CIDAC IS COMMITED TO A PLURALISTIC AND UNBIASED DEBATE ABOUT MEXICO’S ENERGY DILEMMAS.

- A strong regulation will be crucial in any scenario that deals with a potential opening.
- An energy reform that does not take into account the electricity sector’s inefficiencies is not a reform at all.
- It’s unsustainable to perpetuate a company that is opaque, unproductive and without incentives to improve.

CIDAC (Centro de Investigación para el Desarrollo, A.C.) held its 7th Annual Conference on Competition and Regulation, entitled “Openness in the debate regarding Mexico’s energy future”. With the aim of promoting a discussion that was informed, unbiased and full of technical tidiness, CIDAC called in several professionals of diverse fields, who debated three fundamental dilemmas for Mexico’s energy future: the necessary conditions for a potentially successful opening of the company, the relation between Pemex and the Mexican State and the need for thinking beyond oil and start looking for a true energy security.

“CIDAC is convinced that any scenario that deals with openness ought to be accompanied with strong regulation that oversees Mexican oil reserves, protects the environment, establishes the institutional conditions needed to delimit economic powers and that proves the country that oil revenues are used in intelligent causes that truly boost the nation’s development”, stated Verónica Baz, CIDAC’s General Director.

Regarding the dilemma of the relation between Pemex and the Mexican State, CIDAC believes that the former is unsustainable, given that the company operates with little transparency, scarce accountability, efficiency rates that are way below the best practices worldwide and has no incentives to improve when the government suctions most of its revenues.

“To achieve a true energy security, that is to say, ensure the energy supply reaches the industry, services and families at competitive prices that reflect efficient costs, it is essential to think beyond oil”, Verónica Baz added. Additionally, CIDAC considers that an energy reform would not be complete if the vast inefficiency of Mexican electricity sector and the goals that the country has with regards of mitigating climate change weren’t taken into account.

These three dilemmas, which were broadly discussed during the conference, originate from the report made by CIDAC: “Three Dilemmas: Diagnosis for Mexico’s Future”, available at www.cidac.org/eng.

About CIDAC
CIDAC (Centro de Investigación para el Desarrollo, A.C.) is an independent, non-profit think tank that undertakes research and proposes viable policy alternatives for the medium and long-term development of Mexico. It elaborates proposals that contribute to strengthening the Rule of Law, creating favorable conditions for Mexico’s economic and social development and enriching Mexican public opinion and providing analyses and information for societal decision-making.

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