



## RESULTS

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**COFECE AWARD**  
for identifying  
**the most absurd**  
**REGULATORY**  
**OBSTACLE**  
to competition and  
entrepreneurship  
**2016 - 2017**



## What is a regulatory obstacle to competition...

Public authorities issue rules related to certain economic activities pursuing justified public policy objectives, such as protecting people's safety, their health or the environment. However, **regulation can sometimes limit people's and firms' capability of opening new businesses or competing in markets, or may restrict consumers' access to goods and services, without achieving the social or economic benefits it sought.**

Regulation which impedes entrepreneurship or competition imposes a cost on society. It has a negative impact on economic development within a region or the entire country because it reduces investment opportunities, the growth and development of firms and consumer welfare.

Even when regulation seeks a valid public policy goal, the expected social benefit must be compared with the costs incurred by limiting competition. The regulator's end purpose must be to reach its objective whilst minimizing the impact on markets. If costs exceed benefits, we have an absurd regulatory obstacle to competition and entrepreneurship.

## ...and why an Award for identifying the most absurd one?

Absurd regulatory obstacles to competition introduce distortions which impact and harm entire markets. They may even harm other links in the production chain. Additionally, eliminating such obstacles may require consensus of various actors, making it difficult.

**The removal of unnecessary restrictions to competition benefits consumers, strengthens the business environment and widens the opportunities for regional and national development.** With this in mind, on the 5th of October 2016, the Federal Economic Competition Commission (COFECE for its Spanish acronym), the Ministry of Economy (SE for its Spanish acronym), the Federal Regulatory Improvement Commission (COFEMER for its Spanish acronym) and the National Institute for the Entrepreneur (INADEM for its Spanish acronym) issued a call for entries to win the Award for identifying the most absurd regulatory obstacle to competition and entrepreneurship.

Citizens, entrepreneurs and businesspeople accessed COFECE's webpage to register legal provisions of the municipal, state or federal levels in force in Mexican territory. They specified why they considered that the regulation entered limits competition or entrepreneurship, why they believe the provision is unjustified and, if such was the case, how it had hindered their entrepreneurship or ability to compete.

**This Award allowed citizens, entrepreneurs and businesspeople an opportunity to point out those regulatory obstacles which, in their experience and opinion, most affect the entrepreneurial drive and competitive dynamics. This will allow COFECE to work alongside other public bodies in eliminating unjustified regulatory obstacles and in creating legal frameworks which foster competition and entrepreneurship.**

## How can regulation pose an obstacle to competition?

Regulation may inhibit competition and entrepreneurship in a host of ways. The negative effects that regulation may have on competition may be broadly grouped into five categories:



### Difficulties to open businesses and limits to numbers of suppliers

#### *Example: Minimum distances between tortillerías\**

In some markets, location is an important way to compete, allowing suppliers to address spatial preferences or needs of consumers. If regulation determines that a minimum distance must be kept between similar businesses, this form of competition is hindered. **When firms know that their business is guaranteed within a geographic area, they have less incentives to provide products or services at better prices and quality standards, thus affecting consumers.**

Such is the case of municipal bylaws (in places like Uruapán, Michoacán; Cajeme, Sonora; or Jantetelco, Morelos) which impose minimum distances between *tortillerías*, an activity where proximity between suppliers does not represent health or safety risks. On the contrary, hindering competition affects low-income households that consume this staple.

Twenty-seven entries pointed out such obstacles, mostly related to *tortillerías* or gas stations.



### Incentives to reduce intense competition

#### *Example: Permits limiting towing services to certain routes*

Any rules granting permits to provide services within certain areas **foster market segmentation**. This generates incentives for suppliers to focus their activities in one area and not exert competitive pressure in others, and reduces incentives to offer better prices and services. Additionally, **they limit the possibility of cost reductions which could stem from supplying a service in greater scale.**

An example is regulation which allows towing services on specified routes only. Four entries were related to such obstacles within the *Federal bylaw of road transport and auxiliary services*.

\* Translator's note: a *tortillería* is an establishment which typically produces and sells tortillas, Mexico's staple food, a thin, round bread made from maize flour.



### Uncertainty in opening and operating a business

#### *Example: Lack of regulation for foodtrucks*

When a firm supplies an innovative product or service, there is usually no specific regulation for it. Therefore, entrepreneurs may lack clarity on how to fulfill requirements and obtain permits to operate. They could face higher costs from closures imposed by regulators, decide to operate informally or may prefer not to enter the market at all. **This harms consumers, who lose choice possibilities, and entrepreneurs and businesspeople who forego a business opportunity.**

One example is related to foodtrucks. Some local authorities have tried to fit this model into existing rules applicable to restaurants, requiring foodtrucks to have fixed sanitary facilities or a fixed address. These characteristics are incompatible with the foodtruck business model. Six entries identified the absence of foodtruck regulation, four in Mexico City, one in Veracruz and one in Yucatán.



### Uneven playing fields

#### *Example: Socio-economic impact studies for convenience stores*

Some business activities may generate social costs (such as noise, traffic or pollution). In such cases, requiring a study of socio-economic impact before authorizing business activity may be justified. However, **if such study is required indiscriminately, and especially if such study is required to consider the impact of a new competitor on established suppliers, then interests of incumbents are privileged over the interests of new entrants and consumers.**

The *Municipal Code for Aguascalientes* includes one such example. It requires a socio-economic study to assess the effect of establishing a new convenience store on similar preexisting businesses. The explicit purpose is to “avoid favoring commercial damage on previously established stores, contributing to their economic and social strength”.



### Restrictions to the information and choices available to consumers

#### *Example: Limits to business hours*

Some suppliers seek to differentiate in order to win over consumer preference by being open for business at different times. Therefore, **regulation which establishes business hours presents an obstacle to firms competing in this dimension, by limiting their drive and possibility to address consumers' preferences and needs. Hence, such regulation affects both businesses and consumers.**

The *Rules for police and government in Tulancingo de Bravo, Hidalgo*, for example, establish business hours for shops and service providers from 9am until 9pm, with some exceptions (convenience stores, barber shops and hair salons may operate from 7am until 9pm). Furthermore, it establishes fines in case of non-compliance. Among the activities where such obstacles were identified, transport (of people and freight) and sale of alcoholic beverages, were particularly recurring.



## Example: Freight transport regulation in Sinaloa<sup>1</sup>

In 2015, COFECE began an investigation into the freight transport market in the state of Sinaloa. It found that barriers to competition were related to a series of regulatory obstacles.

The transport law in force in Sinaloa at the time of the investigation required that those interested in providing freight transport must submit applications for a concession and a zone permit before state authorities. **Concessions** were granted by the state Governor to supply general freight transport in the state. **Zone permits** authorized supplying the service only within a limited area of the state. These limits were usually defined by the boundaries of one of the state's 18 municipalities.

Without these two documents, transporting freight is forbidden, and the process to obtain them implied diverse regulatory obstacles.

The law established preferences for granting concessions and permits to established unions, without considerations of quality, price or consumer preference. **This inhibited the entry of new participants.**

The law was not clear regarding response time, paperwork and requirements to obtain permits. Average response time to applications was 8.6 years. This lack of certainty makes it difficult to know whether an investment will be profitable, therefore inhibiting entry into the market. It also **induced low service quality. The absence of competition and the long application period resulted in Sinaloa's freight transport fleet to be 18 years older than its federal counterpart.**

In addition, businesses using transport services were impeded from supplying transport to themselves. Hence, building and agricultural companies were forced to hire authorized transport services, **foregoing estimated savings of up to 40%, and transferring costs through to end consumers in the form of higher prices.**

Zone permits implied that suppliers could only load freight within their territorial boundaries, and transport it within these or out to other areas. However, once they unloaded outside, they could not load new freight for the way back and take advantage of the trip to increase profits, generating inefficiencies passed on to customers. Additionally, this scheme favors geographic market segmentation by zones, reducing the intensity of competition among suppliers of different regions. **In each of the 18 municipalities, one concession-holder controls over 60% of the zone permits for the transport of agricultural products.**

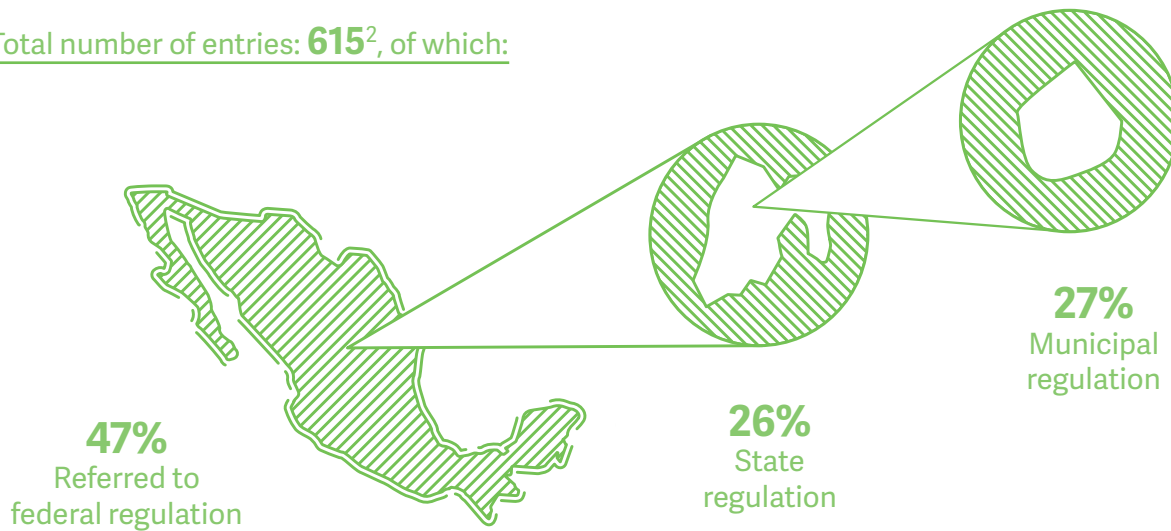
The Governor enjoyed powers to fix and modify the price for the service and zone limits, without demand or supply considerations, **resulting in distorted prices not determined by market conditions.**

In conclusion, these regulatory obstacles reduced competition and increased costs in the freight transport service. **This in turn impacted customers, potential entrants and end consumers of the products transported in the state.**

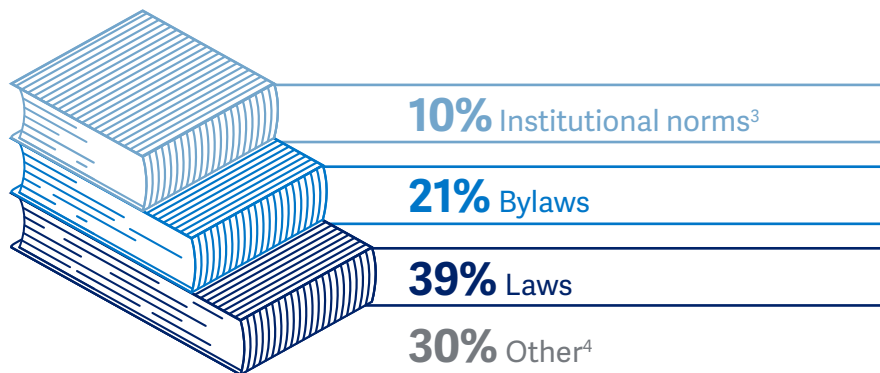
<sup>1</sup> File IEBC-002-2015.

## Relevant statistics of the call for entries

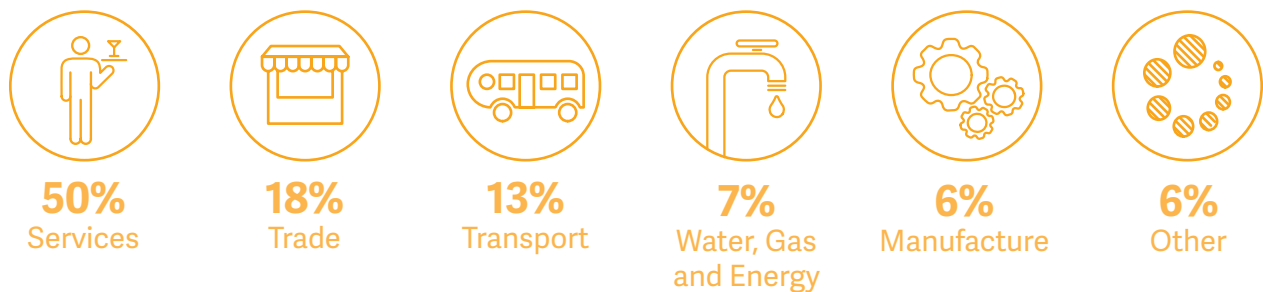
Total number of entries: **615<sup>2</sup>**, of which:



Division by type of legal instrument:



Type of economic activity or sector regulated by the obstacles:

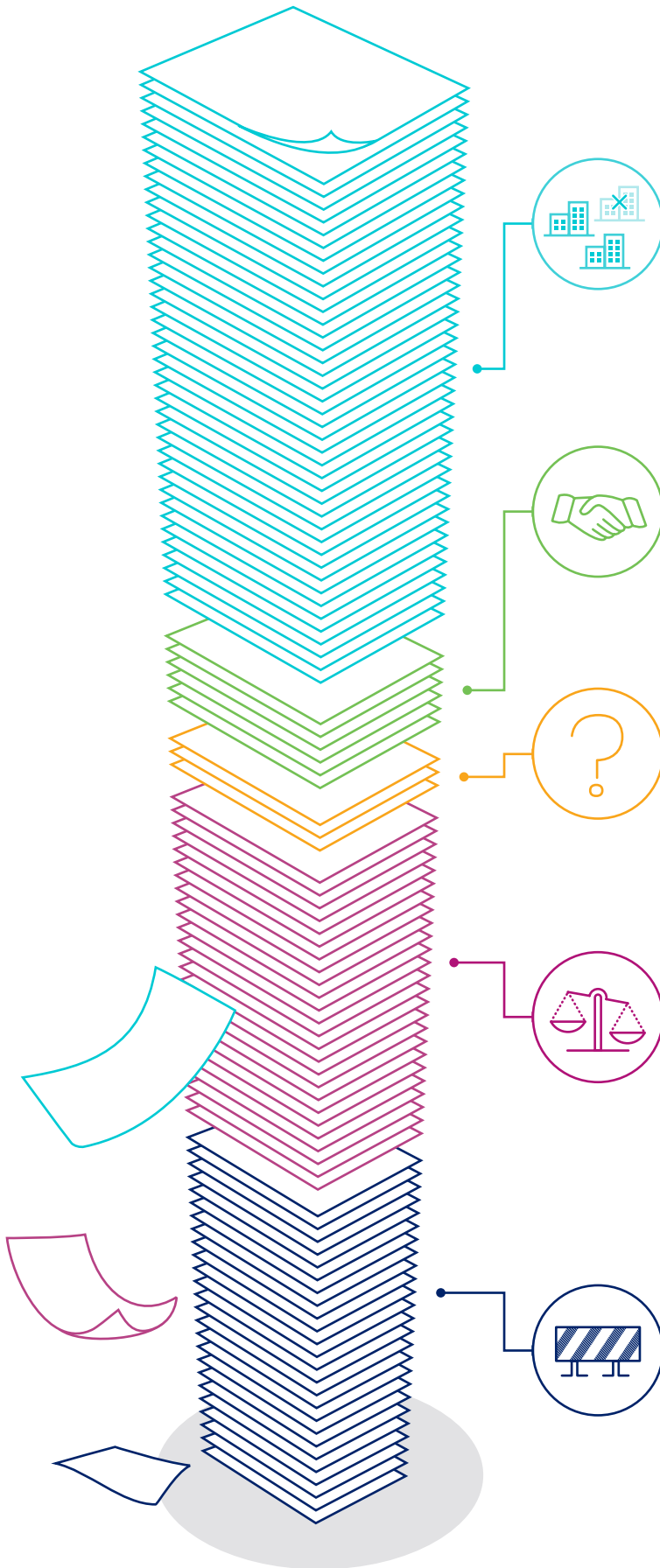


<sup>2</sup> Of these, 35.8% fully met the requirements of the call for entries and were classified as regulatory obstacles to competition and entrepreneurship.

<sup>3</sup> Rules determining the processes and work of an institution.

<sup>4</sup> For example, state development plans, procedural codes related or decrees issued by an institution.

Division of provisions entered as obstacles by category:



**41%** **difficulties to open businesses and limits to numbers of suppliers**, such as unnecessary entry requirements; requiring licenses, permits authorizations or concessions in order to begin operations; or minimum distances between establishments in the same line of business.

**6%** **incentives to reduce intense competition**, such as fixed maximum prices or tariffs; or granting powers to business and professions chambers to exchange information, establish prices or limit entry.

**3%** **uncertainty in opening and operating a business**, due to, for example, absence of regulation to operate new business models such as those related to financial technologies or foodtrucks.

**25%** **uneven playing field**, granting advantages to some market players and not others by considering for example, unjustified quality requirements, granting advantages to local suppliers, requiring socio-economic studies or making differentiation among competitors difficult.

**25%** **restrictions to the information and choices available to consumers**, for example, forbidding the operation of new businesses, limiting the types of activities they may engage in, limiting public procurement to suppliers belonging to a catalogue, or establishing business hours.



## Jury

COFECE considered it important that winners be decided by a plural Jury reflecting the viewpoints of the business sector, relevant public bodies and civil society. Therefore, the Jury was comprised of representatives of the following institutions:



### Ministry of Economy

In charge of **fostering productivity and competitiveness**, to achieve consumer welfare, a better business environment, strengthen the domestic market, and attract domestic and foreign investment that will improve Mexicans' living standards.



### Business Coordinating Council

A representative body which seeks to coordinate the actions of business organizations and **identify solutions, contributing to design public policy** aimed at increasing growth and competitiveness.



### National Institute of the Entrepreneur

Public body charged with implementing **support strategies for entrepreneurs and micro, small and medium enterprises**, fostering their creation, consolidation and projection in markets, contributing to economic development and social wellbeing.



### Entrepreneurs Association of Mexico

A non-profit organization which **promotes and defends entrepreneurship** by implementing a work model which represents entrepreneurs' main needs, both in early stages and consolidation.



### Federal Regulatory Improvement Commission

Public body charged with reviewing the national regulatory framework, performing diagnoses of its application and developing legislative and administrative proposals, as well as programs to **improve regulation in specific economic activities and sectors**.



### Fundación idea

A think tank involved in **identifying barriers impeding Mexico's sustained economic development**, which performs rigorous analysis and research to foster the necessary changes to influence public decisions and issue recommendations for adequate policy.



### Federal Economic Competition Commission

The public body charged with **promoting, protecting and guaranteeing competition and free market access**, in order to detonate employment, increase economic growth and the welfare of millions of consumers.



## Evaluation criteria<sup>5</sup>

- **Importance of the affected market:**

How big is the market distorted by the regulation? How many consumers acquire goods and services from it? How many suppliers participate in it?

- **Impact on the workings of the market:**

How damaging is the obstacle? Does it affect all participants equally or differently? Is the damage on-going? Is there evidence of the damage on the market?

- **Lack of justification:**

Does the regulation protect a valid public policy objective such as consumer safety or health? If eliminated, will the market perform better or worse? Why was the regulation issued?



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<sup>5</sup> Some obstacles were registered by two or more participants. In such cases, the entry taken into account was that which provided the most exhaustive analysis, including, for example, information on economic impact, their own experience, references to specific articles or provisions in the legal instrument, etc.

## Summary of winners



**1<sup>ST</sup> PLACE**

**Verónica Pérez Lima**

*State Laws of Notaries Public*



**2<sup>ND</sup> PLACE**

**Francisca Olimpia Hernández Segundo**

*Transport bylaws of the following municipalities in the state of Nuevo León: Guadalupe, San Nicolás de los Garza, Apodaca, Escobedo, San Pedro Garza García, Santa Catarina, Juárez, Santiago and Monterrey*



**HONORABLE MENTION - FEDERAL LEVEL**

**Luis Joaquín Chávez Vila**

*National Water Law, and Bylaw to determine the payment of the guarantee fee for non-expiration of national water rights*



**HONORABLE MENTION - STATE LEVEL**

**Carlos Alejandro Carmona Tovalín**

*Mexico's City public marketplace bylaw*



**HONORABLE MENTION - MUNICIPAL LEVEL**

**Jazmín Esperanza Maysse Roque**

*Bylaw for the sale of meat and poultry in Jantetelco, Morelos*

## Summary of winners



1<sup>ST</sup> PLACE

**Verónica Pérez Lima**

*State Laws of Notaries Public*

*"The law addresses a situation which is very different from the country's current reality. It does not consider the principles or objectives of free access and competition for today's markets." - Verónica Pérez Lima*

**How does it hinder competition?**

- **Restrictions to the numbers of notaries public.** Several states limit the number of notaries public according to population (for example, one for every 50,000 people), or by municipalities or legal districts. This limits supply, favoring an increase in the prices paid for these services, without necessarily improving quality
- **Discretionary powers for the Executive branch in granting patents.** In most states, the head of the Executive branch of government may grant patents to act as a notary public under criteria such as "when it considers it compulsory due to an increase in business activity" or "taking into account the needs of the notaries' service". Non-objective criteria generate uncertainty for those wishing to enter the market and do not guarantee the quality of the services.
- **Unjustified requirements.** Laws establish requirements unrelated to the work of notaries public, such as: minimum age, good conduct or minimum years of residence in the state. Unjustified requirements limit the number of participants.
- **Price regulation.** Laws generally submit the fees charged by notaries to values established by the Executive branch or suggested by the College\* of Notaries Public in a "tariff". This reduces the drive to offer prices below such references.
- **Market segmentation.** Some laws restrict the supply of services to a specific area within the state (the municipality or legal district) and empower the Executive to determine the location of offices. This fosters market segmentation and limits real competition among notaries public.
- **Compulsory membership in the college of notaries public.** This obligation encourages information exchange and price fixing agreements.
- **Powers granted to colleges which limit competition.** Most state laws grant the colleges power to develop and apply exams to candidates wishing to become notaries public. This generates incentives to limit the number of new entrants.

**What benefits come about from eliminating such obstacles?**

There are approximately 3.4 notaries public per 100 thousand inhabitants in Mexico.<sup>6</sup> In contrast, Germany has 9.4 and Switzerland 33.3 per 100 thousand inhabitants.<sup>7</sup> Under these conditions of scarcity, and given the low likelihood of new entrants, notaries public lack incentives to compete intensely.<sup>6</sup>

Eliminating these obstacles and reducing discretionary powers to authorize new notaries public, would avoid granting notary public status to inefficient suppliers in opaque processes. Additionally, it would foster competition among notaries public to earn consumers' trust, reducing the cost of their services.

**Who is responsible for eliminating them?**

Each of the 32 state legislatures ([Annex A](#)).

You may access the state laws [here](#).

\* Transalor's note: "College" refers to an organized body of representation of notaries public.

<sup>6</sup> Calculated by using data from [INEGI](#) and the [National College of the Mexican Notary](#), which point out that there are "more than 4,100 public notaries".

<sup>7</sup> Report on "European judicial systems - Edition 2014 (2012 data: efficiency and quality of justice", CEPEJ. Available [here](#).



## 2<sup>ND</sup> PLACE

### Francisca Olimpia Hernández Segundo

Transport bylaws of the following municipalities in the state of Nuevo León: Guadalupe, San Nicolás de los Garza, Apodaca, Escobedo, San Pedro Garza García, Santa Catarina, Juárez, Santiago and Monterrey\*

*“As a result of this regulation, transport costs in the region will increase, so will prices paid by consumers.”*

- Francisca Olimpia Hernández Segundo

#### How does it hinder competition?

- Freight transport, as well as loading and unloading activities, are subject to permits for each one of the municipalities where suppliers wish to provide the service.
- Permits must be renewed monthly, the process implies a monetary cost and application requirements are not clearly laid out.
- Requiring permits limits free transit and increases transport costs. This, in turn, increases production and distribution costs across diverse economic sectors.

#### What benefits come about from eliminating such obstacles?

The Monterrey Metropolitan Area has 70 industrial and technological parks requiring transport services. These are therefore essential for economic activity in the region.<sup>8</sup> Furthermore, transport represents 8% of the GDP in the state of Nuevo León.<sup>9</sup>

In Mexico, transport costs are approximately 2% of total costs of inputs for the manufacturing industry. In some industries, such as cement, this figure may be as high as 15%.<sup>10</sup>

**Transport costs have a cross-sectional impact on other sectors' costs. Eliminating the permits would help reduce transport costs, foster better services and avoid pass-throughs onto the prices paid by end-consumers.**

#### Who is responsible for eliminating them?

The Councils of Guadalupe, San Nicolás de los Garza, Apodaca, Escobedo, San Pedro Garza García, Santa Catarina, Juárez, Santiago and Monterrey.

Access to the bylaws: Apodaca [here](#); General Escobedo [here](#); Guadalupe [here](#); Monterrey [here](#); San Nicolás de los Garza [here](#); San Pedro Garza García [here](#); Santa Catarina [here](#); Santiago [here](#).

\* Translator's note: Monterrey is the capital of the state of Nuevo León. The other eight municipalities belong to the greater urban area which developed around Monterrey: the Monterrey Metropolitan Area.

<sup>8</sup> Economic Information Report for the State of Nuevo Leon, p.8, available [here](#).

<sup>9</sup> Economic Information Report for the State of Nuevo Leon, p.7, available [here](#).

<sup>10</sup> Source: INEGI (National Institute of Statistics and Geography). Annual Survey of the manufacturing Industry. Available [here](#).



**HONORABLE MENTION - FEDERAL LEVEL**  
**Luis Joaquín Chávez Vila**

*National Water Law, and Bylaw to determine the payment of the guarantee fee for non-expiration of national water rights*

*"Far from fostering a rational use of water, [the legal framework] provides incentives to exploit the full volume of the water granted."*

*- Luis Joaquín Chávez Vila*

**How does it hinder competition?**

The National Water Law establishes that a water exploitation concession may expire if it is unexploited or under-exploited for two years in a row, unless a guarantee fee is paid or a justification provided. This motivates concession holders to exploit the full volume granted, and reduces incentives to compete through innovations to reduce water use.

**What benefits come about from eliminating such obstacles?**

Eliminating the guarantee fee and the causes for concession expiration, would increase the incentives to use water more efficiently. **This could bring about three benefits: 1) Cost reduction due to use of water in practically all production chains; 2) Increased demand for innovative water-saving technology; 3) In areas where no new concessions can be granted because available volumes have been fully allocated, certain volumes of water may become available for new users.**

By December 31st, 2015, 105 aquifers in Mexico (16% of the total) were overexploited. Therefore, incentives to save water may also accrue environmental benefits.<sup>11</sup>

**Who is responsible for eliminating them?**

The Federal Congress.

Access the law [here](#) and the bylaws [here](#).

<sup>11</sup> Water Statistics Report, SEMARNAT (Mexican Environment Ministry), 2016, p.52. Available [here](#).



**HONORABLE MENTION - STATE LEVEL**  
**Carlos Alejandro Carmona Tovalín**  
*Mexico's City public marketplace bylaw*

*"It is impossible to innovate in public marketplaces because the law is obsolete and answers to protectionist intentions, and disregards market efficiency for consumers."*

*- Carlos Alejandro Carmona Tovalín*

**How does it hinder competition?**

- Those interested in engaging in trade in public marketplaces in Mexico City, must be authorized and listed by the Marketplace Director. For these purposes, the Bylaw distinguishes between temporary and permanent tradespeople, granting advantages to the latter and limiting the former's capacity to compete.
- It allows Mexico City's Executive to determine business hours for marketplaces. This restricts the ability of competing tradespeople to differentiate themselves, and limits their ability to compete with self-service stores which may remain open 24 hours a day.
- The bylaw establishes that permit holders or their relatives must serve consumers in the stalls. This limits options for business growth.
- It also prohibits the sale of certain products within marketplaces. This limits suppliers' ability to satisfy consumers' demand.

**What benefits come about from eliminating such obstacles?**

Eliminating advantages to some suppliers over others, as well as limits to differentiation, may bring about a wider variety of business models competing to sell staples and other products. Consumers would also be able to choose among suppliers open during different business hours and which offer different kinds of customer service.

**On average, 79.2% of Mexican households' food consumption is bought in traditional trade channels (such as public marketplaces). Low income households are most prone to acquire food from such channels.**<sup>12</sup> Therefore, these households may benefit the most from increased competition.

**Who is responsible for eliminating them?**

Mexico City's Executive

Access the bylaws [here](#).

<sup>12</sup> Federal Economic Competition Commission. Report on the competition conditions of the food sector-executive summary, 2016, p.34. Available [here](#).



## HONORABLE MENTION - MUNICIPAL LEVEL

### Jazmín Esperanza Maysse Roque

*Bylaw for the sale of meat and poultry in Jantetelco, Morelos*

*"It limits competition between establishments in the same line of business by forbidding proximity between them and precluding their ability to define prices based on their costs."*

- Jazmín Esperanza Maysse Roque

#### How does it hinder competition?

- Opening a new business requires a "socio-economic study" of the area where the business will operate. The study must take into account the incumbent's opinion in order to analyze whether the new entrant will generate "unfair" competition on incumbents.
- The bylaw imposes authorized prices for the sale of meat and poultry.
- It establishes specific measurements and layouts for business establishments.

#### What benefits come about from eliminating such obstacles?

**Eliminating the "socio-economic study" would facilitate entry of new meat and poultry stores, increasing consumer choice and competition between suppliers to earn consumer preference.**

Eliminating price regulation would allow suppliers to compete by offering discounts and/or lower prices. This would mainly benefit low-income consumers in Jantetelco, given that 56% of their total expenditure is used to acquire food and beverages, and 31% of this is used to buy protein of animal origin (national average).

advantages to some suppliers over others, as well as limits to differentiation, bring about a wider variety of business models competing to sell staples and other products. Consumers would also be able to choose among suppliers open in different business hours and which offer different kinds of customer service.<sup>13</sup>

#### Who is responsible for eliminating them?

The Council of Jantetelco, Morelos

Access the bylaws [here](#).

<sup>13</sup> These figures pertain to decile I in the income distribution. They imply that 17% of total expenditures is used to buy protein of animal origin. In contrast, households in decile X only use 3% of their total expenditure to buy protein of animal origin. Source: National Survey of Income and Expenditure 2016, INEGI. Available [here](#).



## What's next?

COFECE plays a role as ombudsman for competition. It may issue recommendations directed to authorities responsible for designing and implementing regulation, pointing out obstacles to competition and suggesting their elimination. However, the powers to bring about the necessary reforms reside in the executive and legislative branches of the federal, state and municipal levels who conceive and pass legislation.

**COFECE will inform the authorities responsible for the obstacles identified by the winners, as well as those deemed most detrimental to welfare and most recurring, and offer advice in order to work towards their elimination.**

Remember! You may always report a regulatory obstacle to competition or entrepreneurship in COFECE's mailbox [Report a Regulatory Obstacle](#).

## REFERENCES

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- 11 Ministry of Environment and Natural Resources. Water statistical report, 2016. Available at: [http://201.116.60.25/publicaciones/EAM\\_2016.pdf](http://201.116.60.25/publicaciones/EAM_2016.pdf)

## ANNEX A: ANALYSIS OF STATE LAWS OF NOTARIES PUBLIC

## ¿HOW MANY STATES... ?

18

**LIMIT THE NUMBER OF NOTARIES ACCORDING TO POPULATION SIZE.**

Puebla, Oaxaca, Chihuahua and Guerrero are particularly notable, with a maximum of one notary public for every 50 thousand inhabitants.

28

**REQUIRE A MINIMUM AGE TO PRACTICE AS NOTARY PUBLIC.**

These vary from 25 to 33 years of age, with Tlaxcala being the most restrictive case. 27 require a minimum number of years of residence in the state; in Campeche, Sinaloa and Morelos those wishing to be notaries public must prove ten years of residence in the state.

26

**REQUIRE BEING ABLE TO PROVE "GOOD CONDUCT"; "AN HONEST WAY OF LIVING"; HONORABLE REPUTATION" OR SIMILAR CONCEPTS**

30

**CONSIDER REFERRING THE FEES CHARGED BY NOTARIES PUBLIC TO A "TARIFF",**

Tabasco and Campeche are the exceptions. Notaries public here may charge the prices they consider adequate.

13

**GRANT POWERS TO COLLEGES REGARDING THE PROPOSAL OF TARIFFS**

26

**RESTRICT NOTARIES' PUBLIC PRACTICE TO A GIVEN GEOGRAPHIC AREA WITHIN THE STATE (SUCH AS THE MUNICIPALITY OR A LEGAL DISTRICT).**

29

**ESTABLISH COMPULSORY MEMBERSHIP IN COLLEGES,**

in the three remaining states (Aguascalientes, Baja California Sur and Yucatán) membership is optional, but all notaries public remain under supervision from the college.

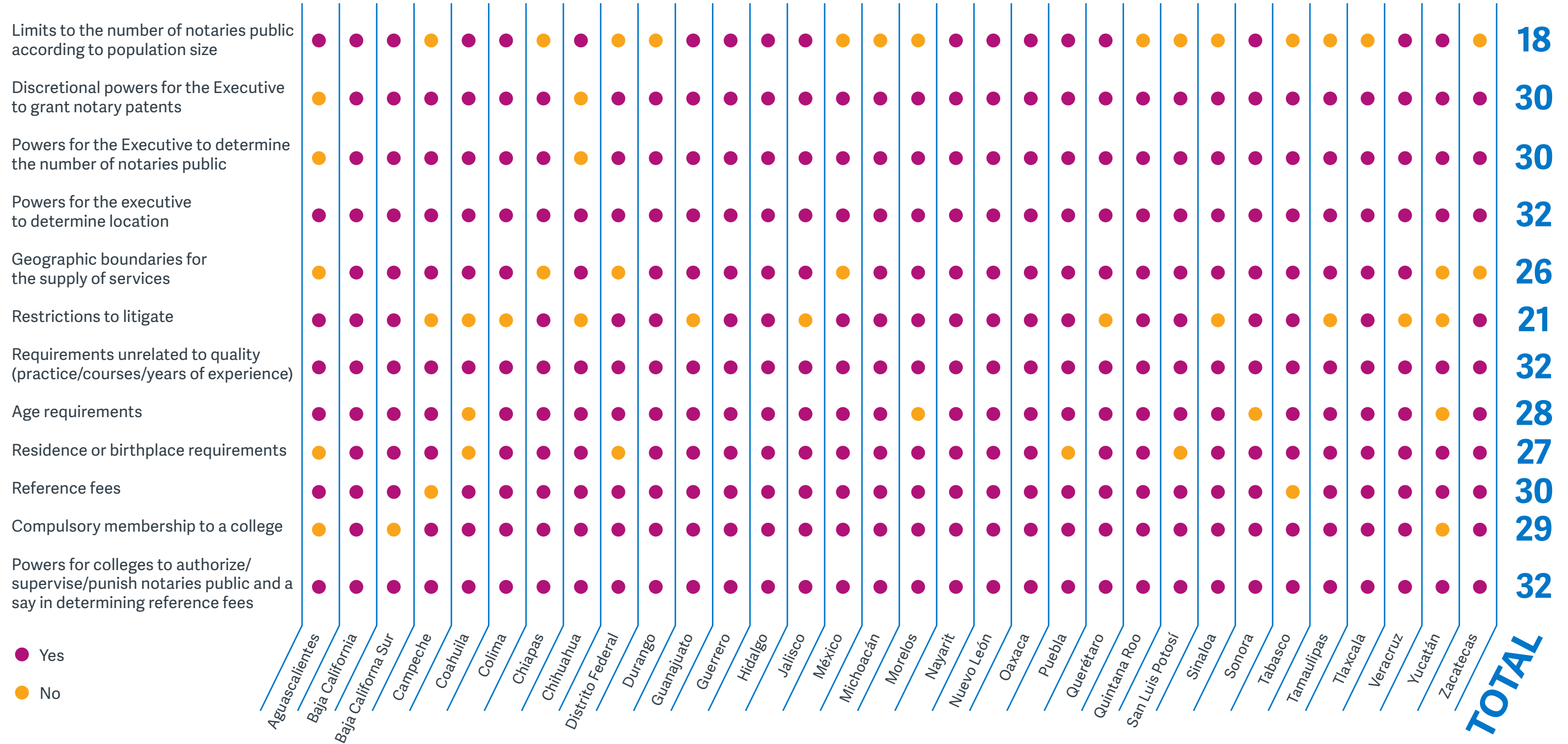
31

**EMPOWER COLLEGES TO OVERSEE COMPLIANCE WITH THE LAW**

29

**CONSIDER A ROLE FOR COLLEGES IN EXAMINATIONS FOR CANDIDATES WISHING TO BECOME NOTARIES PUBLIC.**

The law establishes:







**October 2017**