

Bill - Law for the Promotion of Investment in Strategic Infrastructure

Mexico City, March 20, 2026

Executive Summary

On March 18, 2026, the Executive branch submitted a bill proposing the Law for the Promotion of Investment in Strategic Infrastructure (the "Bill"), as well as amendments to various provisions of the Federal Budget and Fiscal Responsibility Law.

The Bill provides a new framework for the promotion and execution of strategic infrastructure projects, applicable across the infrastructure and health sectors. It also recognizes that energy-related projects will continue to be regulated by sector-specific legislation.

Key elements of the Bill are: (i) the creation of the Strategic Planning Council, (ii) regulation of mixed investment structures, and (iii) changes to project governance. The Bill also regulates aspects of administrative procurement for projects, as well as procedures and the migration of existing projects to the new regime.

I. Creation of the Strategic Planning Council

The Bill provides for the creation of a Strategic Planning Council (the "Council"). The Council is composed of appointees from various federal departments, such as the Ministry of Energy, the Ministry of Economy, and the Ministry of Infrastructure, Communications and Transportation, as well as the National Public Works and Services Bank (a state-owned bank).

Among other powers, the Council has the following mandates:

1. Approval of grants and tax incentives: approving grants and tax incentives for projects submitted by federal entities or departments. Support measures may include contributions of financial resources, guarantees, or tax incentives granted by the Federal Government.



2. Approval of projects: granting “eligible project” status to proposals submitted for incorporation into special-purpose vehicles, which may consist of companies, trusts, or any other structure that enables joint investment by the public, private, or social sectors.
3. Issuance of opinions: issuing opinions on analyses of financial, economic, and social profitability.

The Council’s involvement is limited to the initial stage of a project, without direct participation in approving contracts, modifications, or subsequent execution of the projects. Once the project is approved, the contracting entity retains authority to structure, award, and enter into the relevant contracts. The approval process incorporates elements similar to those provided under the existing public-private partnership (“PPP”) regime, including feasibility analyses and cost-benefit evaluations.

II. Regulation of Mixed Participation Schemes

The Bill broadly regulates “mixed participation schemes”, which include:

1. Long-term procurements: implemented through “strategic investment contracts”.
 - a. Other instruments: investment projects may also be implemented through concessions, assignments, or permits granted by the Federal Government to special-purpose vehicles so that they may access the grants and tax incentives provided for under the Bill.
 - b. Mixed investment schemes: the Bill provides for the design, structuring, and implementation of a project to be carried out through the incorporation of companies or trusts and other vehicles permitted by law.
 - c. Structuring and State participation: the Bill regulates mixed investment projects with direct State participation in the equity of project vehicles, without specifying minimum thresholds for State participation.
 - d. Implementation: these models may take the form of a company or trust, with flexibility regarding the percentage of State participation and contribution.
2. Sectoral investment structures: the Bill refers to projects in regulated sectors. For example, in the energy sector, applicable models include co-investment, associations, assignments, contracts, or mixed corporations.

III. Changes to project governance

The Bill also regulates agreements governing the relationship between public and private partners, corporate governance, project term, risk mitigation, and source of payment.

1. Corporate governance and oversight: the Bill provides that a director or specialized collegial body must be appointed for project vehicles, with regulation delegated to guidelines to be issued by the Ministry of Finance and Public Credit. Additionally, project vehicles are expected to have an external auditor and publish financial statements pursuant to rules issued by the authority.
2. Term: the Bill provides that the term of investment contracts must be between 4 and 40 years, with the possibility of extension.
3. Risk mitigation: the Bill allows for liquidated damages and/or penalties applicable to both parties, assignment of rights, and amendments. It recognizes the right of investors to request the economic-financial restructuring of the project in the event of regulatory changes or other unforeseen events. In the event of early termination, the parties may agree on the scenarios under which they are entitled to recover investments made.
4. Source of payment: the Bill regulates various payment sources, including earmarked budgetary spending, revenues generated by the public entity, project revenues, and/or other sources. This approach allows different financing models to be integrated within a single scheme.

IV. Other regulated aspects

Additionally, the Bill regulates (among other aspects):

1. Procurement process: projects must be preceded by market studies and early engagement mechanisms, such as preliminary meetings. Direct award scenarios similar to those under the current regime are preserved.
2. Procedures and permits: the Bill provides for priority processing of permits and authorizations for these projects.
3. Handover of assets: the Bill provides for the delivery or transfer of project assets at the end of the contract term, with certain exceptions.

4. Migration of projects: the Bill provides for the possibility of migrating PPP projects to the new regime, subject to the parties' agreement and prior approval by the Council.

Final comments

The Bill represents an evolution of public-private participation models in Mexico, maintaining certain structural elements of the PPP regime while introducing relevant changes in governance, capital structuring, and contractual flexibility.

Nonetheless, certain aspects could generate interpretative and implementation challenges that will need to be assessed as the legislative process progresses.

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