

# CCN MEXICO REPORT

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## Mexico's Plan to Promote Investment

By: Mario Melgar and Isaac Olguín

Over the past few weeks, President Claudia Sheinbaum has been discussing the “Plan Mexico” a new initiative designed to promote investment in the country alongside with the private sector. The plan consists of 13 strategic objectives, including positioning Mexico among the world’s top 10 economies by strengthening its domestic market and international presence, increasing the investment-to-GDP ratio, ensuring that at least 50% of national supplies and consumption in key sectors is locally sourced, and growing the national content in global value chains, particularly in the automotive, aerospace, and electronics industries by 15%.

To achieve these goals, the Plan Mexico sets forth 18 action points. These include accelerating public infrastructure projects, expanding the production of consumer goods that generate employment, strengthening and increasing domestic vehicle manufacturing, increasing the presence of Mexican products in retail chains, and establishing both an investment portfolio and a national digital investment platform, developing welfare hubs, and financing micro and small businesses. The last strategies are described in detail below due to their relevance and potential impact on the national industry.

## ***Decree to support the Plan Mexico strategy***

As part of Plan Mexico, on January 21<sup>st</sup>, 2025, the "Decree granting tax incentives to support the national strategy known as 'Plan Mexico' to promote new investments that encourage dual training programs and drive innovation" ("Relocation Decree") was published in the [Official Journal of the Federation](#) ("DOF"). This Relocation Decree is a Mexican government tax instrument in force from 2025 to 2030, designed to stimulate private investment, promote innovation, and encourage workforce training through tax benefits.

Some of the key benefits of the Relocation Decree are: (i) **Immediate tax deduction of investment under the income tax ("ISR")** for the acquisition of new fixed assets, excluding furniture, office equipment, and internal combustion vehicles, as well as other non-individually identifiable assets; and (ii) **an additional 25% ISR deduction** applicable to increases in spending on training for workers registered with the IMSS, as well as on spending on innovation projects such as the development of patents or utility models and obtaining initial certifications to integrate production chains.

These tax incentives will be granted to companies in any industrial sector, whether domestic or foreign, taking into account its size. In this regard, the Relocation Decree establishes that, in order to obtain these incentives, interested parties must request a certificate of compliance, which is a document issued by an Evaluation Committee certifying that the participant meets the eligibility requirements, criteria, and parameters. The application process involves submitting a written request, in Spanish, signed by the applicant or their legal representative through the government's Single Window platform.

## ***Economic Development Poles for Well-being***

A second strategy of Plan Mexico includes the creation of Economic Development Poles for Well-being ("Development Poles"), defined as coordinated productive ecosystems in which the government acts as a promoter of investment, enhancing local capacities, and facilitates public and logistical services. These poles may be understood as territorially-defined areas equipped with specific infrastructure, targeted tax benefits, and streamlined administrative processes, all aimed at driving economic growth.

On May 22<sup>nd</sup>, 2025, the government published the "Decree granting tax incentives in Economic Development Poles for Well-being" ("Development Poles Decree") in the [DOF](#), introducing several strategies and tax incentives, such as:

- Promoting investment in machinery and equipment through an immediate deduction of 100% investment in new fixed assets.
- Encouraging dual training programs through a 25% annual deduction on training programs.
- Promoting innovation with research and development initiatives through an additional 25% tax deduction.
- Decreasing income tax credit (from 20% to 10%).

The Development Poles seek to incentivize sectors such as agribusiness, aerospace, automotive and electromobility, energy, electronics and semiconductors, textiles and footwear, among others. Likewise, Plan Mexico has identified 15 cities which will constitute the Development Poles, including Seybaplaya, Ciudad Juárez, Durango, Nezahualcóyotl, Celaya, Tula, Zumpango, Morelia, Ciudad Modelo, Chetumal, Topolobampo, Altamira, Huamantla, Tuxpan y Hermosillo.

## ***Shared Prosperity Portfolio and Digital Investment Window***

Another notable strategy of Plan Mexico is the shared prosperity portfolio ("Portfolio"), an internal and confidential government tool, that is, a list of key government projects that will not be open to the general public, which will be updated periodically, and seeks to support in the management of challenges that limit private investment in Mexico. This marks the government's first effort to compile, in a comprehensive and cross-sectional manner, information on private investment projects.

The main objectives of the Portfolio are to: (i) serve as a means of collaboration between the public and private sectors; (ii) **identify projects that present challenges and accompany them from the planning stage until their completion**; (iii) and to foster cross-agency coordination between government agencies.

## ***Digital Investment Window***

To complement this, the government launched a Digital Investment Window, a unified online platform that streamlines all permits and procedures required across federal, state, and municipal levels for establishing, building, and operating a business. The platform, available as of April 21<sup>st</sup>, is expected to reduce bureaucratic steps, requirements, and processing times by up to 50%.

In CCN we see Plan Mexico as a promising opportunity to attract new investments, foster innovation, and promote regional development. We remain at the disposal of our clients to assist them in taking advantage of these benefits and in the successful execution of their projects.