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Mexico Bans Imports Made with Forced Labor in Alignment with the USMCA

On February 17, Mexico's Ministry of Economy published an administrative regulation prohibiting imports of goods produced with forced labor. The regulation implements Mexico's obligation under the United States–Mexico–Canada Agreement requiring each country to prohibit the importation of goods into its territory from sources produced, in whole or in part, by forced or compulsory labor. Mexico's regulation takes effect on May 18. In this Alert, we provide an overview of the regulation.

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Mexico's new forced labor import prohibition is part of a broader trend in many jurisdictions to address forced labor through import policy. Both the United States and Canada already have already passed legislation banning imports of goods produced using forced labor. In the United States, enforcement of Section 307 of the U.S. Tariff Act—which prohibits importing into the United States “goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part” by convict, forced or indentured labor—has exponentially increased. Both the European Union and Australia have also recently proposed trade-based legislation to address forced labor. The EU legislation is described in our earlier Alert [here](#).

The Prohibition

Similar to the United States' and Canada's forced labor import prohibitions, Mexico's regulation contains a blanket prohibition on imports into Mexico of goods produced, in whole or part, through forced or compulsory labor. The regulation's definition of “forced and compulsory labor” aligns with the Forced Labour Convention of the International Labour Organization, meaning any labor or service required of an individual, including minors, under the threat of any penalty and for which such individual is not offered voluntarily.

Enforcement

The Ministry of Labor and Social Welfare may issue a resolution designating goods as having been produced by forced labor, thereby prohibiting the goods from entering Mexico. Resolutions will be posted to the Ministry's website. Under the regulation, if there is no resolution for a particular good, it is deemed to comply with the regulation.

The Ministry may initiate, on its own or at the request of a private party, an investigation into whether goods were produced using forced labor. If a private party requests an investigation, it must provide specified information, including evidence supporting the forced labor allegation.

Next Steps

As the effective date of the regulation approaches, the Ministry is expected to issue further clarifications and guidance for importers.

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