

Guide to comply with Article One of the "Decree establishing measures to combat the illicit fuel market, related to the importation of goods regulated by the Ministry of Energy" published on October 23, 2023 in the Official Gazette of the Federation (the Decree).

Those interested in importing the goods regulated in the Single Annex of the Decree must carry out the actions listed below, as the case may be, to obtain the corresponding authorizations from the Undersecretary of Hydrocarbons of the Ministry of Energy:

1. Those who need to import any merchandise provided for in the Single Annex of the Decree must send to the e-mail account decretomercancias@energia.gob.mx, a free letter containing at least the following information:

- Information about the merchandise you wish to import during the next 60 calendar days, for which you must indicate: (i) tariff code to be imported, including your commercial identification number (NICO), (ii) description of the merchandise to be imported, (iii) volume and destination (end use) of the merchandise you request to import, (iv) state that the import is necessary for your production process, that its purpose is the development of a lawful activity and that does not contravene the provisions of the decree, (v) customs through which the merchandise to be imported will enter, and (vi) manifest 2 (two) email accounts, through which it expressly agrees to receive communications from the Ministry of Energy.
- Name and/or company name of the interested party.
- Federal Taxpayer Registry code of the interested party.
- Description of the commercial activity carried out.

You must also attach the following documentation to the letter:

- Copy of its articles of incorporation, in the case of a legal entity.
- Copy of your official identification, in the case of a natural person.
- Copy of the power of attorney granted, if applicable, to your representative or legal representative, as well as a copy of the official identification of the same.
- Any other documentation that it deems appropriate to accredit its statements.



2. **Those who have a valid prior permit must send to the e-mail account decretomercancias@energia.gob.mx, a free letter that contains, at least, the following information:**

- Information about the merchandise you wish to import during the next 60 calendar days, for which you must indicate: (i) tariff code to be imported, including your commercial identification number (NICO), (ii) description of the merchandise to be imported, (iii) volume and destination of the merchandise you request to import and state that the import is necessary for your production process, as well as their intention to continue with the import operations covered by their permit, (iv) that the purpose of the importation of the merchandise is the development of a lawful activity and that it does not contravene the decree, (v) customs through which the merchandise to be imported will enter, and (vi) manifest 2 (two) email accounts, through which it expressly agrees to receive communications from the Ministry of Energy.
- Name and/or company name of the interested party.
- Corresponding permit number.
- Federal Taxpayer Registry code of the interested party.
- Description of the commercial activity carried out.

Likewise, they must attach to this document the documentation that they deem appropriate to accredit their statements.

REMARKS:

- The Ministry of Energy and the Ministry of Economy, within the period established in the Second Transitory of the Decree, shall establish the non-tariff control measures for imports and the traceability of goods corresponding to the tariff items listed in the Single Annex of the Decree. Therefore, those interested in importing these goods must comply with the measures established within the corresponding deadlines.
- If you require support for the submission of the information and documentation provided for in the first article of the Decree, please contact the e-mail decretomercancias@energia.gob.mx.



Decree establishing measures to combat the illicit fuel market, related to the importation of goods regulated by the Ministry of Energy.

In the margin is a stamp with the National Coat of Arms, which reads: United Mexican States.- Presidency of the Republic.

ANDRÉS MANUEL LÓPEZ OBRADOR, President of the United Mexican States, in exercise of the power conferred on me by Article 89, section I, of the Political Constitution of the United Mexican States, based on Articles 1, third paragraph, 4, fourth and fifth paragraphs, 25, third paragraph, 28, third paragraph, 90 and 131, second paragraph, of the Constitution itself; 2nd, 11, 13, 27, 29, 30, 30 Bis, 31, 32 Bis, 33, 34 and 36 of the Organic Law of the Federal Public Administration; 1, section I, of the Federal Consumer Protection Law, and 2nd, 4th, sections II and III, and 5th, sections XII and XIII, of the Foreign Trade Law, and

INASMUCH

That the third paragraph of Article 1 of the Political Constitution of the United Mexican States (CPEUM) prescribes that *[a]ll authorities, within the scope of their powers, have the obligation to promote, respect, protect, and guarantee human rights in accordance with the principles of universality, interdependence, indivisibility, and progressivity. Consequently, the State must prevent, investigate, punish and make reparation for human rights violations, in the terms established by law;*

That Article 4, fourth and fifth paragraphs, of the CPEUM, establishes that every person has the right to the protection of health and to a healthy environment for his or her development and well-being, and that the State shall guarantee respect for this right;

That the third paragraph of Article 25 of the CPEUM provides that *[t]he State shall plan, conduct, coordinate, and guide national economic activity, and shall carry out the regulation and promotion of activities demanded by the general interest within the framework of freedoms granted by this Constitution;*

That the third paragraph of Article 28 of the CPEUM provides, in its relevant part, that the law shall protect consumers;

That the second paragraph of Article 131 of the CPEUM confers on the Federal Executive the extraordinary power *to increase, decrease, or eliminate the quotas of export and import tariffs, issued by Congress itself, and to create new ones; as well as to restrict and prohibit imports, exports and transit of products, articles and effects, when it deems it urgent, in order to regulate foreign trade, the economy of the country, the stability of national production, or to carry out any other purpose, for the benefit of the country;*

That, on October 22, 2002, the Senate of the Republic approved the United Nations Convention against Transnational Organized Crime (Palermo Convention), ratified by the

Federal Executive on March 4, 2003, which entered into force for Mexico on September 29, 2003. when they are necessary for the prevention of transnational organized crime;

That Article 1, section I, of the Federal Consumer Protection Law establishes that the basic principles in consumer relations are, inter alia, *the protection of the life, health, and safety of the consumer against the risks caused by products, practices in the supply of products and services considered dangerous or harmful*;

That the Foreign Trade Law is of public order and applicable throughout the Republic, without prejudice to the provisions of international treaties or conventions to which Mexico is a party;

That, in accordance with Article 4, sections II and III, of the Foreign Trade Law, the Federal Executive is empowered to regulate, restrict or prohibit the export, import, circulation or transit of goods, when it deems it urgent, by means of decrees published in the Official Gazette of the Federation (DOF), in accordance with Article 131 of the CPEUM, as well as establishing measures to regulate or restrict the export or import of goods by means of agreements ordered by the Ministry of Economy;

That the National Development Plan 2019-2024, published on 12 July 2019 in the Official Gazette, provides that the current federal government has set itself the objective of restoring the constitutional principle *that all public power emanates from the people and is instituted for the benefit of the people*, aimed at laying the foundations for ensuring that by 2024 the population of Mexico will be living in an environment of well-being;

That during all stages of the industry's value chain, including imports, the applicable legal framework must be complied with, among other matters, in the administrative, foreign trade, energy, fiscal and environmental spheres, in order to guarantee operational, industrial and environmental protection safety, so that there are no illegal or irregular practices that could lead to the illicit fuel market and the smuggling of gasoline and diesel;

That the illegal practices represent a risk to the safety, health, property of the population, the environment, and the facilities and means of transport that are in the affected radius (explosions, fires, spills, among others) of those places where the goods referred to in this decree are handled inadequately, to the detriment of the public and social interest;

That the Mexican State has identified that in the course of the aforementioned illicit practices, various goods are imported to alter or adulterate petroleum products, such as gasoline and diesel, in contravention of the applicable regulations;

That once a lower cost commodity is imported in relation to a finished petroleum product (gasoline or diesel that does comply with the regulations), it is mixed in transfer, intermodal, storage, distribution, retail and self-consumption facilities, as well as in other facilities or means of transport, thereby altering the composition of the petroleum products and hydrocarbons with respect to their authorized specification, to obtain greater profits

or economic benefits through their sale, marketing, distribution, sale to the public and final consumption, to the detriment of those who carry out lawful activities, consumers and the Public Treasury;

That the efforts and actions implemented by the Federal Government to combat hydrocarbon crimes have yielded good results; However, new variants have emerged in the commission of criminal conduct related to: a) the introduction into the country of goods that are declared with a tariff item that does not correspond to the goods actually entered, and b) the entry of goods without having the permits issued by the competent authority, where they omit the due payment of contributions; to the detriment of the Federal Treasury and the public and social interest, which is why it is necessary to combat these new behaviors in order to eradicate them;

That the illegal or irregular practices described in this decree lead to the commission of other crimes through the different stages of the value chain, such as the marketing or transport of petroleum products that do not contain the specifications set out in the regulations in force, falsification of invoices, pedimentos, bills of lading, certificates of origin, quality certificates, fuel theft, tax evasion and other hydrocarbon crimes;

That this problem has also been perceived by private actors in the energy sector, supported by companies specializing in chemical analysis services of petroleum products, who have published information that assures that up to 80% of the fuels analyzed were adulterated;

That international energy market analysts have reviewed the behavior of the import, export, and marketing markets for transportation fuels, and identified atypical operations, illicit fuel mixing, and regulatory loopholes that result in the omission or violation of applicable regulations;

That in order to combat the aforementioned illegal practices, the Federal Government carried out extraordinary inspections at some points of entry into the country, which showed that only 25% of the goods analyzed corresponded to gasoline and diesel that complied with the regulations in force, while 75% were other goods whose registered import volume has no justification, since it exceeds by approximately 40 times the volume used by the national industry as raw material;

That according to studies carried out by the Government of Mexico, it was detected that the illegal fuel market during 2021 amounted to 47 million barrels, and that the loss to the Federal Treasury due to the illegal fuel market was 64 billion pesos derived from the imported product that is brought into the country as contraband, without paying the corresponding taxes;

That with updated calculations based on the demand and growth of the economy and the vehicle fleet, it is estimated that if the problem of the illicit fuel market and the smuggling of gasoline and diesel is resolved, there would be an increase in tax collection

of more than 91,400 million pesos per year due to the correct payment of the Value Added Tax and the Special Tax on Production and Services;

That the federal government has implemented successful measures in the fight against fuel theft (huachicol) that, as of December 2022, have generated savings of more than 231 billion pesos, so it is necessary to continue with the implementation of measures to attack new criminal behaviors and combat the illicit fuel market caused by the alteration or adulteration of petroleum products and the commission of other crimes in the field of hydrocarbons;

That the Mexican State deems it urgent to take additional actions to ensure that the goods that are imported and used to carry out activities that comply with the specifications established in the regulations on industrial safety, operational safety, and environmental protection, in order to avoid an imminent risk of exposing the population to high levels of environmental contamination, in air, water and soil, to the detriment of the general interest;

That the improper use of various goods that are used to mix them irregularly with hydrocarbons or petroleum products generates inefficient combustion in vehicle engines, which causes an increase in environmental pollutants, an increase in ozone precursors, greenhouse gas emissions and short-lived pollutants, and causes damage to the health of the population and the environment;

That the aforementioned conditions of illegality or irregularity have fostered the illicit market of fuels and that some actors in the industry fail to comply with the operational, industrial and environmental safety conditions appropriate for the handling of hydrocarbons and petroleum products, which generates risks of explosion, fires, spills and emission of gases, among others, and entails an impact on the integrity and health of the population and the environment, mainly, in those nearby places where the operations of modification of the composition of the goods in question are carried out;

That the use of adulterated fuels that are marketed or distributed, causes damage to vehicle engines, lubrication, transmission, combustion, transport and storage of fuel and additives, catalytic conversion, intake and exhaust, cooling, lubrication, ignition, electrical and computer control, designed to use diesel or gasoline in accordance with current regulations, could affect a significant percentage of the universe of vehicles that The National Institute of Statistics and Geography estimates that there are more than 55 million vehicles in the country;

That this decree does not restrict the free trade of gasoline and diesel as finished products that comply with the applicable regulations, since the purpose of this measure is to restrict goods used in the smuggling or alteration or adulteration of petroleum products;

That it is advisable that customs clearance for the importation of the aforementioned goods be carried out through the specific customs offices determined by the National Customs Agency of Mexico, in coordination with the Tax Administration Service;

That the measures to be implemented have the opinion of the Foreign Trade Commission, in accordance with the Foreign Trade Law, and

That in order to guarantee the population the effective exercise of their right to health, to the social economy, to a healthy environment for their development and well-being, as well as to consumer protection, it is urgent and necessary to implement measures to combat the illicit fuel market and smuggling that restrict the importation of goods that are used to alter or adulterate petroleum products and hydrocarbons, as well as to adopt the necessary measures to combat the phenomenon of illicit activities described, I have been pleased to issue the following

DECREE

Article One. The import of goods corresponding to the tariff sections of the Law on General Import and Export Taxes, published in the Official Gazette on June 7, 2022 and its subsequent amendments, which are listed in the Single Annex to this decree, is temporarily restricted in order to combat the illicit fuel market and smuggling to avoid: (a) imminent harm to health and the environment; b) the violation of the health and safety of the population surrounding the fuel handling centers, and c) the negative impact on private vehicles and public transport.

Interested parties who need to import any of the goods provided for in the Single Annex must request and certify to the Undersecretary of Hydrocarbons of the Ministry of Energy that the volume and destination of the goods they request to import is necessary for their production process, and that their purpose will be the development or performance of a lawful activity and that it does not contravene this decree.

Those who require goods to enter national territory that at the entry into force of this instrument must have a prior import permit issued by the Ministry of Energy, must prove to the Undersecretary of Hydrocarbons of said agency that the volume and destination of the merchandise to be imported is necessary for their production process that will have as their purpose the development or performance of a lawful activity. and that this decree is not contravened, as well as complying with the requirements in force for the granting of prior import permits.

For those who, prior to the entry into force of this decree, already have an import permit for any of the goods referred to in the Single Annex, already regulated by the Ministry of Energy, they may continue with their operations and must report, within a maximum period of 30 working days from the entry into force of this decree, to the Undersecretariat of Hydrocarbons of the Ministry of Energy, its intention to continue with the operations covered by its permit and that they correspond to a volume and destination of the merchandise necessary for its production process, which will have as its purpose the

development or realization of a lawful activity and that does not contravene this instrument.

The Ministry of Energy must analyze the information provided by the applicant or permittee and resolve within a maximum period of 15 business days from the receipt of any of the requests referred to in the preceding paragraphs.

Article Two. The Ministries of Economy and Energy are instructed to regulate the non-tariff control measures of imports and the traceability of goods corresponding to the tariff sections of the Law on General Import and Export Taxes, which are listed in the Single Annex to this decree.

Article Three. The Ministries of Economy, Energy, Environment and Natural Resources, and Infrastructure, Communications and Transport, as well as the Tax Administration Service, the National Customs Agency of Mexico, the Energy Regulatory Commission, the National Agency for Industrial Safety and Environmental Protection of the Hydrocarbons Sector, the Federal Attorney for Environmental Protection, and other federal authorities so that, within the scope of their competence, they make adjustments to the registers, registers, systems and platforms, physical or electronic, referring to the importation and traceability of the goods subject to this decree, as well as make the necessary adjustments to the regulation, or any other action that is required for the effective compliance with this instrument.

Article Four. The Ministry of Infrastructure, Communications and Transport, the Energy Regulatory Commission, the National Agency for Industrial Safety and Environmental Protection of the Hydrocarbons Sector, the Federal Attorney for Environmental Protection and the Federal Consumer Protection Office, as well as the National Guard, within the scope of their respective competences, proceed to increase and intensify the inspection and verification of the transfer facilities, intermodal terminals, storage terminals, or any other facility or means of transport in which the goods subject to this decree are deposited, and compliance with the regulations in force and those issued by the Ministries of Energy and Economy, in accordance with the second article of this instrument.

Article Five. It is the responsibility of the National Customs Agency of Mexico, in coordination with the Tax Administration Service, to determine the specific customs through which customs clearance must be carried out for the importation of the goods specified in the Single Annex.

Article Six. All federal authorities in charge of public security, as well as the Ministry of National Defense and the Ministry of the Navy, are instructed to coordinate and assist in the fulfillment of this decree.

Article Seven. The supply in the national territory of the goods listed in the Single Annex of this decree shall be guaranteed by the Federal Executive, through the centralized sector, parastatals and even the State Productive Enterprises, which must

coordinate to combat the problems of national interest mentioned above, and carry out the appropriate actions to achieve it.

To this end, monitoring of the market and the traceability of fuels offered to the general public will be carried out, so that the Mexican State has the necessary information to maintain, redirect or eliminate measures to combat the national problem and public interest referred to.

Article Eight. The interpretation of this decree is the responsibility of the Ministry of Energy.

TRANSIENT

First. This decree enters into force on the day following its publication in the Official Gazette of the Federation.

Second. To comply with the provisions of this decree, the authorities indicated in Article Two have a period of 10 working days, and those mentioned in Articles Three and Five, up to 30 working days, both counted from the entry into force of this instrument.

Third. The restriction of Article One shall be in force until the provisions of Articles Two and Three of this decree are complied with.

Room. With regard to the provisions of Articles Four, Fifth and Sixth of this Decree, the activities deriving from the established instructions must be carried out on a permanent basis.

Single Annex

I. Section V MINERAL PRODUCTS

Chapter 27. Mineral fuels, mineral oils and distillation products; bituminous substances; Mineral Waxes			
	Tariff Fraction	NICO	
			Item 07 Oils and other products of the distillation of high-temperature coal tars; analogous products in which the aromatic constituents predominate by weight over the non-aromatic constituents.
1	2707.10.01	00	Benzol (benzene).
2	2707.20.01	00	Toluol.
3	2707.30.01	00	Xylol (xylenes).
4	2707.40.01	00	Naphthalene.
5	2707.50.91	00	Other mixtures of aromatic hydrocarbons distilling, including losses, a proportion of 65% or more by volume at 250°C in accordance with ISO 3405 (equivalent to ASTM D 86).

6	2707.99.99	01	Cresol.
7	2707.99.99	99	Others.
			Item 09 Crude petroleum oils or oils made from bituminous minerals.
8	2709.00.05	01	Heavy.
9	2709.00.05	02	Medium.
10	2709.00.05	03	Light.
11	2709.00.99	00	Others.
			Item 10 Petroleum oils or oils of bituminous minerals, other than crude oils; preparations, not elsewhere specified or included, containing 70% by weight of petroleum oils or bituminous mineral oils, in which these oils constitute the base element; oil waste.
			Subheading 12 Light oils (light) and preparations.
12	2710.12.06	00	Isomeric mixture of trimethyl pentene and dimethyl hexene (Diisobutylene).
13	2710.12.99	01	Pure petroleum mineral oils, in tanker, tanker or auto-tanker.
14	2710.12.99	02	Naphtha, precursor of aromatics.
15	2710.12.99	03	Jet gasoline.
16	2710.12.99	04	Gasoline with octane rating below 87.
17	2710.12.99	07	Propylene tetramer.
18	2710.12.99	08	Hexane; heptane.
19	2710.12.99	91	Other petrol.
20	2710.12.99	99	Others.
			Subheading 19 Others.
21	2710.19.02	00	Grease oils or lubricating preparations based on petroleum-derived mineral oils, with additives (finished lubricating oils).
22	2710.19.99	01	Pure petroleum mineral oils, without additives (basic lubricating oils), in tank car, tanker or self-tanker.
23	2710.19.99	02	Lubricating greases.
24	2710.19.99	05	Fuel oil.
25	2710.19.99	06	Rubber spreader oil.
26	2710.19.99	07	Paraffinic oil.
27	2710.19.99	91	Other diesel oils (gas oils) and mixtures thereof.

28	2710.19.99	92	Other mixtures of hydrocarbons (n-alkanes, isoalkanes and cycloalkanes) of chain length with at least 95% C11 to C16, boiling between 200°C and 280°C according to ASTM D86, the aromatic hydrocarbon content of which is equal to or less than 1.0% by weight.
29	2710.19.99	99	Others.
30	2710.20.01	00	Petroleum oils or oils of bituminous minerals (other than crude oils) and preparations not elsewhere specified or included, containing 70% by weight of petroleum oils or bituminous mineral oils, in which these oils constitute the base element, containing biodiesel, other than oil waste.
31	2710.91.01	00	Containing polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs) or polybrominated biphenyls (PBBs).
32	2710.99.99	00	Others.
			Item 12 Vaseline; paraffin, microcrystalline petroleum wax, slack wax, ozokerite, delininite wax, peat wax, other mineral waxes and similar products obtained by synthesis or other processes, whether or not coloured.
33	2712.90.03	00	Paraffinic residues ("slack wax"), with an oil content of 8% or more by weight.
34	2712.90.99	01	Waxes
35	2712.90.99	99	Others.
			Item 13 Petroleum coke, petroleum bitumen and other residues of petroleum oils or bituminous minerals.
36	2713.11.01	00	Unburned.
37	2713.90.91	00	Other residues of petroleum oils or oils of bituminous minerals.

II. Section VI PRODUCTS OF THE CHEMICAL OR ALLIED INDUSTRIES

			Chapter 29 Organic Chemicals
			Subchapter I Hydrocarbons and their halogenated, sulphonated, nitrated or nitrosated derivatives
	Tariff Fraction	NICO	Item 01 Acyclic hydrocarbons.
38	2901.10.05	02	Hexane; heptane.
39	2901.10.05	99	Others.

40	2901.23.01	00	Butene (butylene) and its isomers.
41	2901.29.99	00	Others.
			Item 02 Cyclic hydrocarbons.
42	2902.11.01	00	Cyclohexane.
43	2902.20.01	00	Benzene.
44	2902.30.01	00	Toluene.
45	2902.41.01	00	o-Xylene.
46	2902.42.01	00	m-Xylene.
47	2902.43.01	00	p-Xylene.
48	2902.44.01	00	Mixtures of xylene isomers.
49	2902.60.01	00	Ethylbenzene.
50	2902.90.99	00	Others.
			Subchapter II Alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives
			Item 05 Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives.
51	2905.11.01	00	Methanol (methyl alcohol).
52	2905.12.02	01	Propan-1-ol (propyl alcohol).
53	2905.12.02	99	Others.
54	2905.13.01	00	Butan-1-ol (n-butyl alcohol).
55	2905.14.91	01	2-Methyl-1-propanol (isobutyl alcohol).
56	2905.14.91	02	2-Butanol.
57	2905.14.91	99	Others.
58	2905.16.03	01	2-Ethylhexanol.
59	2905.16.03	99	Others.
60	2905.19.99	02	Hexanol.

61	2905.19.99	04	Penthanol (amyl alcohol) and its isomers.
62	2905.19.99	99	Others.
63	2905.29.99	01	Hexenol.
64	2905.29.99	99	Others.
			Subchapter IV Ethers, peroxides of alcohols, peroxides of ethers, peroxides of ketones, epoxides with three atoms in the cycle, acetals and semi-acetals, and their halogenated, sulphonated, nitrated or nitrosated derivatives
			Item 09 Ethers, ether-alcohols, ethers-phenols, ethers-alcohols-phenols, peroxides of alcohols, peroxides of ethers, peroxides of ketones (whether or not chemically defined), and their halogenated, sulphonated, nitrated or nitrosated derivatives.
65	2909.19.99	01	Isopropyl ether.
66	2909.19.99	02	Methyl ter-butyl ether.
67	2909.19.99	99	Others.
			Chapter 38 Miscellaneous Products of the Chemical Industries
			Item 26 Biodiesel and mixtures thereof, not containing petroleum or bituminous mineral oils or containing less than 70% by weight.
68	3826.00.01	00	Biodiesel and mixtures thereof, not containing petroleum or bituminous mineral oils or containing less than 70% by weight of these oils.

Given at the residence of the Federal Executive Branch, in Mexico City on October 23, 2023.- **Andrés Manuel López Obrador**.- Signature.- The Secretary of the Interior, **Luisa María Alcalde Luján**.- **Signature**.- **The Secretary of National Defense, Luis Cresencio Sandoval González**.- Signature.- The Secretary of the Navy, **José Rafael Ojeda Durán**.- **Signature**.- The **Secretary of Security and Citizen Protection, Rosa Icela Rodríguez Velázquez**.- **Signature**.- **The Secretary of Finance and Public Credit, Rogelio Eduardo Ramírez de la O**.- Signature.- The Secretary of Environment and Natural Resources, **María Luisa AlboresGonzález**.- **Signature**.- **The Secretary of Energy, Miguel Ángel Maciel Torres**.- **Signature**.- The Secretary of Economy, **Raquel Buenrostro Sánchez** The Secretary of Infrastructure, Communications and Transport, **Jorge Nuño Lara**.