markets, Energy, Partners, Project Finance, Publications, Telecoms
written by Adrián Trejo Santiago | July 6, 2023

The Law Reviews: 9th Edition - By Partners Hans P Goebel, Héctor Arangua, Adalberto Valadez and Associate Miguel A González

Over the past 19 years, Mexico's private equity (PE) industry has raised over US\$58 billion in capital commitments to PE investments, according to the Mexican Private Equity Association (AMEXCAP). Mexico's strong industrial and manufacturing sectors, along with recent reforms to policies and regulations, have had a positive impact on the PE industry, resulting in double-digit annual growth for the industry. Real estate and venture capital (VC) also had double-digit increases in the same period, of 16 per cent and 12 per cent, respectively. Currently, the number of active fund managers is over 180, with fund managers, or general partners (GPs), active across a range of sectors, and representing a sevenfold growth since the beginnings of the industry in the early 2000s.

In recent years, the Mexican government has been an important participant in and supporter of the PE industry, investing in more than 72 funds⁷ through institutional investors such as NAFIN (the national development bank), the Capitalization and Investment Fund for the Rural Sector, Bancomext and Banobras, and through investment vehicle Corporación Mexicana de Inversiones de Capital, SA de CV, or Fund of Funds, which has invested more than US\$885 million in more than 84 funds and co-invested in 17 deals.⁸ In addition, the National Institute of Entrepreneurship helped the Mexican VC industry and seed capital ecosystem by investing or co-investing in 41 funds from 2013 to 2016. For 2016, the VC support grew to 100 million Mexican pesos, targeting one fund with an approach to the Asia-Pacific alliance countries, which is now finishing its fundraising period. Finally, domestic pension funds (AFOREs) have played a determinant role in the growth of the PE industry, having allocated more than US\$20.4 billion through 106 capital development certificates (CKDs) and investment project certificates (CERPIs) since 2008. This amount may increase by a further US\$5 billion, given the CKDs that are in the pipeline. Mexico is seen as one of the most favourable emerging markets to invest in, and is considered top in Latin America

according to various limited partner (LP) surveys, such as those conducted by the Association for Private Capital Investment in Latin America in 2014 and 2015, and by the Emerging Markets Private Equity Association in 2015, 2016 and 2017.⁹

Mexico returned to the World Economic Forum's (WEF) list of the top 10 countries to invest in globally, by rising four positions to number nine, sitting alongside the United States, China, Germany, India, the United Kingdom, Brazil, France, Australia and Japan. The Mexican economy is being reshaped, and in spite of an adverse economic environment, allows dynamism of its international trade, and the structure of its debts minimises the impact of external factors making it a healthy option for investing. The WEF ranks Mexico in 46th place, out of 140 countries, in the 2018 edition of the competitiveness index, which shows that the country has microeconomic and acroeconomic institutions with strong foundations. Mexico is placed as the second-largest economy in Latin America (with an estimated GDP of US\$1.222 trillion) and it is considered to have economic stability that has allowed to remain stable despite various difficulties. The Mexican economy has grown at an average annual rate of 2.5 percent for the past 10 years, mainly because of the

implementation of new regulations to improve development, sensible monetary and fiscal policies, ordered management of public finances led by the Bank of Mexico, and a gradual improvement in the country's external environment, despite a zero per cent growth being estimated for 2019. The World Bank suggests Mexico might be the world's seventh-largest economy by 2050 - a positive outlook that will only serve to attract direct foreign investment.

The PE industry and the VC sector in Mexico continue to grow and mature. The internationalisation of both funding sources and investment by domestic GPs suggests that Mexico is playing an increasingly influential role in financial and economic growth at both the regional and global levels. Within VC alone, Mexico has witnessed the number of GPs triple in the past seven years. The policies being implemented in Mexico, particularly the opening-up to competition of the energy and telecommunications sectors, and labour market reforms, have been welcome steps to attract investment and raise employment and, potentially, growth.¹³ This is evidenced by the extent to which infrastructure and energy funds have also increased significantly, reaching 30 funds in 2016 - a clear effect of the energy reform allowing private investments in the energy sector, including oil and gas, electric power generation and renewable energy. As at October 2017, an estimated US\$25 billion in cash reserves were available for investment by PE funds investing in Mexico.¹⁴

Likewise, accumulated capital commitments from 2018 to September 2019 increased by 1.7 per cent. These capital commitments were mainly concentrated on seed and early stage VC funds.¹⁵ As at September 2019, three new Mexican funds had been formed, bringing the number of funds operating in Mexico to 126, of which 60 per cent are now investing or managing their investments, while almost one-third are still at the fundraising stage.¹⁶

In general, information about PE funds is not publicly available during the fundraising stage unless the funds are public funds raised in the securities market, such as CKDs, CERPIs or Mexican real estate trusts (FIBRAs).

The Mexican fundraising market has been in an upward trend since 2014. In the past, the most attractive sector has been real estate, but recently the VC sector has

clearly been rising. Mexican PE funds are active, growing and covering a large spectrum of industries (business and financial services, consumer goods, healthcare, technology, oil and gas, etc.). VC funds mainly invest in consumer services, fintech and technology; real estate funds mainly target

the industrial (mostly automotive, aerospace and pharmaceutical), commercial, tourism and housing sectors; and the infrastructure and energy funds are currently concentrated in the oil and gas sector. In March 2018, the Law Regulating Financial Technology Institutions (the Fintech Law) was enacted, providing for regulation of, among other things, electronic payments, cryptocurrency transactions and crowdfunding mechanisms. According to Fintech Radar Mexico, conducted by Finnovista in May 2019, Mexico is very close to reaching the 400 fintech start-up mark, and, in 2019, it regained leadership as the largest fintech ecosystem in Latin America, in part because of a strong presence of entrepreneurship and e-commerce.¹⁷ The Mexican fintech industry has shown an annual growth rate of 29 per cent, with the creation of 98 new start-ups, with the dominating sectors being loans, payments and remittances.¹⁸ Reports from recent years have highlighted the high growth rates of fintech in Latin America, such as LAVCA's 2017 Trend Watch: Latin American Venture Capital, which concluded that the fintech sector represents 25 per cent of the venture investments in information technology in the region. According to a survey conducted by Finnovista in collaboration with Endeavor, Mexican fintech companies have a monthly gross transaction value of 39 billion Mexican pesos, with an average of 8.7 million Mexican pesos being billed per fintech start-up per year. These results emphasise the importance and the possibilities of fundraising and VC investment in the development of the fintech ecosystem in Mexico. As the fintech industry represents a massive potential growth area in Mexico, the government has passed legislation that seeks to ensure financial stability and provide a defence against money laundering and corruption.

OUTLOOK

The private equity industry in Mexico has been re-energised in recent years by government reforms and policies, a stable macroeconomic situation, stable population growth rate, an increase in real income and an active entrepreneurial ecosystem. Mexico has successfully completed USMCA (which is expected to supersede NAFTA) negotiations with the United States and Canada and has gone

through a smooth, peaceful and democratic power transition following the presidential election that took place in July 2018, providing certainty to investors. However, Mexico's intention of being prepared for any scenario is clear from its aim to increase trade with Argentina and the Pacific Alliance (Colombia, Peru and Chile), as well as with the European Union and Asian countries, and from the government's continued efforts over the past few years in the infrastructure and energy sectors.

While the forecasts are moderately strong, we expect contract and investment opportunities to be abundant as government policies support a shift towards a larger role for private investment in the Mexican infrastructure industry and in the still-booming energy industries. Opportunities will also be presented by the continuing rise of the fintech industry. The outlook for the Mexican PE industry is, therefore, positive, with local funds becoming more global and deploying capital, and investments by foreign funds increasing throughout the energy sector. If conditions remain the same and the growth rate remains at the levels we have been seeing, the PE industry should, according to AMEXCAP, reach US\$80 billion by the end of 2020. We predict that the regime governing publicly issued PE funds will continue to be improved, and that the regulations regarding investment restrictions applicable to Mexican pension funds will necessarily evolve towards alignment with the types of regimes seen in other, more evolved countries, allowing the pension funds to conduct private transactions and investments in funds or projects directly (rather than only through publicly issued securities such as CKDs, FIBRAs, FIBRA Es and CERPIs).

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Telecoms Team contributed the

GTDT: Telecoms & Media 2019 edition

Category: Publications, Telecoms

written by Adrián Trejo Santiago | July 6, 2023

[Julián Garza](#) and [Paulina Bracamontes](#) from the Telecoms team at Nader, Hayaux & Goebel contributed the Mexico chapter in *Lexology Getting the Deal Through - Telecoms & Media 2019 edition*.

Covering policy and licensing, regulation of services, competition and mergers, Telecoms and Media summarises the main issues related to T&M regulation and policy in a global context: government policy, WTO Basic Telecommunications Agreement commitments, fixed, mobile and satellite services, radio frequency requirements, next-generation mobile services, authorisation timescales and fees, modification and assignment of licences, radio spectrum assignment, cable networks, local loop access, internet regulation, broadband penetration, interconnection and inter-operator disputes, charges and tariffs, customer terms and conditions, media licensing, content and advertising restrictions, exclusivity and ownership restrictions, unsolicited and intercepted communications and competition and merger control.

The chapter on Mexico can be downloaded [here](#).



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Expert analysis on Telecoms and Media sector

Category: Publications, Telecoms

written by Adrián Trejo Santiago | July 6, 2023

Julián Garza and Gustavo Díaz from the Telecoms team at Nader, Hayaux & Goebel contributed the Mexico chapter in *Getting the Deal Through* 19th edition of its Telecoms & Media guide.

Covering policy and licensing, regulation of services, competition and mergers, Telecoms and Media summarises the main issues related to T&M regulation and policy in a global context: government policy, WTO Basic Telecommunications Agreement commitments, fixed, mobile and satellite services, radio frequency requirements, next-generation mobile services, authorisation timescales and fees, modification and assignment of licences, radio spectrum assignment, cable networks, local loop access, internet regulation, broadband penetration, interconnection and inter-operator disputes, charges and tariffs, customer terms and conditions, media licensing, content and advertising restrictions, exclusivity and ownership restrictions, unsolicited and intercepted communications and competition and merger control.

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5th edition of the LexMex Conference took place in London on 5 October 2017.

Category: Aviation, Banking & Finance, Capital Markets, Energy, Events, Firm news, Infrastructure, PPPs and Government Procurement, Insurance and Reinsurance, Mergers and Acquisitions, Practices Areas, Real Estate, Securitizations & Structured Finance, Tax, Telecoms, Workouts & Insolvency

written by Adrián Trejo Santiago | July 6, 2023

LexMex is a yearly conference, organized by the Mexican Chamber of Commerce in Great Britain (“MexCC”), with The Law Society of England and Wales and as of this year, the Bar Council.

LexMex gathers leading Mexican lawyers and experts to discuss the most relevant legal developments in Mexico highlighting opportunities for collaboration among Mexican and English and Welsh lawyers.

The 2017 LexMex Conference was divided in a morning plenary session at The Law Society and in the afternoon breakout sessions.

The Vice President of the Society Simon Davis opened the Conference by welcoming the speakers and attendees, among them, HE Julian Ventura Valero, Ambassador of Mexico to the UK and Judge Mariana Rodriguez Mier y Terán of the Superior Court of Justice of the State of Tamaulipas.

The plenary session included a special presentation by Kerma Partners explaining the development, trends and challenges of the Mexican legal market, followed by panel discussions with updates on capital markets by Nader, Hayaux & Goebel; energy by Norton Rose Fulbright; employment law by Marvan Gonzalez Graf y Gonzalez Larrazolo; environmental law by Haynes & Boone; commercial disputes by Malpica, Iturbe, Buj y Paredes; and tax litigation by Ernst & Young. The panel sessions were moderated by Tim Girven, editor on Latin America at Legal 500; and Simon Davis, Vice president of The Law Society.

The three main bars associations (colegios de abogados) in Mexico: ANADE, Ilustre y Nacional Colegio de Abogados de México and Barra Nacional, Colegio de Abogados were represented at LexMex by Angel Junquera whom had a lively and very interesting discussion with Amanda Pinto QC, Chair of the International Committee of the Bar Council on the implementation of the National Anticorruption System in Mexico.

This year keynote speaker of LexMex was Judge Mariana Rodríguez Mier y Terán, President of the Criminal Collegiate Chamber and Judge of the Fourth Unitary Chamber in Criminal Law of the Supreme Justice Tribunal of the State of Tamaulipas. In a detailed and lively account of her personal experience in implementing the adversarial criminal law system in the State of Tamaulipas, Judge Rodríguez Mier y Terán explained the fundamental and radical changes implied in going from an inquisitorial system to an adversarial system in a civil law and federal country, the importance of such reforms and benefits it entails as well as the tremendous challenges that Mexico in general and each state, including Tamaulipas in particular, are facing to implement this completely new criminal procedure based on the following principles: transparency (publicidad), challenge (contradicción), concentration (concentración), continuity (continuidad) and immediacy (inmediación) within the framework of the Human Rights constitutional reform of June 2011.

Finally, the Chairman of the MexCC, Yves Hayaux du Tilly —a Mexican lawyer himself— gave the closing remarks making reference to the connections being created and required to improve the links and collaboration among Mexican and English and Welsh lawyers, laying out four ideas on matters in which Mexico and the UK could further collaborate: improvement of professional standards; organization of the legal profession; advantages and benefits in the administration of justice by having a Ministry of Justice; collaboration and exchanges among Mexican and British lawyers and the judiciaries; and best practices in the practice of the legal profession.

During the afternoon various roundtable were organized as follows: tax roundtable chaired by Clara Ramirez Senior Manager at EY; criminal adversarial system roundtable chaired by Andrew Langdon QC, Chair of the Bar Council; commercial

litigation and arbitration roundtable chaired by Frederico Singarajah, Chair of the Bar Council Latin America Interest Group; and finally, employment law roundtable moderated by Pia Sánchez, Senior Associate at Lewis Silkin.

The LexMex has become a reference on Mexican law in London and year by year has made visible the increasing and reciprocal interest among Mexican and British lawyers and judges in working together and showcasing the many benefits and opportunities that such collaboration can bring to both countries.

For more information about the Lex Mex and other events organized by the MexCC, please contact its manager, Milène Hayaux du Tilly (milenehayaux@mexcc.co.uk).

Speakers at Lex Mex 2017 Conference: Simon Davis, deputy vice president, The Law Society of England and Wales, Leopoldo Hernández Romano, KermaPartners, Dr. Héctor Herrera Ordoñez, Haynes & Boones GDG- LLP, Yves Hayaux du Tilly - Nader, Hayaux & Goebel, Sean McCoy - Norton Rose Fulbright, Héctor González Graf, Marván, González Graf y González Larrazolo, Tim Girven, editor on Latin America, Legal 500, Angel M. Junquera, Asociación Nacional de Abogados de Empresa, ANADE Ilustre y Nacional Colegio de Abogados de México. Amanda Pinto, QC, chair of the International Committee of the Bar Council, Carlos Malpica, Malpica, Iturbe, Buj y Paredes , Nora Morales, Ernst & Young, Judge Mariana Rodríguez Mier y Terán, Judge of the State of Tamaulipas, Yves Hayaux du Tilly, Chairman, MexCC.