

OCTOBER 22, 2025



REGULATION OF THE BIOFUELS LAW

On October 3, 2025, among others, the Regulation of the Biofuels Law (the “Regulation”) was published in the Federal Official Gazette (*Diario Oficial de la Federación*), which entered into effect the day after its publication. Below please find a summary of some aspects of the Regulation which we consider particularly relevant to our clients.

Purpose and Scope

Competent Authorities and Coordination

The Regulation provides that: (i) the Ministry of Energy (*Secretaría de Energía*) (“**SENER**”) shall lead the policy and act as the competent authority for the issuance of permits and authorizations; (ii) the Ministry of Environment and Natural Resources (*Secretaría de Medio Ambiente y Recursos Naturales*) shall assist in matters relating to environmental impact assessment, biodiversity, water, air, and soil; and (iii) the Ministry of Agriculture and Rural Development (*Secretaría de Agricultura y Desarrollo Rural*) shall participate in matters concerning the sustainable use of biomass and the agricultural and livestock sectors.

For proper implementation, the Regulations provide for inter-institutional and intergovernmental coordination through agreements and cooperation instruments, incorporating principles of energy sovereignty and justice and ending of energetic poverty, as well as establishing collaboration mechanisms with the social and private sectors.

Planning, Promotion, and Innovation

For the granting of permits and authorizations, SENER must take into consideration the planning instruments in the energy sector and ensure compliance with the general administrative provisions on binding planning issued by SENER.

The issuance of permits and authorizations must be aligned with planning instruments in the energy sector, in accordance with the Law of Energy Planning and Transition (*Ley de Planeación y Transición Energética*) and its derived regulations.

SENER shall compile and update a biofuels project portfolio at least every two years and shall promote research, innovation, technology transfer, and training.

The Regulation also establishes criteria for measuring national content, including goods, services, labor, and infrastructure, in coordination with the Ministry of Economy (*Secretaría de Economía*).

Definitions and Quality Standards

The Regulation provides definitions for biofuels, biomass, biodiesel, bioethanol, biogas, biomethane, aviation fuel, pellets, traceability, and the energy recovery of organic waste.

SENER shall issue official standards and quality guidelines applicable to each stage of the chain, including specifications on purity, blending, and prohibitions against adulteration. The Regulation further provides that, until new provisions are issued, the previously published quality guidelines shall remain in effect in accordance with the transitional provisions.



Permits and Authorizations

SENER has the authority to grant, amend, suspend, revoke, and terminate permits for the production, importation, exportation, storage, transportation (by pipeline or other means), distribution, marketing, and retail sale of biofuels.

Likewise, authorizations are contemplated for specific research activities, non-commercial energy use, green heat and waste recovery, as applicable.

A key limitation to note is that permits may be granted for a term of up to ten years, with the possibility of renewal, subject to compliance with applicable obligations and sectoral planning objectives.

Requirements and Procedures

Applications must include technical, legal, tax, and operational information; demonstrate the lawful ownership of inputs; and provide civil and environmental liability insurance policies, as well as guarantees, when applicable.

During the evaluation, additional information may be requested; the authority shall resolve within the established deadlines and may deny the procedure due to substantive non-compliance, lack of veracity or certain environmental and safety criteria.

Any modification, assignment, suspension, or revocation of permits shall follow the procedures established under the applicable regulations.

Traceability, Records, and Logs

Comprehensive traceability is required throughout the entire biofuels supply chain, including the record of biomass and input origin, volumes produced, marketed, distributed, or sold, and all transactions and logistics activities.

Permit holders shall maintain and submit periodic reports to SENER, within the timeframes and formats determined by SENER, and shall make such information available for verification and sectoral statistical purposes.



Obligations of Permit Holders

Permit holders shall operate within the authorized scope and facilities, comply with official standards and quality specifications, avoid adulteration or alteration of products, maintain valid insurance policies, allow verification visits, and retain documentation proving the lawful origin of inputs and products.

Non-compliance with these obligations may result in the imposition of safety measures and the application of sanctions under the relevant regulatory framework.

Environmental Protection

The conversion of forest land use to agricultural use and the expansion of the agricultural frontier for the purpose of producing biomass for biofuels are prohibited.

Activities shall be subject, as applicable, to environmental impact assessment and, where appropriate, to risk studies, observing guidelines for the conservation of soils, biodiversity, water, and the atmosphere.

Priority is given to the use of organic residues, sludges, and wastewater, and to the use of marginal lands for biomass production, with a view to minimizing pressure on ecosystems and on food security.

Safety Measures, Verification, and Sanctions

The authority may impose safety measures— including temporary closures, seizure of assets, or suspension of activities— in the event of certain risks or breach.

Verification visits are contemplated, as well as a sanctions regime that includes fines, suspension, and revocation of permits, considering recidivism and the gravity of the conduct.

Voluntary Mechanisms and Social Participation

A voluntary recognition mechanism is established, which may include certifications and special labeling, to highlight outstanding practices in sustainable biofuel production, particularly the use of residues, wastewater, and biomass on marginal lands.

Transitional Provisions

The transitory articles contain, among others, provisions that establish that:

- (i) holders of pre-existing permits and authorizations who obtained an exemption for the production of bioenergetics shall have 365 days to apply for the authorization for the production or utilization of biofuels, or, as the case may be, to apply for a production permit;
- (ii) anyone who has not obtained proof of operations for the production of biofuels, also has 365 days to request the start of operations;
- (iii) pending the issuance of specific standards, transitional schemes are recognized and SENER may authorize activities for the marketing, transportation, distribution, importation, and retail sale of gaseous biofuels, provided that NOM-001-SECRE-2010 is complied with;
- (iv) SENER must publish, within 60 business days, the administrative provisions for binding planning;
- (v) temporary authorizations may be issued for biomethane under the applicable natural gas specifications, and the existing quality guidelines for bioethanol, biodiesel, and aviation fuel shall remain provisionally in force.

We invite you to contact your usual Ritch Mueller contacts to discuss any matters related to the issues described in this note. You may also reach out to us via our email address, through which we will direct your inquiry to the appropriate members of our team.



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