Dear Mr Brok,

Please find attached the report by the delegation of observers to Mexico for the federal elections of 2 July 2000.

I shall gladly supply any further information you may require.

Yours sincerely,

José Manuel GARCÍA-MARGALLO Y MARFIL

Annexes
INTRODUCTION

In response to the invitation extended to the President of the European Parliament, Nicole FONTAINE, by María de los Ángeles MORENO, President of the Mexican Senate, and to the letter from António José SEGURO, Chairman of the Delegation for relations with the countries of Central America and Mexico, requesting that a delegation be sent to Mexico, the Conference of Presidents decided at its meeting of 15 June to authorise a delegation to travel to Mexico to observe the elections there. This decision was prompted by the unique political climate in Mexico at that time. (The various political parties in Mexico had extended their own invitations to their European sister parties, but the option of sending a parliamentary delegation was preferred.)

The delegation would be composed of a maximum of 9 Members, to be appointed by the political groups under the d’Hondt system.

At its constituent meeting on 28 June, the delegation decided to appoint me as its chairman.

POLITICAL SITUATION IN MEXICO

The Institutional Revolutionary Party (PRI) had been in power for 71 years. As each election came round, the outgoing president, being unable to stand for a second term, would appoint the official PRI candidate, who would be assured of victory in the presidential election, contested in a single round of voting. With one party maintaining its hold on power, the lines between party and State became increasingly blurred.

The PRI appeared to be heading for certain defeat in the 1988 presidential election. The candidate of the Party of the Democratic Revolution (PRD), Cuauhtémoc CÁRDENAS, son of former Mexican president General Lázaro CÁRDENAS, was favourite to win. During the campaign, the PRD’s two main coordinators had been assassinated. Whilst the votes were being counted the system crashed, just when the PRD appeared poised for victory. However, the PRI candidate was declared the winner. The National Action Party (PAN) believed that CÁRDENAS had won the election.

The PRI won international backing for the result, however, and its candidate, SALINAS DE GORTARI, was thus able to take office as president. These were very tense moments in Mexican history, with a section of the PRD even advocating confrontation.
Following the assassination of Luis Donaldo COLOSIO, whom it had chosen as its candidate for the 1994 election, the PRI selected Ernesto ZEDILLO, who went on to win the election. At 78%, the turnout for the 1994 election was huge, in contrast to the more customary figure of 48% recorded in 1988. The PRI won by a clear margin, polling 48.77% of the vote, compared with 25.94% for the PAN and 16.6% for the PRD. The observers sent by the European Parliament for the election concluded that vote had been inclusive of citizens and fair, and that irregularities had not distorted the final outcome.

Since taking office, Ernesto Zedillo has not only tackled the various economic problems he inherited from his predecessor, but has also made strenuous efforts to usher in a clean and free electoral system.

The state of the economy in Mexico today contrasts sharply with the economic circumstances in which Ernesto Zedillo took office. The tight monetary policy and strict fiscal discipline applied during his term in office, and above all the stability on the exchange and financial markets, have reaped dividends. Higher oil prices have also helped achieve the set targets.

At 7.8%, the growth rate in the first six months of the year 2000 is the highest of any of the last 5 six-month periods, and has raised hopes that the annual figure will exceed the government target of 4.5%. Inflation should end the year at around 9.7%, slightly below the government forecasts.

Unemployment has fallen to its lowest levels in 1995, with more than 400 000 jobs created between January and June. Meanwhile, the number of wage-earners with welfare cover has risen from 9 million to 12 million.

As regards taxation, revenue from income tax and VAT has increased by 10.2% and 15.2% respectively. Spending on social development - namely education, health and social security- has risen by 14.2%, to stand at 64.4% of programmable expenditure.

Early debt payments have helped ease Mexico’s circumstances considerably in bringing down the ratio of debt to exports from 59.7% to 51.5%.

THE ELECTIONS OF 2 JULY 2000

Besides electing their president on 2 July, Mexicans were also voting to elect:
- 500 members of the Chamber of Deputies and 128 senators in federal elections;
- 2 governors, 9 local congresses (389 seats), the mayor of Mexico City and the legislative assembly of Mexico City (66 seats) in state elections; and
- 421 mayors and 3086 city councillors in municipal elections.

The 2 July elections covered 4 594 of the overall total of 20 516 posts which Mexicans are entitled to elect.

**Measures adopted to guarantee a clean vote**

**Total population:** 100 million

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PE 291.987
Electorate: 59.5 million

Mexicans living abroad, who number almost 20 million, are not entitled to vote. Voting is not compulsory.

Number of polling stations: 113 703 (84 011 in urban areas and 29 692 in rural areas).

Each polling station is manned by 7 people, who are chosen by drawing lots. Six million people are chosen in the first draw. Of the three and a half million who are then fully briefed, 791 000 will actually be present at the polling stations.

Observers from the various political parties, together with international organisations and international observers, are also likely to be present at the polling stations.

Each voter has a voting card which, as well as being forgery-proof, carries the bearer’s photograph and fingerprint. In order to be able to cast their votes, voters must present their voting cards, a copy of which is held on a list made available only to the polling station. The political parties do not have copies of the lists. Voters cast their votes and then have their thumbs marked with indelible ink which lasts for several days.

The ballot papers, which bear watermarks, are also forgery-proof. They are not made available until polling day, no party has access to them, and they are not sent by post. They are entrusted to the Federal Electoral Institute (IFE) and the army for safekeeping until polling day. The maximum number of ballot papers per polling station is 750.

Transparent ballot boxes are used.

ELECTORAL BODIES

Federal Electoral Institute (IFE)

This full-time, independent body is in charge of drawing up the electoral roll, the register of parties and the lists of candidates, setting campaign costs, sharing out media slots, and regulating opinion polls and surveys. Furthermore, it monitors campaign spending by political parties and real-time coverage of the candidates in the media. Lastly, it declares the election of deputies and senators valid and provides evidence to that effect.

Its General Council is composed of 9 full members who have been nominated by their parliamentary group and then elected for a seven-year term by a two-thirds majority of the members present in the Chamber of Deputies. Twelve non-voting members also sit on the General Council. The 1996 electoral reform changed the original set-up, under which the General Council was chaired by the minister of the interior.

Electoral Tribunal of the Judicial Branch of the Federation (TRIFE)
The Electoral Tribunal, set up under the 1996 electoral reform, is responsible for monitoring the legality of the electoral process and the constitutionality of the 33 electoral laws. It is composed of seven magistrates elected by the Upper Chamber on the basis of nominations from the Supreme Court of Justice of the Nation. The Tribunal declares the winner of the presidential election.

None of the leaders of the three main political parties - the PRI, PAN and PRD - with whom the delegation met questioned the work of the IFE. On the contrary, all of them stated that the IFE consistently proven itself trustworthy and impartial.

Opinions were somewhat more divided on the Electoral Tribunal, since it is elected by both houses of parliament and thus reflects their composition. The PAN candidate, Mr FOX, criticised the Tribunal’s decision to turn down his request to use a photograph of himself and a ‘V’ for victory as his party’s motif on the ballot papers. The president of the Tribunal had accepted Mr Fox’s proposal, but the other members had opposed it.

**THE ELECTION CAMPAIGN**

Lengthy election campaigns have traditionally been a feature in Mexico, getting under way as they do at the beginning of the year. On this occasion the campaign lasted even longer, since the PRI had held primary elections earlier to select its candidate.

Although 90% of campaign funding comes from the state coffers, several complaints were submitted regarding illegal funding, some of it from foreign donors. (Funding for primary elections is not subject to regulation of any kind.) The public funding provided to political parties takes account of the votes they have won, whilst at the same time favouring the minor parties. The PRD received 100 million, the PAN 90 million and the PRI, despite winning 39.2% of the vote in 1997, 90 million. Party funding is allowed solely from national funds.

The IFE purchases media slots and then shares them out amongst the political parties using a formula under which a set percentage is allocated to each and the remainder of the time is then distributed in proportion to the votes won in previous elections. The complaints made related to the fact that, during the election period, the media allegedly focused more on the activities of the government (i.e. the PRI) than on those of the other parties and candidates.

Although routine complaints about the use of public programmes were lodged, they will prove irrelevant. Government officials were accused of threatening the two and a half million or more families (i.e. some six million people) covered by the PROGRESA and PROCAMPO federal programmes with the loss of the assistance they receive should they not vote for the PRI. However, the PRI now shares power at state level with other parties and could thus use the same argument. Moreover, voting was secret and the parties were barred from obtaining ballot papers in advance of the election, thus making the risk of such intimidation all but negligible. Moreover, the IFE had provided people with a telephone number to call with reports of alleged irregularities.
Vote buying, although possible, would be kept to a minimum, since the ‘buyers’ could not be certain that the ‘sellers’ would keep their side of the bargain.

‘Lining’ ballot boxes would also prove impossible, as the boxes were transparent and the ballot papers used had not been available in advance.

These factors ruled out the possibility of vote rigging.

The army had been confined to barracks, but the police were on hand, with a 30 000-strong force present in Mexico City.

With only a few hours of campaigning remaining, all the polls had the PAN and PRI candidates running neck and neck. The fear was that a slim margin of victory might be contested by the other parties, especially if the PRI emerged as the winner. The delegation spoke with the candidates on this issue and received rather evasive replies with regard to the smallest acceptable margin of victory.

In addition, the delegation met with the CIVIC ALLIANCE, set up in 1994 to observe the elections that year. Civic Alliance told the delegation that electoral legislation had improved considerably since 1988. This was the first election run by the IFE rather than the government or political parties. However, whilst the IFE was to oversee the vote counting, it could not guarantee a free election. The Alliance had already registered 280 or so reports of coercion of voters.

THE ELECTION RESULTS

The IFE provided the following information as planned:

3 p.m. details regarding the setting-up of the polling stations;
8 p.m. details of the closing of the polling stations, scheduled for 6 p.m.;
11 p.m. early results;
2 a.m. first half of the results;
7 a.m. 80% of the results.

The final results would be announced on 5 July.

POLLING DAY

With a view to observing the elections as efficiently as possible, the members of the delegation opted to cover different polling stations across Mexico, including Mexico City, Oaxaca, Puebla and Campeche.

From our observation of the elections we were able to establish that the efforts pursued in recent years by President Zedillo and his government to put an end to Mexico’s poor electoral record
had met with success and, more importantly, with the response they deserved from the Mexican people.

The technical aspects of the elections were nothing less than exemplary. The IFE, which slowly came to earn the respect of the political parties and the general public, worked hard in preparing the elections. It produced forgery-proof voting cards and ballot papers, made lists of candidates (including photographs!) available at the polling stations, provided transparent ballot boxes and briefed observers. We international observers, numbering over 700 in all, were kept fully informed and were perfectly free to go about our business.

By virtue of their being both transparent and visible to all, the ballot boxes helped establish a climate of trust.

Those Mexicans called on to cast their votes at the polling stations did so promptly and efficiently. The observers from the various political parties, present at virtually all of the polling stations, were able to see for themselves that voting had proceeded fairly.

Hence the elections became a genuine celebration of democracy, all the more so as the day progressed and the various political forces saw that the elections were running smoothly and that the accuracy of the results was thus beyond doubt. When at the end of the day the balance began to tip in favour of the PAN candidate, the celebrations intensified, not because of the result itself, but because change had come about by the most peaceful means possible after 71 years of rule by a single party.

The speeches by presidential candidate Fox and President Zedillo merely proved that the real winners of the elections had been the Mexican people themselves. Mr Zedillo offered his immediate cooperation in facilitating the handing over of power on 1 December. Mr Fox stated that he would form a government which, far from excluding anyone, would draw upon the experience of public officials.

If we had to criticise anything, it would be the special polling stations. These stations had only 750 ballot papers, and yet they were open to voters who held voting cards, had been included on the electoral roll and had not, of course, already voted (prior voting would have been evident from the ink stain on the thumb and the notch visibly made on the voter’s voting card). As a result, ballot papers soon ran out in many of the special polling stations, especially those near the border with the United States, understandably raising protests from frustrated voters.

Another possible improvement that could be made to the electoral legislation would lie in allowing Mexicans resident abroad to vote in the elections, something which they are legally barred from doing at present.

The election results showed the turnout to be very high, at 63.97% of all Mexicans registered as eligible to vote. Mr FOX won 42.52% of the vote, compared to 36.1% for Mr LABASTIDA. Mr CÁRDENAS came third with 16.64% support. No political party has contested the result of the presidential election.
Decisions on any appeals still pending with regard to the elections for deputies and senators will have to be made by 23 August.

The result will be roughly as follows:

<table>
<thead>
<tr>
<th>Deputies:</th>
<th>PRI 209</th>
<th>PAN 208</th>
<th>PRD 53</th>
<th>Greens 15</th>
<th>Labour (PT) 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senators:</td>
<td>PRI 60</td>
<td>PAN 46</td>
<td>PRD 15</td>
<td>Greens 5</td>
<td>Labour (PT) 1</td>
</tr>
</tbody>
</table>

In both houses of parliament negotiations and compromise will be required in order to govern.

**CONCLUSION**

The delegation was able to carry out its task of observing the elections in Mexico to its full satisfaction. The delegation’s meetings with the chairmen and candidates of the three main political parties, the president of the Senate, the minister for foreign affairs and representatives from civil society, and above all its contacts with the general public, enabled it to observe elections which proved exemplary by any reckoning, thanks above all to the efforts of President Zedillo to modernise and clean up Mexico’s electoral system.

The visit served to highlight further the excellent relations that the European Union enjoys with Mexico. Furthermore, it coincided with the entry into force of the free-trade agreement between the two sides, part of a wider agreement encompassing political coordination and cooperation as well. Before this Global Agreement can enter into force it must be ratified by Italy, the only country which has not yet done so.

The president-elect has a difficult task awaiting him. Firstly, he must carry on and build upon the economic achievements of the Zedillo years. Secondly, he must fight the poverty affecting a section of society. Forty million Mexicans currently live in poverty. Thirdly, he must bring peace to CHIAPAS, where a latent conflict punctuated with accusations traded between the Zapatistas and the government has merely served to exacerbate the poverty there. And lastly, he must stamp out corruption in all its forms.
EUROPEAN PARLIAMENT

DELEGATION OF OBSERVERS TO MEXICO FOR THE FEDERAL ELECTIONS OF 2 JULY 2000

LIST OF PARTICIPANTS

Members of the EP

Mr José Manuel GARCÍA-MARGALLO Y MARFIL, President PPE Spain
Mr Rocco BUTTIGLIONI PPE Italy
Mr Wolfgang KREISSL-DÖRFLER Verts/ALE Germany
Mr Sami NAIR PSE France
Mrs Maria Johanna SANDERS-TEN HOLTE ELDR Netherlands
Mrs Francisca SAUQUILLO PÉREZ DEL ARCO PSE Spain

Political groups of the delegation members

PPE/DE - Group of the European People's Party (Christian Democrats) and European Democrats
PSE - Group of the Party of European Socialists
ELDR - Group of the European Liberal, Democrat and Reform Party
Verts/ALE - Group of the Greens/European Free Alliance

Delegation secretariat

Mr Luis MARTINEZ GUILLEN Senior administrator
Mr Francisco CABRAL Assistant

Secretariat to the political groups

Mr Juan SALAFRANCA Administrator (PPE)

Interpreters

Mrs Ada DINGMANS Dutch booth
EUROPEAN PARLIAMENT

DELEGATION OF OBSERVERS TO MEXICO FOR THE FEDERAL ELECTIONS OF 2 JULY 2000

PROGRAMME

Meetings held with

Presidential candidates:    - Vicente FOX
- Francisco LABASTIDA OCHOA
- Cuauhtémoc CÁRDENAS

Chairmen of the political parties:   - Luis Felipe BRAVO MENA (PAN)
- Dulce María SAURI (PRI)
- Amalia GARCÍA (PRD)

President of the Senate:    - María de los Ángeles MORENO

Minister for foreign affairs:    - Rosario GREEN

European Union ambassadors

Civil society    Representatives from Civic Alliance

Observation of the elections

Visits to the polling stations in:    - Campeche
- Mexico City
- Oaxaca
- Puebla