

## CHAPTER X

# Mexico

Cecilia Flores Rueda<sup>1</sup>

### **Applicable requirements as to the form of arbitral awards**

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#### **Applicable legislation as to the form of awards**

1 Must an award take any particular form?

According to Article 1448 of the Title IV of Book V of the Code of Commerce (the Arbitration Law), the award must be in writing and signed by the arbitrator or arbitrators. If there is more than one arbitrator, the signatures of a majority of the arbitral tribunal members will suffice, provided that the reason for any omitted signature is stated. The award must indicate the date and place of arbitration, and a signed copy of the award must be provided to each party after it is made.

Applicable procedural law for recourse against an award (other than applications for setting aside).

#### **Applicable procedural law for recourse against an award (other than applications for setting aside)**

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#### **Applicable legislation governing recourse against an award**

2 Are there provisions governing modification, clarification or correction of an award? Are there provisions governing retraction or revision of an award? Under what circumstances may an award be retracted or revised (for fraud or other reasons)? What are the time limits?

Under Article 1450 of the Arbitration Law, within 30 days of notice of the award, unless another period has been agreed by the parties, a party, with notice to the other party, may request the arbitral tribunal to correct in the award any

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calculation errors, any clerical or typographical errors or any errors of a similar nature. The arbitral tribunal may correct any of those errors on its own initiative within 30 days of the date of the award and give an interpretation of a specific point or part of the award, if agreed by the parties.

If the arbitral tribunal considers the request to be justified, it shall make the correction or give the interpretation within 30 days of receipt of the request. Such interpretation shall form part of the award.

Under Article 1451 of the Arbitration Law, unless otherwise agreed by the parties, a party, with notice to the other party, may request, within 30 days of receipt of the award, the arbitral tribunal to make an additional award regarding claims presented in the arbitral proceedings but omitted from the award. If the tribunal considers the request to be justified, it will make the additional award within 60 days. The tribunal may extend, if necessary, the period within which it can make a correction, interpretation or additional award under Articles 1450 or 1451.

Awards are final and binding; therefore, the decision cannot be amended, retracted or revised once the award has been issued.

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### **Appeals from an award**

- 3 May an award be appealed to or set aside by the courts? What are the differences between appeals and applications to set aside awards?

Awards can only be set aside under Article 1457 of the Arbitration Law. There is no possibility to appeal an award. Further, the grounds for setting aside an award are limited, and the merits cannot be reviewed by any court.

Applicable procedural law for setting aside of arbitral awards.

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### **Applicable procedural law for setting aside of arbitral awards**

#### **Time limit**

- 4 Is there a time limit for applying for the setting aside of an arbitral award?

An application for setting-aside must be made within three months of the date on which the party making the application received notice of the award or, if a request for correction or interpretation has been made, of the date on which that request has been disposed of by the arbitral tribunal.

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**Award**

- 5 What kind of arbitral decision can be set aside in your jurisdiction? What are the criteria to distinguish between arbitral awards and procedural orders in your jurisdiction? Can courts set aside partial or interim awards?

Arbitral awards may be set aside under limited grounds. There are no specific criteria to distinguish between arbitral awards and procedural orders; however, awards may decide on the merits, and procedural orders on the procedure.

The law does not differentiate between partial and final awards when setting aside proceedings; therefore, both partial and final awards may be subject to setting aside.

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**Competent court**

- 6 Which court has jurisdiction over an application for the setting aside of an arbitral award? Is there a specific court or chamber in place with specific sets of rules applicable to international arbitral awards?

The Arbitration Law is a federal law; therefore, both local and federal courts have jurisdiction over an application for setting aside an arbitral award. Moreover, having a monist arbitration law, there is no difference between domestic or international awards; the same courts and the same set of rules apply to international and domestic awards.

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**Form of application and required documentation**

- 7 What documentation is required when applying for the setting aside of an arbitral award?

The party requesting the setting aside of an arbitral award must supply the duly authenticated original award or a duly certified copy thereof, and the original arbitration agreement or a duly certified copy thereof.

### **Translation of required documentation**

- 8 If the required documentation is drafted in a language other than the official language of your jurisdiction, is it necessary to submit a translation with the application for the setting aside of an arbitral award? If yes, in what form must the translation be?

The Arbitration Law does not expressly provide a requirement to provide a translation of the award with a setting-aside application; however, the general rule is that documents must be submitted with a full translation into Spanish by a certified translator.

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### **Other practical requirements**

- 9 What are the other practical requirements relating to the setting aside of an arbitral award? Are there any limitations on the language and length of the submissions and of the documentation filed by the parties?

There are no fees payable to the courts, and there is no page limit on the submissions and documentation.

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### **Form of the setting-aside proceedings**

- 10 What are the different steps of the proceedings?

The Arbitration Law provides for a specific proceeding comprising the filing of a statement of claim and, within the following 15 days, the corresponding statement of defence. After the term to reply to the statement of defence has expired, with no need for a default motion, and the parties did not file evidence or the judge did not deem it necessary, within the following three days, the hearings for oral arguments take place, which the parties may or may not attend.

If evidence is filed or the judge deems it necessary, then before the hearing is held, a three-day period to produce evidence will take place. Once the hearing has been held, the judge calls the parties to hear the judgment. The intermediate decisions issued in this special trial and the judgment resolving it cannot be subject to appeal.

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## Suspensive effect

- 11 May an arbitral award be recognised or enforced pending the setting-aside proceedings in your jurisdiction? Do setting-aside proceedings have suspensive effect? If not, which court has jurisdiction over an application to stay the enforcement of the award pending the setting-aside proceedings, what are the different steps of the proceedings, and what are the criteria to be met?

Article 1463 of the Arbitration Law provides that if an application for setting aside or suspension of an award has been made to a judge of the country in which, or under the law of which, that award was made, the judge to whom recognition or enforcement is requested may, if he or she deems it appropriate, adjourn his or her decision and, on the application of the party claiming recognition or enforcement of the award, order the other party to provide sufficient security.

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## Grounds for setting aside an arbitral award

- 12 What are the grounds on which an arbitral award may be set aside?

Article 1457 of the Arbitration Law provides that an award may be set aside by the competent judge only if:

- the party making the application provides proof that:
  - a party to the arbitration agreement was under some incapacity, or the agreement is invalid under the law to which the parties have subjected it or, failing any indication thereof, under Mexican law;
  - the party making the application was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his or her case;
  - the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration or contains decisions on matters beyond the scope of the submission to arbitration; however, if the decisions on the matters submitted to arbitration can be separated from those not submitted, only the part that contains decisions on matters not submitted to arbitration may be set aside; or
  - the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties, unless the agreement was in conflict with a provision of the Arbitration Law from which the parties cannot derogate, or, failing such agreement, was not in accordance with the Arbitration Law; or
- the judge finds that the subject matter of the dispute cannot be settled by arbitration, or the award is in conflict with public policy.

### Scope of power of the setting-aside judge

- 13 When assessing the grounds for setting aside, may the judge conduct a full review and reconsider factual or legal findings from the arbitral tribunal in the award? Is the judge bound by the tribunal's findings? If not, what degree of deference will the judge give to the tribunal's findings?

The scope of judicial review is very narrow. The judge cannot review the merits or reconsider any factual or legal findings from the award; therefore, the judge is bound by the tribunal's findings.

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### Waiver of grounds for setting aside

- 14 Is it possible for an applicant in setting-aside proceedings to be considered to have waived its right to invoke a particular ground for setting aside? Under what conditions?

Parties cannot legally waive their right to set aside an award; therefore, such a waiver would be void.

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### Decision on the setting-aside application

- 15 What is the effect of the decision on the setting-aside application in your jurisdiction? What challenges or appeals are available?

Following an application for setting aside the award, it is possible to challenge the setting-aside decision through an 'indirect' *amparo* procedure. This *amparo* procedure is carried out in two instances: first before the relevant federal district court, and then before a collegiate circuit court if the decision of the federal district court is appealed.

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### Effects of decisions rendered in other jurisdictions

- 16 Will courts take into consideration decisions rendered in relation to the same arbitral award in other jurisdictions or give effect to them?

Courts may consider decisions rendered concerning the same arbitral award (e.g., if the award has been set aside) but is not bound to give effect to them. In considering the recognition and enforcement of a foreign arbitral award, courts will examine the requirements of the 1958 Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the New York Convention).

## **Applicable procedural law for recognition and enforcement of arbitral awards**

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### **Applicable legislation for recognition and enforcement**

- 17 What is the applicable procedural law for recognition and enforcement of an arbitral award in your jurisdiction? Is your jurisdiction party to treaties facilitating recognition and enforcement of arbitral awards?

The applicable procedural law for recognising and enforcing arbitral awards in Mexico is the Arbitration Law, which adopted the UNCITRAL Model Law.

Mexico is party to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the New York Convention) and the Inter-American Convention on International Commercial Arbitration.

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### **The New York Convention**

- 18 Is the state a party to the 1958 New York Convention? If yes, what is the date of entry into force of the Convention? Was there any reservation made under Article I(3) of the Convention?

Mexico ratified the New York Convention on 14 April 1971, with no reservations. The Convention entered into force in Mexico on 13 July 1971.

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## **Recognition proceedings**

### **Time limit**

- 19 Is there a time limit for applying for the recognition and enforcement of an arbitral award?

There is a 10-year time limit.

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### **Competent court**

- 20 Which court has jurisdiction over an application for recognition and enforcement of an arbitral award? Is there a specific court or chamber in place with specific sets of rules applicable to international arbitral awards?

The relevant courts are the same as those for the application for setting aside an award: both local and federal courts have concurrent jurisdiction, and there is no difference between domestic or international awards. The same courts and the same set of rules apply to international and domestic awards. There is no specific court with specific sets of rules that apply to international awards.

### **Jurisdictional and admissibility issues**

- 21 What are the requirements for the court to have jurisdiction over an application for recognition and enforcement and for the application to be admissible? Must the applicant identify assets within the jurisdiction of the court that will be the subject of enforcement for the purpose of recognition proceedings?

As there is concurrent jurisdiction, both federal and local levels may admit an application for recognition and enforcement of an arbitral award. To determine the competent court, the applicant must identify the assets within the jurisdiction of the court trying the application.

If the applicant is uncertain about the existence and location of the assets subject to enforcement, the party against whom enforcement is sought may challenge the court's jurisdiction during the adversarial procedure. In the event of jurisdictional challenges, the applicant has the burden of proof regarding the existence and location of the assets within the court's territorial jurisdiction.

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### **Form of the recognition proceedings**

- 22 Are the recognition proceedings in your jurisdiction adversarial or *ex parte*? What are the different steps of the proceedings?

The procedure is an adversarial process that commences with the filing of a claim and a statement of defence. The procedure is predominantly conducted in writing. If evidence needs to be gathered, a 10-day evidential period may be opened. This is followed by a period for closing arguments, after which a judgment is rendered.

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### **Form of application and required documentation**

- 23 What documentation is required to obtain recognition?

Article 1461 of the Arbitration Law provides that, in the request to enforce the award, the duly authenticated original award, or a duly certified copy thereof, and the original arbitration agreement, or a duly certified copy thereof, must be supplied. Additionally, if the award or agreement is not in Spanish, the party shall supply a translation by an official translator.



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**Translation of required documentation**

- 24 If the required documentation is drafted in a language other than the official language of your jurisdiction, is it necessary to submit a translation with an application to obtain recognition? If yes, in what form must the translation be?

If the documentation is provided in a language other than Spanish, it must be translated into Spanish by an official translator, who must be certified by the Mexican judicial branch. This also applies to awards or agreements not rendered in Spanish, which must be translated by an official translator. Translations must be in full; excerpts will not be admitted.

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**Other practical requirements**

- 25 What are the other practical requirements relating to recognition and enforcement? Are there any limitations on the language and length of the submissions and of the documentation filed by the parties?

Recognition and enforcement proceedings are conducted in Spanish. There are no fees payable or restrictions on the length of the submissions or of the documentation filed by the parties.

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**Recognition of interim or partial awards**

- 26 Do courts recognise and enforce partial or interim awards?

For the recognition and enforcement of partial or interim awards, the same rules and procedures apply as for final awards, meaning that partial and interim awards can also be recognised and enforced.

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**Grounds for refusing recognition of an arbitral award**

- 27 What are the grounds on which an arbitral award may be refused recognition? Are the grounds applied by the courts different from the ones provided under Article V of the New York Convention?

Under the Arbitration Law, an arbitral award may be refused recognition only when:

- the party against whom the award is invoked provides to the competent judge of the country where recognition or enforcement is sought proof that:
  - a party to the arbitration agreement was under some incapacity, or the agreement is invalid under the law to which the parties have subjected it or, failing any indication thereof, under Mexican law;

- the party making the application was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his or her case;
  - the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration or contains decisions on matters beyond the scope of the submission to arbitration; however, if the decisions on the matters submitted to arbitration can be separated from those not submitted, only the part that contains decisions on matters not submitted to arbitration may be set aside;
  - the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties or, in the absence thereof, with the law of the country where the arbitration took place; or
  - the award has not yet become binding on the parties or has been set aside or suspended by a judge of the country in which, or under the law of which, the award was made; or
- the judge finds that, under Mexican law, the subject matter of the dispute cannot be settled by arbitration, or recognition or enforcement of the award are contrary to public policy.

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### Scope of power of the recognition judge

- 28 When assessing the grounds for refusing recognition, may the recognition judge conduct a full review and reconsider factual or legal findings from the arbitral tribunal in the award? Is the judge bound by the tribunal's findings? If not, what degree of deference will the judge give to the tribunal's findings?

The grounds for refusing recognition are limited, and none of them consider a review of the merits of the award; therefore, the judge is bound by the arbitral tribunal's findings and may not reconsider the factual or legal findings of the award.

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### Waiver of grounds for refusing recognition

- 29 Is it possible for a party to be considered to have waived its right to invoke a particular ground for refusing recognition of an arbitral award?

As with the grounds for refusing the setting aside of an arbitral award, parties cannot waive their right to refuse recognition of the award; therefore, such waiver would be void.

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**Effect of a decision recognising an arbitral award**

- 30 What is the effect of a decision recognising an arbitral award in your jurisdiction?

The effect of a decision recognising an arbitral award allows the successful party to cash the award. In Mexico, double *exequatur* was eliminated when the UNCITRAL Model Law was adopted.

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**Decisions refusing to recognise an arbitral award**

- 31 What challenges are available against a decision refusing recognition in your jurisdiction?

A decision refusing recognition may be challenged through an indirect *amparo*.

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**Recognition or enforcement proceedings pending annulment proceedings**

- 32 What are the effects of annulment proceedings at the seat of the arbitration on recognition or enforcement proceedings in your jurisdiction?

The judge may adjourn his or her decision and may also, on the application of the party claiming recognition or enforcement of the award, order the other party to provide sufficient security. If the recognition and enforcement proceedings take place at the seat of arbitration, it is likely that the same judge will hear both proceedings and that the proceedings will be decided simultaneously.

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**Security**

- 33 If the courts adjourn the recognition or enforcement proceedings pending annulment proceedings, will the defendant to the recognition or enforcement proceedings be ordered to post security?

Article 1463 of the Arbitration Law provides that the judge to whom recognition or enforcement is requested may order the other party to provide sufficient security if the judge decides to adjourn his or her decision.

## **Recognition or enforcement of an award set aside at the seat**

- 34 Is it possible to obtain the recognition and enforcement of an award that has been fully or partly set aside at the seat of the arbitration? If an arbitral award is set aside after the decision recognising the award has been issued, what challenges are available?

There is no specific regulation or precedent on this matter; however, a judge should review the award in terms of the applicable provisions to decide whether the award should be set aside.

If the decision to set aside the award is made after the recognition and enforcement have been ordered, but before the final ruling of the *amparo* proceedings, the foreign decision can be used as supervening evidence in the *amparo* proceedings; however, since there are no specific legal provisions or judicial precedents, the outcome of the proceedings would be unpredictable.

## **Service**

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### **Service in your jurisdiction**

- 35 What is the procedure for service of extrajudicial and judicial documents to a defendant in your jurisdiction? If the extrajudicial and judicial documents are drafted in a language other than the official language of your jurisdiction, is it necessary to serve these documents together with a translation? When is a document considered to be served to the opposite party?

The defendant is officially served by a court officer, who provides the original documents in their original language and the corresponding Spanish translation by an official translator. The service of the documents is recorded in an official record. The documents are considered to be served when the court officer delivers them.

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## Service out of your jurisdiction

- 36 What is the procedure for service of extrajudicial and judicial documents to a defendant outside your jurisdiction? Is it necessary to serve these documents together with a translation in the language of this jurisdiction? Is your jurisdiction a party to the 1965 Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters (the Hague Service Convention)? Is your jurisdiction a party to other treaties on the same subject matter? When is a document considered to be served to the opposite party?

Mexico is a party to the Hague Service Convention. The procedure followed is through the Mexican Foreign Service, a specific body administered and directed by the Ministry of Foreign Affairs. The Foreign Service usually follows the Hague Service Convention when serving documents to parties in foreign states and cooperates with the authorities of the state in which service is made. The Convention requires certain procedures to be followed, such as the use of designated channels for service and provision of the documents in their original language along with a translation into the official language of the country where the service is provided.

Mexico is also a party to other similar conventions, such as the Inter-American Convention on Letters Rogatory and Additional Protocol.

Documents are considered to be served when the court officer delivers them.

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## Identification of assets

### Asset databases

- 37 Are there any databases or publicly available registers allowing the identification of an award debtor's assets within your jurisdiction? Are there any databases or publicly available registers providing information on award debtors' interests in other companies?

Each Mexican state has a public land registry in which real estate can be identified.

For other types of property, the investigation can be completed through the court (e.g., an official letter to the national banking and securities commission to identify bank accounts).

### **Information available through judicial proceedings**

- 38 Are there any proceedings allowing for the disclosure of information about an award debtor within your jurisdiction?

When attaching assets to satisfy an award, the court may issue official letters to various authorities to help locate and identify the debtor's assets. Additionally, if the party seeking to enforce the judgment or award has information about the debtor's assets, that party may bring this information to the court's attention, which can then take steps to attach those assets.

### **Enforcement proceedings**

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#### **Attachable property**

- 39 What kinds of assets can be attached within your jurisdiction?

In general, any asset with economic value can be attached, including real estate, bank accounts, shares, vehicles and intellectual property.

#### **Availability of interim measures**

- 40 Are interim measures against assets available in your jurisdiction? Is it possible to apply for interim measures under an arbitral award before requesting recognition? Under what conditions?

It is possible to request interim measures in Mexico; however, Mexican arbitration law does not expressly provide for interim measures to be requested once the arbitration has concluded.

Interim measures can be requested under the general rules of the Code of Commerce if there is a well-founded fear that the assets will be disposed of, hidden or dilapidated.

#### **Procedure for interim measures**

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- 41 What is the procedure to apply interim measures against assets in your jurisdiction?

The Arbitration Law mandates that the procedure for recognising and enforcing provisional measures, including those against assets, must follow an adversarial process similar to the process used for implementing and setting aside arbitral awards. The process starts with a claim and a statement of defence. If there is evidence to prepare, a 10-day evidential period is opened, after which the parties can submit closing arguments.

The law does not expressly provide for *ex parte* interim measures; therefore, some measures are granted by judges and others that are rejected.

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### **Interim measures against immovable property**

42 What is the procedure for interim measures against immovable property within your jurisdiction?

No specific procedure is outlined in the law for obtaining interim measures against immovable property.

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### **Interim measures against movable property**

43 What is the procedure for interim measures against movable property within your jurisdiction?

No specific procedure is outlined in the law for obtaining interim measures against movable property.

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### **Interim measures against intangible property**

44 What is the procedure for interim measures against intangible property within your jurisdiction?

The procedural rules governing applications for interim measures in commercial transactions and arbitration also apply to intangible property.

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### **Attachment proceedings**

45 What is the procedure to attach assets in your jurisdiction? Who are the stakeholders in the process?

The court may order the attachment of assets after a final decision has been made regarding the recognition and enforcement of an award or a provisional measure against assets, or if the court has issued an interim measure. The parties involved are the person requesting the attachment, the person whose assets are to be attached and the court staff performing the attachment.

### **Attachment against immovable property**

- 46 What is the procedure for enforcement measures against immovable property within your jurisdiction?

The judge will typically direct the assets to be attached and recorded in the Public Registry of Property.

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### **Attachment against movable property**

- 47 What is the procedure for enforcement measures against movable property within your jurisdiction?

Attaching movable property in Mexico involves a court officer taking possession of the property and the designation of the person holding it on the creditor's behalf. An inventory of the property is usually taken by the court officer, who also appoints someone to be responsible for safekeeping and preserving the attached assets. The procedure is initiated by obtaining a court order for the attachment.

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### **Attachment against intangible property**

- 48 What is the procedure for enforcement measures against intangible property within your jurisdiction?

Enforcement measures against intangible property in Mexico follow the same general procedure as that for tangible property. The attachment order is carried out by a court officer, who may be required to obtain the assistance of the relevant authorities or third parties.

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### **Attachments against sums deposited in bank accounts or other assets held by banks**

- 49 Are there specific rules applicable to the attachment of assets held by banks? Is it possible to attach in your jurisdiction sums deposited in bank accounts opened in a branch or subsidiary of a foreign bank located in your jurisdiction or abroad? Is it possible to attach in your jurisdiction the bank accounts opened in a branch or subsidiary of a domestic bank located abroad?

Mexican courts can attach accounts located within Mexican jurisdiction and held in a foreign bank's branch or subsidiary; however, they do not have the authority to attach bank accounts held in a domestic bank's branch or subsidiary outside its jurisdiction.



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**Piercing the corporate veil and alter ego**

- 50 May a creditor of an award rendered against a private debtor attach assets held by another person on the grounds of piercing the corporate veil or alter ego? What are the criteria, and how may a party demonstrate that they are met?

Under certain circumstances, it is possible to pierce the corporate veil in Mexico. To do so, a party must prove the existence of a factual context suggesting that the company's activities have been carried out in an abusive exercise of a right, such as to evade legal or contractual responsibilities through concealment. This means that a court may disregard the separate legal personality of a company if it is found to be a mere instrumentality used to perpetrate fraud or other unlawful practices.

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**Recognition and enforcement against foreign states**

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**Applicable law**

- 51 Are there any rules in your jurisdiction that specifically govern recognition and enforcement of arbitral awards against foreign states?

There are no specific rules for these types of awards.

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**Service of documents to a foreign state**

- 52 What is the procedure for service of extrajudicial and judicial documents to a foreign state? Should they be served through diplomatic channels? Is it necessary to serve extrajudicial and judicial documents together with a translation in the language of the foreign state? When is a document considered to be served to a foreign state?

The notifications required will be made through the correspondent diplomatic channels. The documents must be translated into the official language of the foreign state by an official translator.

### **Immunity from jurisdiction**

- 53 May a foreign state invoke sovereign immunity (immunity from jurisdiction) to object to the recognition or enforcement of arbitral awards?

Foreign states might claim the right to immunity from jurisdiction to challenge the enforcement or recognition of an arbitral award; however, according to the ruling of the Supreme Court of Justice in Amparo Revision 790/2003, the principle of jurisdictional immunity of foreign states and their assets applies when the foreign state acts in its sovereign capacity.

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### **Availability of interim measures**

- 54 May award creditors apply interim measures against assets owned by a sovereign state?

The Mexican legal framework acknowledges the jurisdictional immunity of foreign states and their property; however, it does not apply when a foreign state acts as a private entity. Additionally, interim measures can only be requested against assets within Mexican jurisdiction.

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### **Immunity from enforcement**

- 55 Are assets belonging to a foreign state immune from enforcement in your jurisdiction? Which classes of assets belonging to states are immune from enforcement as a matter of principle? Are there exceptions to immunity? How can it be proven whether an asset is immune from enforcement? Provide practical examples of assets belonging to states that were successfully attached in your jurisdiction.

In Amparo Revision 790/2003, the Supreme Court ruled that foreign states, along with their property, are immune from the jurisdiction of courts in another state. This immunity does not apply when the foreign state acts as a private entity.

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### **Waiver of immunity from enforcement**

- 56 Is it possible for a foreign state to waive immunity from enforcement in your jurisdiction? What are the requirements of waiver?

The waiver of the immunity of foreign states from enforcement is not regulated under the Mexican legal framework.

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### **Piercing the corporate veil and alter ego**

- 57 Is it possible for a creditor of an award rendered against a foreign state to attach the assets held by an alter ego of the foreign state within your jurisdiction? What are the criteria, and how may a party demonstrate that they are met? Provide practical examples of assets held by alter egos that were successfully attached by a state's creditor in your jurisdictions.

It can be proven that an alter ego of a foreign state has abused its personality for illegal purposes (e.g., defrauding creditors), it is possible for a creditor of an award rendered against the foreign state to seize assets held by the alter ego within the state's jurisdiction. Although there have been no precedents for piercing the corporate veil on alter egos of states, there have been cases in which the corporate veil on alter egos of legal persons has been lifted.

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### **Sanctions**

- 58 May property belonging to persons subject to national or international sanctions be attached? Under what conditions? Is there a specific procedure?

Although Mexican procedural law does not specifically address these issues, it is still possible to follow the ordinary attachment procedure.

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Cecilia has an arbitration diploma from the Mexico Autonomous Institute of Technology. She participated in the Academy for International Arbitrators of the International Chamber of Commerce and the superior arbitration course taught by the International Center for Arbitration, Mediation and Negotiation of the Royal University Institute of European Studies and the Chartered Institute of Arbitrators.

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