

Mexico's Congress Blocks Petchem Production

A legislative logjam in Mexico's Congress has prevented needed investment in the country's plastics industry, according to the industry's association. "The problem is that Petroleos Mexicanos [the state-owned oil company] needs the authorization of the Congress to associate with foreign capital," says Alfredo Lopez Machorro, director of institutional relations for the National Association of Plastic Industries. "The government we have now has only another six months to run, and during the last six years it was impossible to legislate to accept foreign investment in energy and petrochemicals." Mexico's Congress is evenly split between the country's three large political parties. The other two parties have always had more than enough votes in Congress to block any law proposed by the president. "In this period just ending, the secretary of energy and the secretary of economy were interested in promoting projects to produce more plastics as well as energy. But the Congress did not approve any initiative. We are exactly where we were six years ago" when President Vicente Fox's party took power, said Lopez Machorro.

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