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## **MEXICO TRADE CAPACITY BUILDING PROJECT**

### **ENHANCEMENT OF THE BUSINESS AND LEGAL ENVIRONMENT AND TRADE CAPACITY THROUGH LEGAL REFORM AND IMPROVEMENTS IN THE ADMINISTRATION OF JUSTICE BY COMMERCIAL COURTS IN MEXICO**

USAID ANNUAL PROGRAM STATEMENT  
APS No. M/OAA/GRO/EGAS-06-107  
Cooperative Agreement: 523-A-00-06-00044-00

#### **QUARTERLY REPORT 1 APRIL TO 30 JUNE 2012**

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#### **I. TWENTY-SECOND QUARTER (1 APRIL TO 30 JUNE 2012):**

- A. SECURED TRANSACTIONS REFORM AND TRAINING OF THE JUDICIARY, MAY 7-9, 2012.** The NLCIFT continued to work with the Ministry of Economy in coordinating training on secured transactions law and practice to the judiciary. The first three training sessions were held on May 7-9, 2012. The main audience of these training sessions was the Superior Court of Justice of the Federal District; therefore, the sessions took place at the Benito Juarez Auditorium in one of the main buildings of the Federal District Court.

The sessions were attended by over 400 people, the majority of which were trial and appellate level judges and court clerks, but the audience also included some bankers, notaries and lawyers. The half-day program was entitled “Workshops on Secured Transactions” and consisted of presentations and question and answer sessions. The program was repeated once a day for three days. It included speakers from the Ministry of Economy, the Ministry of Foreign Affairs, three lawyers specializing in financial transactions, enforcement and electronic commerce, as well as two NLCIFT staff members, Marek Dubovec and Cristina Castaneda. The NLCIFT prepared printed materials for the participants that compiled international legislation on secured transactions and posted the speakers’ power points on its website, available at <http://natlaw.info/course-materials/> (the link was disseminated to all participants following the completion of the workshops).

- B. ORAL TRIAL TRAINING FOR JUDGES, APRIL 2012.** As a result of planning conducted during the previous quarter, the NLCIFT conducted a second skill-based training program on oral trials for commercial matters with the State Court of Tabasco on April 26-28, 2012. This second program with the judiciary of



Tabasco aimed at completing the training of those members of the judiciary that were unable to attend the first program. In addition, a limited number of lawyers and notaries attended this training.

The session culminated with the simulation of an entire oral trial hearing presented by attendees who practiced with NLCIFT team members. Throughout the training, attendees were actively engaged in the discussion and provided pointed suggestions and perspectives as to the practical implementation of the commercial code reforms on oral trials for commercial matters. During this visit, the NLCIFT also discussed the next steps in “training trainers” out of the State Court of Tabasco. As a first step, two judges who had participated in the first program were part of this second training and assisted in coordinating and facilitating discussion with the new group of attendees. The NLCIFT will continue to work with the court as well as with other state courts where training has been held in order to develop a robust and effective group of local instructors who can assist in expanding impact on this component of the Project. For this purpose a specific train-the-trainers program will have to be designed and delivered.

**C. TRAINING ON COMPETITION LAW, MAY 2012.** The NLCIFT, in collaboration with the Mexican Federal Competition Commission (COFECO) and Abt Associates (USAID contractor on Competition Law and Policy), held a practical training workshop for judges on competition law, with a particular focus on anti-competitive agreements. The workshop was held on May 14-16, 2012 at the Auditorium of the Federal Court, which is located in the main building where the administrative courts in charge of antitrust cases are located.

Speakers during the workshop included: Russ Damptoft from the U.S. Federal Trade Commission; Anna T. Pletcher from the U.S. Department of Justice; Judge Daniel R. Dominguez, U.S. District Judge from Puerto Rico; Judge Jean Claude Tron Petit, Appellate Judge from Mexico’s Federal Court; Eduardo Perez Motta, COFECO’s President; and Omar Guerrero, a Mexican lawyer specializing in antitrust cases. The workshop consisted of a general conference-style session followed by a practical exercise in which attendees had to decide a hypothetical case specifically designed for the workshops. The attendees and speakers both provided excellent reviews of the workshop and, in particular, the practical hypothetical exercise.

Finally, during this visit, the NLCIFT, in collaboration with local partners, began discussions in preparation for a second workshop on the abuse of dominance (Relative Monopolistic Practices).



## **II. NEXT QUARTER (1 JULY TO 30 SEPTEMBER 2012)**

- A. CONTINUED WORK ON SECURED TRANSACTIONS REFORM.** The NLCIFT will continue to collaborate with the Ministry of Economy on the following activities: (i) Drafting of the “Manual for the Enforcement of Security interests” (*Manual de Ejecución de Garantías Mobiliarias*), for which a working group needs to be appointed. The NLCIFT will provide expert advice on the topic with the relevant assistance of the Commercial Finance Association. (ii) Coordinating additional training programs or the dissemination of webinars using the recordings from the first program held in May 2012. (iii) Planning other awareness and outreach activities aimed at increasing understanding of the benefits of secured transactions for micro, small and medium-sized businesses in Mexico.
- B. TRAINING FOR FEDERAL JUDGES ON COMPETITION LAW.** The NLCIFT, in collaboration with COFECO and Abt Associates, will begin coordinating a second training program for the federal judiciary. It is necessary to identify additional experts to participate on this training. Further, new training materials on relative monopolistic practices will have to be developed.
- C. ORAL TRIAL TRAINING FOR JUDGES AND THE LEGAL COMMUNITY.** During the next quarter, the NLCIFT will continue to collaborate with both the federal and state-level judiciary to conduct training programs on oral trial procedure for commercial matters. In particular, during this quarter, the NLCIFT will deliver conferences, lectures and hold meetings aimed at increasing awareness and understanding the impact of the reforms as well as for building productive working relationships with: (i) the federal judiciary through its state offices (known as *Casas de la Cultura Jurídica*); (ii) the State Court of Queretaro; (iii) the State Court of Guanajuato and the University of Guanajuato; (iv) the National Association of State Public Defenders; and (v) other state courts that have expressed their need for technical assistance through training, including the State Courts of Zacatecas and Sonora.