



Closing the Gap:

Evaluating Rapid Response Labor Mechanism Outcomes and Charting a Path Through the 2026 USMCA Review

R E P O R T



AMERICAN
ECONOMIC
LIBERTIES
PROJECT

S E P T E M B E R 2 0 2 5

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Executive Summary

The Rapid Response Mechanism (RRM), created by the United States-Mexico-Canada Agreement (USMCA), is an unprecedented tool designed to enforce labor rights via trade agreements. For the first time, a trade deal allows complaints against specific facilities that deny workers freedom of association or collective bargaining and makes possible direct sanctions on companies. The RRM's record demonstrates that including enforceable labor standards in a trade agreement can deliver tangible gains for workers, such as reinstatements after retaliatory firings, new opportunities for independent unions to organize, and stronger contracts. However, this research finds that, in the latter years of the mechanism's first five in operation, these gains have diminished as employers developed ways to limit durable remediation, while structural design flaws and ambiguities created off-ramps to evade sanctions. The key lesson from the RRM's first five years is that facility-specific trade-labor enforcement tools can be highly effective, but it is essential to address systemic shortcomings to ensure these tools deliver more consistently on their promises.

The RRM's transformational approach was designed to address decades of wage suppression in Mexico under employer-dominated unions and sham collective bargaining agreements (CBAs). The systematic suppression of fundamental labor rights and

independent unions, along with the resulting rock-bottom wages, incentivized corporations to relocate thousands of industrial facilities from the United States to Mexico under the 1994 North American Free Trade Agreement (NAFTA). By mid-2020, the U.S. government had certified more than one million American workers as having lost their jobs due to offshoring and import competition under NAFTA. During his first term, President Trump promised that his NAFTA renegotiation and USMCA would end job offshoring to Mexico and the NAFTA trade deficit.

In its first five years, the RRM has produced important results. It led to reinstatement of workers fired for union activity, expanded access to trainings on freedom of association, and supported new opportunities for independent unions. Between July 2020 and June 2025, the United States initiated 37 RRM cases targeting 36 facilities involving mining, call centers and air transport services, food, electronics, apparel, and, most notably, automotive sector manufacturing.

Tens of thousands of workers in facilities where RRM cases succeeded have made real gains. But the USMCA has not delivered on topline promises to end the race to the bottom in wages and labor conditions or balance regional trade. Wages in Mexico remain very low despite some gains. Workers in the

automotive and electronics manufacturing sectors still earn only \$3 to \$5 per hour, even as productivity approaches U.S. levels. Manufacturing wages in Mexico remain about 40% lower than in China.

The mechanism's early implementation has highlighted areas where further progress is needed. Not enough cases have resulted in real penalties for employers violating labor rights to incentivize systemic, prophylactic changes, such as employers ending abuses against independent unions or improving pay and conditions. RRM remediation has sometimes taken the form of surface-level measures that, while accepted by governments, have not always resulted in durable improvements to workers' ability to organize and bargain collectively. Independent Mexican unions have made headway in certain facilities but still face challenges in securing contracts and meaningful wage gains after cases are closed. These patterns underscore the importance of using the mandatory 2026 USMCA review to refine the mechanism so that it can fulfill its long-term potential.

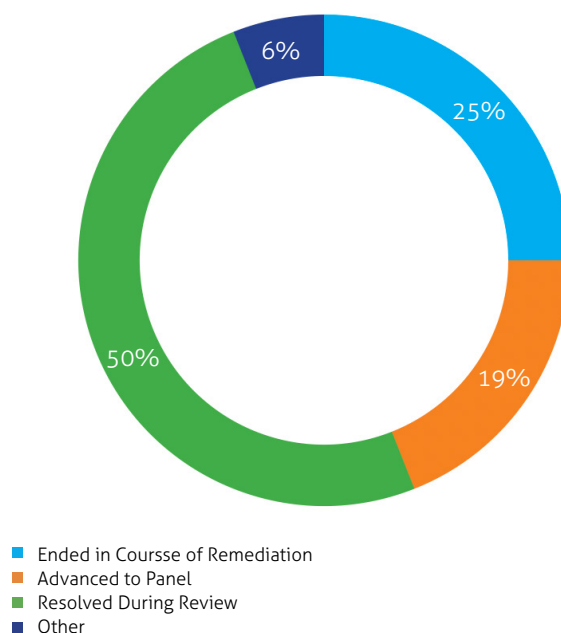
Key Findings:

1. The governments are "resolving" too many cases without securing long-term gains for workers.

By mid-2025, of 32 concluded cases initiated by the U.S. government concerning labor violations in Mexico, half were deemed "resolved during review," eight resulted in a formal Course of Remediation, and six advanced to panels—independent groups of three labor experts that determine whether violations occurred and whether they were remedied. The USMCA text does not clearly outline the consequences of cases being "resolved during review." The increasing tendency to close cases without a Course of Remediation or panel action calls into

question whether this approach genuinely tackles union-busting practices or holds companies accountable through a clear record of denial-of-rights violations.

Pre-Panel Outcomes of known RRM Cases



2. Remediation has been real, but it is often standardized and insufficient in some cases.

Common remedies agreed by governments to end cases without panel activation include neutrality statements, worker reinstatements, and freedom of association (FOA) trainings. These measures are important steps, particularly the reinstatement of workers

fired for their union activities or preferences. However, commitments to grant union access to facilities or recognize and bargain with petitioner unions have been less frequent. Strengthening remedies to prioritize actions that enable independent unions to organize and bargain collectively would help advance the core objectives of the RRM.

Top 10 Most Common Remediation Actions Achieved through the RRM

Common Remedial Actions	Total Number of Cases
Neutrality Statement and/or Zero-Tolerance Policy	26
Mexico-Provided FOA Training	24
Facility-Provided FOA Training	19
Worker Reinstatement and/or Backpay	19
Anonymous Hotline to Report Violations	14
Severance Payments	7
Union Access to Facility	7
Proper Management of Union Dues	6
CBA Distribution	5
Recognizing and Engaging in Bargaining with Petitioner Union	5

3. Progress has been made on freedom of association, but there is less movement on collective bargaining.

Twelve workplaces out of 32 concluded RRM cases saw workers gain new union representation and/or contracts, but a larger share of RRM cases did not produce

such results. Early RRM cases were notably successful in delivering durable gains for workers. Later cases suggest that corporations have developed strategies to persuade authorities that limited actions amount to sufficient remediation without enabling workers to organize independent unions or negotiate strong collective bargaining agreements.

Union Representation and Collective Bargaining Outcomes of Concluded RRM Cases by Workplace

Workers gained new union representation and/or a new/ revised CBA	Workers only gained new union representation	RRM activity did not result in new union representation or a new/ revised CBA
1. General Motors (2021)	1. Manufacturas VU (2022)	1. Draxton (2023)
2. Tridonex (2021)	2. Unique Fabricating (2023)	2. Grupo México – San Martín mine (2023)
3. Panasonic (2022)	3. Aerotransportes MAS de Carga (2023)	3. Grupo Yazaki (2023)
4. Teksid Hierro (2022)		4. Asiaway Automotive Components (2023)
5. Goodyear (2023)		5. Tecnología Modificada – Caterpillar (2023)
6. INISA (2023)		6. Fujikura* (2023)
7. Teklas (2023)		7. Atento Servicios (2024)
8. Autoliv (2023)		8. RV Fresh Foods* (2024)
9. Minera Tizapa (2024)		9. Servicios Industriales González (2024)
10. Odisa (2024)		10. Volkswagen* (2024)
11. Modern Metal Alloys (2025)		11. Impro (2024)
		12. Vidrio Decorativo Occidental (2024)
		13. Aludyne Automotive (2025)
		14. Superior Industries (2025)

The fact that half of all concluded RRM cases have not resulted in new union representation and/or a new or revised contract raises questions about the effectiveness of the mechanism to fulfill its ultimate objectives. The cases marked with an asterisk in the table are those in which securing new union representation or a new or improved collective bargaining agreement was likely not the petitioners' ultimate goal when filing the complaint.

4. Secrecy about why petitions are rejected or even how many are filed chills use of the RRM and hinders accountability.

There is no public information on the total number of petitions filed under the RRM, nor any transparency about the reasons some were rejected. Through a Freedom of Information Act (FOIA) request, we discovered that 56 petitions were filed during the first five years of the RRM, although one was later withdrawn. The U.S. government initiated action on 38 cases: 36 resulting from petitions and two self-initiated. But there is limited public information about why 19 petitions were rejected or otherwise did not trigger activation of the mechanism. The lack of transparency that has marked the RRM's initial years is a key area requiring improvement.

Summary of Recommendations for the 2026 USMCA Review:

Based on the findings in this report, we recommend a set of quick targeted adjustments and broader systemic improvements:

Targeted Adjustments:

1. Shorten the respondent Party's period for internal review: The respondent Party's 45-day internal review period should be shortened to 30 days, matching the complainant Party's timeline. While the U.S. government has demonstrated that such investigations can be completed within this shorter timeframe, Mexico's greater access to facilities and investigative tools makes a longer period unnecessary. More importantly, the current 45-day window often results in cases being superficially "resolved during review," with companies offering quick fixes that fail to address deeper violations of workers' rights. A 30-day limit would push for more substantive evaluations and reduce incentives for shallow remediation.
2. Extend or modify the Interagency Labor Committee's deadline to determine whether to invoke a panel: Congress should extend or modify the 60-day deadline imposed on the Interagency Labor Committee to decide whether to request a panel after invoking the RRM. Under current rules, the U.S. government has only 15 days following Mexico's 45-day internal review to make this determination, which can lead to premature closure of cases based on short-term or superficial remedies. Extending the deadline by 15 to 45 days—or allowing extensions when necessary—would provide sufficient time to assess whether commitments are being effectively implemented and ensure decisions reflect lasting improvements in workers' rights.

3. Require Parties to consult with stakeholders—especially petitioners—when developing remediation actions, and disclose investigation findings while safeguarding witness workers: Including petitioners in the Course of Remediation process would help ensure that remedies address ongoing violations, while sharing investigation outcomes in writing would strengthen accountability and improve the RRM’s effectiveness.
4. Clarify that a “Resolved During Review” outcome counts as a Denial of Rights Determination: The mechanism is designed around escalating penalties, making it critical that corporations involved in violations face lasting consequences and an increased risk of future cases. The growing trend of categorizing outcomes as “resolved during review” raises concerns that governments and companies may use this designation to avoid a formal “first strike.” Explicitly stating in the USMCA text that such cases qualify as Denial of Rights Determinations would strengthen deterrence and preserve the integrity of the penalty system established in Article 31-A.10.
5. Clarify that administrative and judicial authorities’ actions can constitute a Denial of Rights under the RRM: The agreement does not require attributing violations solely to companies or governments, which is critical since employers often rely on protection unions or local authorities to obstruct workers’ organizing and bargaining efforts. However, in practice, there has been reluctance to address violations involving administrative or judicial misconduct through the RRM. To reaffirm the Parties’ intent, the USMCA text should be clarified to explicitly include such actions within the scope of the mechanism.

Systemic Improvements:

1. Add a substantive obligation requiring all USMCA Parties to ensure employers bargain in good faith: While the RRM has been effective in addressing freedom of association violations, remediation related to collective bargaining has been rare, in part because Mexican labor law does not explicitly require employers to negotiate in good faith. The result is that domestic enforcement often focuses on compliance with strike procedures rather than employers’ bargaining conduct. To strengthen workers’ ability to secure union contracts, the USMCA should include a clear obligation for all Parties to impose a duty to bargain in good faith, with a commitment for Mexico to amend its Federal Labor Law accordingly.
2. Require Mexico’s Federal Center for Labor Conciliation and Registration to have sanctioning authority: While the RRM has advanced labor rights enforcement, it cannot address all violations. Amending the USMCA to require that Mexican law grant the Federal Center sanctioning authority—an initiative already approved by the lower house of Congress but stalled in the Senate—would bolster enforcement and extend protections nationwide.
3. Isolate fact-finding aspects of the RRM process and make it equally applicable to all USMCA Parties: Currently, governments must both investigate petitions and—in the case of Mexico—defend companies accused of labor rights violations, a conflict that undermines credibility. The process also lacks transparency, with neither petitioners nor companies having access to investigators’ reports or evidence the other party submits. Establishing an independent body—potentially modeled

on precedents like the U.S.–Cambodia Textile Agreement or the Bangladesh Accord—would enhance impartiality, ensure stakeholders receive findings, and build trust in the system. Finally, extending the RRM to cover facilities in the United States and Canada would guarantee equal protection for workers across all Parties and prevent distortions in labor standards and competition.

The RRM offers a new model for labor enforcement via trade agreements. Unlike past trade pacts that relied on state-to-state disputes, the RRM provides facility-specific accountability. This represents a significant advancement in the trade and labor field and has already proven effective in addressing clear cases of rights violations. But for the RRM to deliver on its promises, critical improvements are necessary.

Introduction

Trade deals expose workers to competition from workplaces in other countries with different wage levels and labor conditions. Without strong labor rights and effective enforcement mechanisms, this competition can foster a race to the bottom in wages and working conditions at home and abroad.

The 1994 North American Free Trade Agreement (NAFTA) is a case in point. Since its implementation in 1994, unions lost bargaining power, jobs were offshored, and workers across the region experienced wage stagnation. NAFTA allowed multinational corporations to exploit the wage gap between U.S. and Mexican workers, offshoring hundreds of thousands of U.S. jobs to Mexico. The U.S. government certified 1,086,659 American workers as having lost their jobs due to offshoring and import competition from Mexico and Canada during NAFTA under the Trade Adjustment Assistance program, which is limited to workers who know to apply and meet specific standards.¹ NAFTA also impacted U.S. workers' collective bargaining power by suppressing unionization efforts

using credible threats from employers to offshore production to Mexico.²

The 2020 United States-Mexico-Canada Agreement (USMCA), which replaced NAFTA after President Trump launched its renegotiation in his first term, includes stronger labor standards and a novel new system intended to address the race to the bottom in wages and work conditions that the original NAFTA generated. This innovative legal tool, called the Rapid Response Mechanism (RRM), complements the state-to-state dispute settlement mechanisms of older trade agreements. While state-to-state disputes emphasize government action, the RRM is novel because it empowers workers and unions to target specific facilities and companies that violate certain labor rights recognized by the USMCA—particularly those related to freedom of association and collective bargaining—by authorizing *trade sanctions directly against noncompliant companies*. No other trade agreement in the world has a similar labor-enforcement tool.

¹ This figure reflects the combined total of workers who received benefits under the NAFTA-specific Trade Adjustment Assistance (TAA) program, which operated from 1994 to 2001, and those certified under the general TAA program between 2002 and June 2020 for trade-related job losses caused by production shifts to or import competition from Mexico and Canada. Since narrow eligibility criteria and administrative hurdles affected TAA certifications, it is likely that the actual number of lost jobs is much higher. See U.S. Library of Congress, Congressional Research Service, Industry Trade Effects Related to NAFTA, RL31386 (2003), https://www.everycrsreport.com/files/20031030_RL31386_1000c2dc387396f020ca03a3da2da296f2a876c5.pdf and "Trade Adjustment Assistance Database," Public Citizen, accessed September 3, 2025, <https://www.citizen.org/article/trade-adjustment-assistance-database/>.

² An early study on NAFTA's impact on workers' right to organize in the United States found that at least 10% of U.S. union drives from 1993 to 1995 faced relocation threats supported by the passage of NAFTA. See Kate Bronfenbrenner, "Final Report: The Effects of Plant Closing or Threat of Plant Closing on the Right of Workers to Organize," Cornell University Digital Commons, North American Commission for Labor Cooperation, (1996), <https://ecommons.cornell.edu/handle/1813/87617>.

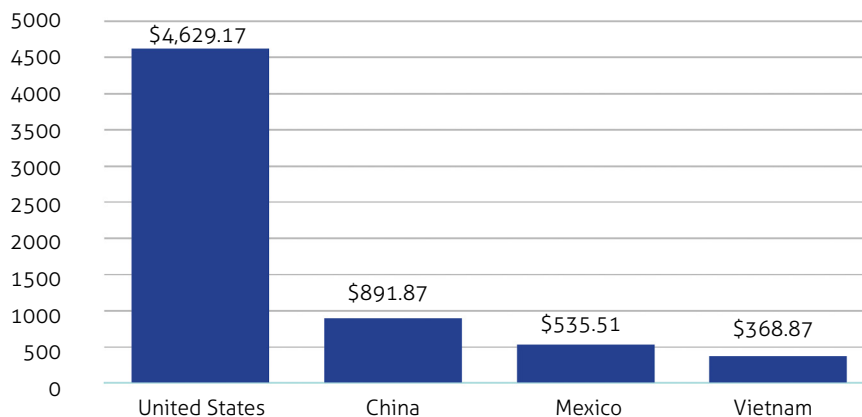
The USMCA also included specific commitments by Mexico to overhaul its labor relations system. Starting in the 1980s, company-dominated unionism became the prevailing model of collective bargaining in Mexico.³ Under this system, unions act in employers' interests to suppress wage growth and block genuine collective bargaining by workers, often by signing collective bargaining agreements (CBAs) that lock in low wages and poor working conditions—frequently without workers' knowledge, let alone their consent. These agreements are locally known as 'protection contracts,' and the unions that operate this way are called 'protection unions.'⁴ Mexican government labor institutions—comprising representatives of

the government, employers, and unions—also created obstacles for workers by blocking their attempts to gain true union representation and by actively undermining independent unions. NAFTA reinforced corporations' ability to exploit this anti-worker system and pay suppressed wages as they relocated industrial facilities to Mexico.

This regime is one reason why manufacturing wages in Mexico are now roughly 40% lower than in China and only about 45% higher than in Vietnam, a country with considerably lower levels of development.

Today, manufacturing wages in Mexico remain about 40% lower than in China.

Figure 1. 2024 Monthly Average Manufacturing Wage in USD – Nonsupervisory Employees



Sources: Author's elaboration based on official government data.⁵

³ María Xelhuantzi López, *101 Años de Control Sindical en México (1918–2019): El Por Qué de los Bajos Salarios y la Desigualdad* (México: Cisnegro, Lectores de Alto Riesgo, 2019), ISBN 9786079320416, p. 25.

⁴ Carlos de Buen Unna, "Collective Bargaining Agreements for Employer Protection ('Protection Contracts') in Mexico," *Friedrich Ebert Foundation*, (2011), https://www.academia.edu/7879996/Collective_Bargaining_Agreements_for_Employers_Protection_in_Mexico

⁵ For U.S. wage data, see "Average Hourly Earnings of Production and Nonsupervisory Employees, Manufacturing," Federal Reserve Bank of St. Louis, accessed September 3, 2025, <https://fred.stlouisfed.org/series/CES3000000008>; for Chinese wage data, see "Average Annual Wages of Employed Persons in Enterprises Above the Designated Size by Sector and Position in 2024: Personnel Engaged in Production and Manufacturing – Manufacturing," National Bureau of Statistics in China, accessed September 3, 2025, https://www.stats.gov.cn/english/PressRelease/202505/t20250520_1959885.html; for conversion from yuan to USD, see "Yearly Average Currency Exchange Rates: China," U.S. Internal Revenue Service, accessed September 3, 2025, <https://www.irs.gov/individuals/international-taxpayers/yearly-average-currency-exchange-rates>; for Mexican wage data, data extracted from the National Survey of Occupation and Employment (ENOE) for "Industrial Plant and Machinery Operators," INEGI, accessed September 12, 2025, <https://en.www.inegi.org.mx/programas/enoe/15ymas/>; for conversion from pesos to USD" U.S. Internal Revenue Service, accessed September 3, 2025, <https://www.irs.gov/individuals/international-taxpayers/yearly-average-currency-exchange-rates>; for Vietnam wage data, see "Monthly Average Income per Employee by Occupation: Plant and Machine Operators and Assemblers," National Statistics Office of Vietnam, accessed September 3, 2025, <https://www.nso.gov.vn/en/px-web/>; for conversion from dong to USD, see "Official Exchange Rate (LCU per US\$, Period Average) – Viet Nam," World Bank, accessed September 3, 2025, <https://data.worldbank.org/indicator/PA.NUS.FCRF2?locations=VN>.

Given this context, strengthening Mexico's labor institutions became a central focus of the NAFTA renegotiation. The 2018 midterm elections resulted in a Democratic majority in the U.S. House of Representatives. To gain Democratic votes, the Trump administration had to restart negotiations on its initial USMCA deal. The outcome was stronger labor standards, the creation of the RRM enforcement system, and a condition that the new agreement would not take effect until Mexico implemented and funded binding commitments to establish independent federal and state labor courts, conciliation centers to help resolve labor disputes, and democratic union practices—including personal, direct, secret-ballot voting for approving collective bargaining agreements and electing union leadership. In May 2019, Mexico enacted a sweeping labor reform to implement these changes, paving the way for the USMCA's entry into force the following year. The 2019 reform has transformed labor relations in Mexico and allowed the RRM to emerge as a useful tool for independent unions.

Yet despite five years of the RRM's operation, the implementation of Mexico's historic labor reform, and several increases in the federal minimum wage, wages in Mexico remain suppressed. Employer-aligned unions continue deeply entrenched, while independent unions have made only limited progress in narrowing the wage gap with the United States for the relatively small share of workers they represent. In 2024, unionized

Mexican workers experienced their highest wage gain in two decades, yet real wages rose by just 2.2% year-over-year, highlighting the slow pace of meaningful improvement.⁶ Mexican workers in highly productive sectors—such as automotive and electronics manufacturing—earn hourly wages of just \$3 to \$5, despite the convergence of productivity levels in U.S. and Mexican manufacturing. A 2019 study by the U.S. International Trade Commission underscores this point. According to the study, industry representatives have acknowledged that, for instance, productivity at Ford's Hermosillo stamping and assembly plant is comparable to that of a similar facility in the United States.⁷ Yet workers at this plant earn only one-tenth of the wages negotiated by the United Auto Workers with the Big Three automakers in the United States in 2023. The wage gap poses an existential challenge to the long-term sustainability of the USMCA, one that could be mitigated in part by strategically leveraging the RRM.

From July 1, 2020 (the date when the USMCA entered into force), until June 30, 2025, there were 37 RRM cases initiated by the United States targeting labor rights abuses in 36 facilities. These cases have involved a range of economic sectors, including mining, call centers, apparel, air transportation, food manufacturing, and, most notably, automotive manufacturing. According to the U.S. Trade Representative (USTR), more than 42,000 workers have been positively affected by the RRM as of December 2024.⁸

⁶ Gerardo Hernández, "Salarios Contractuales Alcanzaron en 2024 el Crecimiento Real Más Alto en Dos Décadas," *El Economista*, January 15, 2025, <https://www.eleconomista.com.mx/capital-humano/2024-salarios-contractuales-alcanzaron-crecimiento-real-alto-dos-decadas-20250115-742129.html>.

⁷ United States International Trade Commission, *U.S.-Mexico-Canada Trade Agreement: Likely Impact on the U.S. Economy and on Specific Industry Sectors*, by Serge Shikher, Mihir Torsekar, Mitchell Semanik, and Peter Herman, Pub. No. 4889 (2019), at p. 217, n 611, <https://www.usitc.gov/publications/332/pub4889.pdf>.

⁸ "United States Announces Successful Resolution of Rapid Response Labor Mechanism Matter at Odisha Facility," Office of the United States Trade Representative, December 20, 2024, <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2024/december/united-states-announces-successful-resolution-rapid-response-labor-mechanism-matter-odisha-facility>.

The first mandatory joint review of the USMCA as required by the pact's text must be completed by July 2026. The review process is intended to ensure relevance and functionality of the agreement. As such, it presents an invaluable opportunity to conduct an in-depth analysis of the successes and potential shortcomings of the RRM so far to ensure that it supports a high-road labor model in North America.

This report contributes to that discussion by providing insight on the first five years of the RRM's operation. It begins with an overview of how the mechanism was designed by the USMCA Parties: the United States, Mexico, and Canada. This section will be followed by an analysis of the effectiveness of the mechanism in practice, looking at procedural outcomes; types of remediation; and the impact on union representation, bargaining,

and wages in Mexico. Our analysis is focused on the cases that led the U.S. government to activate the mechanism. Through a Freedom of Information Act (FOIA) request, we discovered that 56 petitions were filed during the first five years of the RRM, although one was later withdrawn. However, there is limited public information about why 19 petitions were rejected or otherwise did not trigger the activation of the mechanism. The report will conclude with recommendations for the upcoming USMCA review to address gaps in the mechanism that hinder full protection of workers' rights and ensure that the RRM and USMCA can better deliver on their goals.

Facility-Specific Labor Enforcement:

How Was the USMCA's RRM Designed?

Before the USMCA, most trade agreements with labor provisions relied on state-to-state dispute settlement mechanisms to address potential violations of labor-related terms. Some older agreements, such as NAFTA, offered no recourse to dispute settlement for labor standards violations. Others, like the Dominican Republic–Central America Free Trade Agreement (CAFTA-DR), allowed challenges only when a country failed to enforce its own labor laws.⁹ Several strict criteria had to be met for a trading partner to be held accountable for labor rights violations taking place in its territory, including “sustained or recurring” breaches of labor standards and proof by the complaining country that the violations affected trade or investment flows. The remedy available to a complaining country after proving these violations would not necessarily end up targeting the actors involved in the Denial of Rights. Remedies in these pacts involved a complaining country suspending concessions

given through the trade agreement, usually in the form of retaliatory tariffs. That meant that the offending country could choose to absorb the sanctions as a cost of a low-road strategy of suppressing wages to attract foreign investment. Additionally, in cases where labor rights violations are committed by a specific company, retaliatory tariffs targeting an entire country or sector could potentially hurt both compliant and noncompliant actors.

The RRM addresses many of these design shortcomings. This tool creates a pathway to target and sanction *specific facilities* where workers’ rights to freedom of association and collective bargaining are being undermined and to penalize companies abusing workers in more than one facility, including by denying access to export markets for goods or services produced in violation of the rules.

However, the RRM is an asymmetric tool. As a practical matter, it was added to the USMCA text via two annexes to the pact’s Dispute

⁹ Álvaro Santos, “The Lessons of TPP and the Future of Labor Chapters in Trade Agreements,” in *Megaregulation Contested: Global Economic Ordering After TPP*, Law and Global Governance (Oxford, 2019), p. 140–74, <https://doi.org/10.1093/oso/9780198825296.003.0007>.

Settlement chapter through a protocol negotiated in 2019. The language of the annexes ensures that Canada and the United States can separately initiate disputes against Mexico, but all Parties are virtually barred from bringing claims against either Canadian or U.S. facilities.¹⁰

In terms of scope, the United States-Mexico Facility-Specific RRM applies to facilities located in Mexico that export goods or provide services to the United States, or those that compete with U.S. goods or services sold in Mexico. The Canada-Mexico system has an equivalent scope. Specifically, the RRM is available for workers in the manufacturing, mining, and services sectors. It excludes agriculture, which is the only economic sector not covered by the mechanism. Public stakeholders, such as labor unions, non-governmental organizations (NGOs), affected workers, and other interested parties can file a petition when freedom of association and collective bargaining rights have been violated to request that the U.S. or Canadian governments activate the RRM. It is worth underscoring that although the USMCA Labor Chapter protects a broad range of labor rights, the RRM applies only to a subset of them: freedom of association and collective bargaining.

The RRM can be triggered by a public petition submitted to the Office of Trade and Labor Affairs of the U.S. Department of Labor (OTLA), or the U.S. government can self-initiate the process. The petitions are reviewed by the Interagency Labor Committee for Monitoring and Enforcement (Interagency Labor Committee), a body created by the USMCA Implementation Act and co-chaired

by the U.S. Trade Representative and the U.S. Secretary of Labor. Under the Canada-Mexico system, petitions may be submitted by Canadian nationals or enterprises to the Canadian National Administrative Office (NAO), or the mechanism can be self-initiated by the Canadian government.¹¹

The RRM has an expedited process whereby once stakeholders file a petition, the government that receives the complaint has 30 days to notify petitioners whether the government will activate the mechanism based on their complaint. If the government has a good-faith belief that workers' rights are being denied at the targeted facility, it will move forward with the labor rights violation complaint and ask Mexico to conduct a review. Upon receipt of the request for review, Mexico has 45 days to assess the situation and accept (or deny) that a violation of rights is taking place.

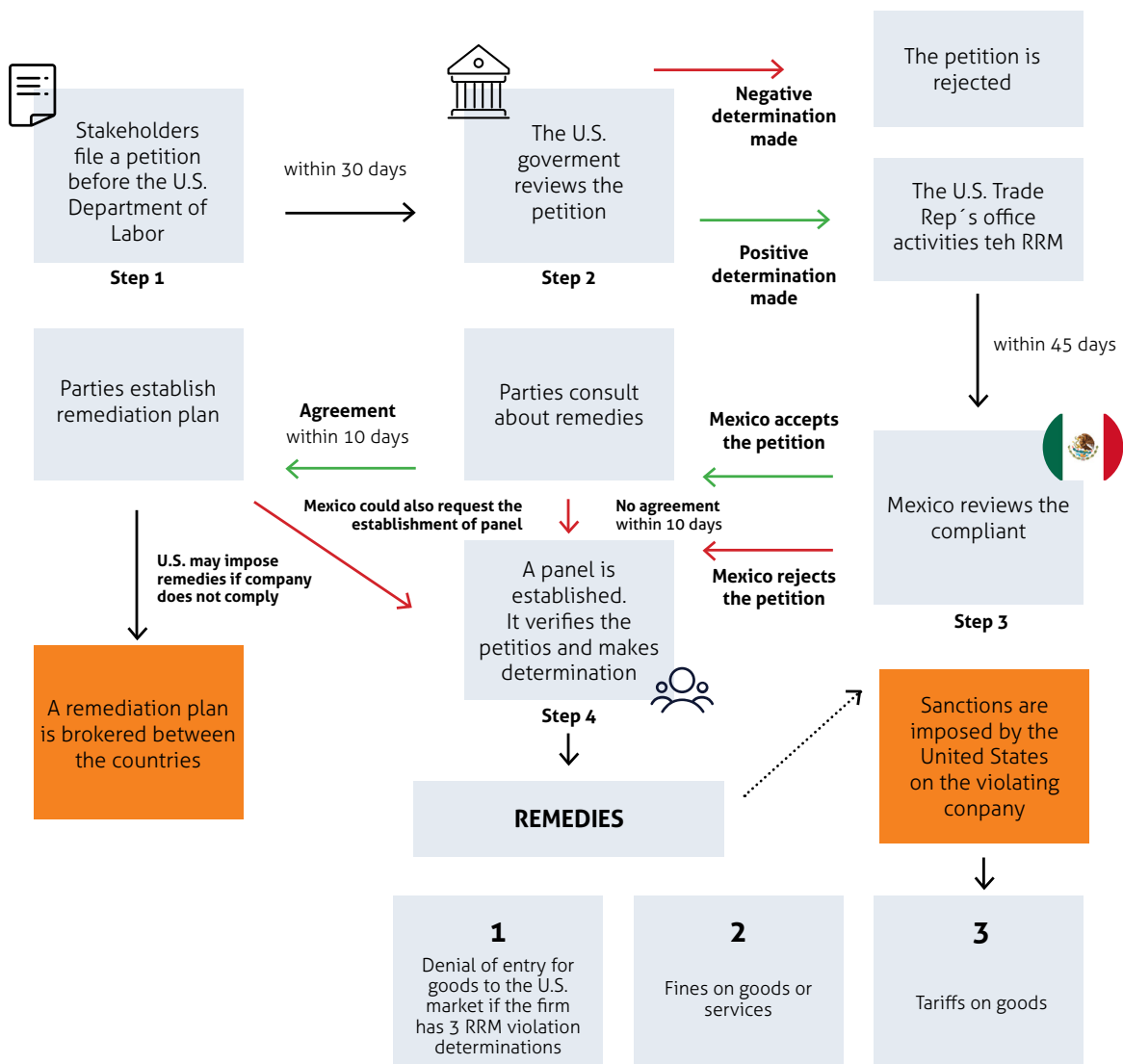
In principle, the Mexican government and the complaining governments will establish a plan to remediate the violations if Mexico accepts that a Denial of Rights is taking place. If Mexico denies the allegations or the governments cannot mutually agree on a remediation plan, the United States or Canada have the right to invoke a panel. Under the RRM, a panel composed of three labor experts selected by the respective governments determines whether a Denial of Rights has occurred and, if so, authorizes the imposition of sanctions by the United States or Canada. These sanctions include loss of preferential tariff treatment for goods manufactured at the specific facility or penalties on the goods or services provided by the facility.

¹⁰ Desiree LeClercq, "The U.S. 'Worker-Centered Trade Policy' Is Helping Some Workers in Mexico but Not in America," International Economic Law and Policy Blog, September 3, 2023, <https://ielp.worldtradelaw.net/2023/09/the-us-worker-centered-trade-policy-is-helping-some-workers-in-mexico-but-not-in-america.html>.

¹¹ Desiree LeClercq, "The U.S. 'Worker-Centered Trade Policy' Is Helping Some Workers in Mexico but Not in America," International Economic Law and Policy Blog, September 3, 2023, <https://ielp.worldtradelaw.net/2023/09/the-us-worker-centered-trade-policy-is-helping-some-workers-in-mexico-but-not-in-america.html>.

When a company faces repeated complaints under the RRM, the agreement envisions an escalated system of penalties. Thus, if a facility or a facility owned or controlled by the same company or person receives a second Denial of Rights Determination, the U.S. or Canadian government may impose escalating penalties. And if the same facility or a facility owned or controlled by the same person receives a third Denial of Rights Determination, the company could face a ban on its exports.

The graphic below shows the stages and the ideal outcomes of the RRM.



The RRM in Practice:

How Has Facility-Specific Labor Enforcement Worked So Far?

This report analyzes the practical outcomes of the RRM over its first five years in existence. It focuses on the cases in which the U.S. government requested that the Mexican government conduct a review because there is very limited public information about petitions that were not accepted by the U.S. government. However, before turning to the outcomes of the cases initiated by the United States, Box 1 below underscores the critical need to scrutinize unsuccessful RRM petitions. Neglecting them risks weakening the credibility and effectiveness of the mechanism. However, information about why these petitions did not proceed and even how many petitions have been filed is not publicly available at present.

BOX 1: Unsuccessful RRM Petitions: What FOIA Told Us (and What It Didn't)

The lack of public information on petitions that did not advance to a request for review is a primary reason this analysis focuses on cases that reached at least the respondent's review stage. There is virtually no public information about filed petitions that did not progress to a request for review.

As previously noted, it was only through a FOIA request that we learned 56 petitions were filed with the U.S. government in the first five years of the RRM, since neither the United States nor Mexico publish information on petitions that do not result in a request for review by the complainant Party. (See

Appendix for a list of the petitions disclosed.) Of those 56 petitions, 36 led to a request for review from the U.S. government to its Mexican counterparts. Additionally, the United States self-initiated two cases (General Motors Silao and Draxton) and one petition was withdrawn, according to Department of Labor (DOL). This means that 19 petitions were rejected or otherwise failed to trigger the activation of the mechanism. There is little publicly available information explaining why these petitions did not advance. According to DOL's FOIA response, there is a distinction between petitions that are "accepted" and those that proceed to the next step, a request for review. In response to a clarifying question related to the previously mentioned FOIA request, the Bureau of International Labor Affairs (ILAB) stated:

"When DOL receives a Rapid Response Mechanisms petition, ILAB must first determine whether it meets the following procedural requirements:

- Whether the claim includes freedom of association violations or the right to bargain collectively, heretofore referred to as Denial of Rights (DOR)*
- Whether the petitioner provided the name and address of the facility*
- Whether the petitioner provided contact information*

If the petition does not meet the procedural requirements, it is rejected. If it does meet those requirements, it is accepted, and the 30-day investigation timeframe begins. At the conclusion of the 30-day investigation period, not all accepted RRM petitions result in referrals to the Government of Mexico for review."

The legal basis for the procedural requirements test mentioned by DOL is not apparent from either the USMCA text or the Final USMCA Procedural Guidelines issued by USTR in 2023.¹² Increasing awareness among petitioners and prospective petitioners about the methodology used by the agencies administering the mechanism would improve stakeholders' understanding of the process and likelihood of success.

Regarding the information disclosed by DOL, of the 19 petitions that did not reach a request for review, eight were rejected for failing to meet the procedural requirements outlined by ILAB. The remaining 11 petitions were

accepted and investigated but ultimately did not lead to a request for review.

There is virtually no information explaining the U.S. government's decision not to activate the mechanism in these cases, nearly one quarter of accepted petitions.

It is worth recalling that policymakers designed and supported the mechanism under the assumption that there would be a low threshold for workers to initiate an investigation and achieve remediation. For instance, U.S. Senator Sherrod Brown (one of the RRM's architects), while explaining on the Senate floor why he thought the mechanism would be effective, said: "(...) one of the things we knew would speed it up (...) and would mean that enforcement would work was that the workers would have an ability to kick off the investigation, to literally call a toll-free number. They can register that they have seen (...) workers attacked, violence aimed against workers; that they have seen wages denied for all kinds of illegal reasons. So workers can speak out and band together and go to a panel and get quick action."¹³

Thus, although the success rate has been high—35 of 46 accepted petitions led to a request for review—understanding why nearly one quarter did not advance could help petitioners craft more effective strategies and better align with policymakers' intentions. Additionally, it would promote accountability in instances where the government decision not to proceed might be questionable. Addressing this lack of transparency should be a key objective of the 2026 review.

¹² Federal Register, National Archives, "Notice of Interagency Labor Committee for Monitoring and Enforcement Final Procedural Guidelines for Petitions Pursuant to the USMCA," Office of the United States Trade Representative, June 22, 2023, <https://www.federalregister.gov/documents/2023/06/22/2023-12865/notice-of-interagency-labor-committee-for-monitoring-and-enforcement-final-procedural-guidelines-for>.

¹³ Senator Brown, speaking on H.R. 5430, on January 15, 2020, 116th Congress, 2nd sess., Congressional Record Vol. 166, No. 9, S228, <https://www.govinfo.gov/content/pkg/CREC-2020-01-15/pdf/CREC-2020-01-15-senate.pdf>.

Critically analyzing both the procedural and substantive outcomes of the cases launched under this novel labor enforcement mechanism is essential to prioritizing necessary improvements during the 2026 USMCA review. Procedural outcomes take into consideration how each of the cases was concluded or terminated, and we discuss the potential effects of the trends observed. Substantive outcomes refer to the types of remediation that have resulted from RRM cases. To evaluate substantive outcomes, we identified and coded the specific remedial actions that resulted from the initiation of an RRM case. There are certain remedial actions that are much more prevalent than others, which arguably impacts the RRM's ability to protect workers' rights to freedom of association and collective bargaining. Finally, we assess the RRM's impact on representation, bargaining, and wages to better understand the mechanism's real effects on achieving independent union representation, improving collective bargaining, and raising workers' wages at the offending facilities.

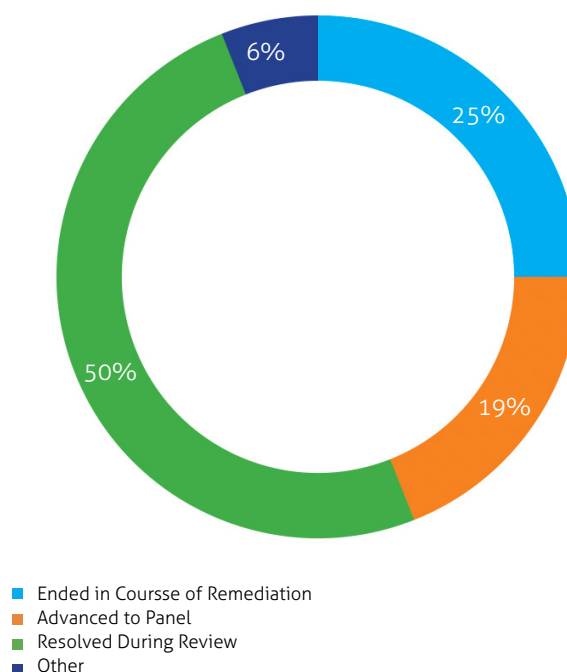
Procedural Outcomes

As noted above, the initial phase of an RRM case should ideally end either with a formal Course of Remediation or a request to establish a panel. Once a panel has been established, it must determine whether a Denial of Rights has taken place. If the panel makes a positive determination, the complaining government is authorized to apply sanctions on the offending facility. As of August 2025, there have only been two panel decisions: *San Martín Mine* and the recently published *Atento Servicios*. In the *San Martín Mine* case, the panel decided that it did not have jurisdiction over the matter at hand. By contrast, in the *Atento Servicios* case,

the panel issued its report in August 2025, confirming that the company had indeed denied workers' rights at a covered facility. This groundbreaking decision was released only weeks before the publication of this report. The report does not provide a thorough analysis of its implications, particularly given that the decision's potential ramifications for remediation of the Denial of Rights found by the panel have yet to be seen.

Accordingly, our analysis focuses on pre-panel outcomes, classifying the cases in four categories: (a) cases which ended in a Course of Remediation; (b) cases which led to the activation of a panel; (c) cases "resolved during review," which means that the governments determined that the alleged violations were remedied during the investigation; or (d) other.

Figure 2. Pre-Panel Outcomes of known RRM Cases



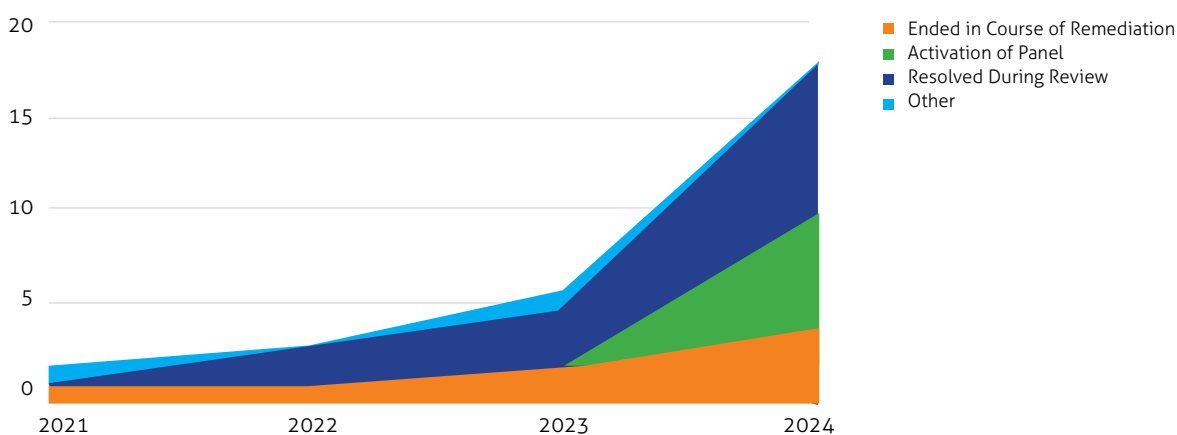
Of the 32 cases that concluded the pre-panel phase by June 30, 2025, half of them, 16, were “resolved during the review” according to the U.S. and Mexican governments. Eight cases ended with a formal Course of Remediation, six led to the establishment of a panel, and two had another type of outcome. For instance, in the *Tridonex* case, USTR reached an agreement directly with the facility given that the government of Mexico refused to accept the Denial of Rights claim.

As noted previously, ideally, the RRM pre-panel phase should lead to one of two outcomes: either the governments agree on a Course of Remediation or the complaining government requests the establishment of a panel. In practice, however, an increasing number of cases are closed before either outcome occurs. Instead, the governments announce that the case was “resolved during review.” As the graph above shows, half of all RRM cases that the United States has launched fall under this category. In these cases, the companies involved carried out some remediation actions that, in the governments’

eyes, were sufficient to address the Denial of Rights that triggered the activation of the mechanism and, therefore, a formal Course of Remediation was not required.

This scenario poses significant challenges. It is not clearly outlined in the RRM procedural rules. Yet it has become evident that, over time, the Mexican government began to see the value in resolving cases before they could result in a formal Course of Remediation. No cases were resolved during review in the RRM’s first year in 2021. In 2022, two cases were resolved during review, while only one resulted in a Course of Remediation. In 2023, there were two Courses of Remediation and three cases resolved during review. In 2024—the year with most RRM activity so far—nine cases were resolved during review, while only four Courses of Remediation were agreed between the governments of the United States and Mexico. The three cases that concluded in the first half of 2025 were resolved during review, with no recourse to a panel or a Course of Remediation since the start of the new Trump administration.

Figure 3. Outcomes of U.S. RRM Complaints (2021-2024)



One likely explanation for this trend has its basis in the “three-strike system” adopted by Annex 31-A of the USMCA. Recall that, once the first Denial of Rights has been determined, the complainant Party will select a remedy, which may include “suspension of preferential tariff treatment for goods manufactured at the specific Covered Facility” or “imposition of penalties” on goods or services provided by the Covered Facility.¹⁴ After a second Denial of Rights determination, these remedies can be extended to other Covered Facilities owned or controlled by the same entity.¹⁵ A third finding of Denial of Rights allows the complainant Party to completely prohibit entry of goods from the entity that owns the facility, including other Covered Facilities that have not been the subject of dispute.¹⁶

One concern with a high number of cases ending with a “resolved during review” decision is that it is unclear whether this kind of outcome would be interpreted as a Denial of Rights Determination for the purposes of the RRM’s escalating sanction system.

By resolving cases before a Course of Remediation can be reached, Mexico, along with the noncompliant company, might be trying to avoid an admission of a Denial of Rights and, thus, the imposition of a “first strike.”

Another design feature that may be contributing to the prevalence of “resolved during review” outcomes is the way the text of the agreement and the United States’ implementing legislation for the pact interact with respect to timelines. The USMCA Implementation Act requires that the Interagency Labor Committee decide whether to request the establishment of a panel within 60 days of invoking the RRM.¹⁷ Given the timeline for the rest of the process set forth in the pact, this gives the U.S. government only 15 days after Mexico’s 45-day internal review period ends to determine whether to advance the case. It is unlikely that the Interagency Labor Committee has sufficient time during this window to fully assess the effectiveness of a company’s remedial actions or its commitment to respect labor rights after being targeted under the RRM. As a result, the tight deadline may pressure the Committee to forgo initiating a panel and instead accept that the complaint has been “resolved during review” even before it can accurately determine whether the Denial of Rights has truly been remedied.

¹⁴ “United States-Mexico-Canada Agreement,” conclusion date: November 30, 2018, Art. 31-A.10.2, <https://ustr.gov/sites/default/files/files/agreements/FTA/USMCA/Text/31-Dispute-Settlement.pdf>.

¹⁵ USMCA, Art. 31-A.10.4.

¹⁶ Jamieson Greer, Christopher Hyner, Mercedes Morno, J. Michael Taylor, and Patrick Togni, “Companies Face Risk From The USMCA’s New Rapid Response Mechanism To Enforce Labor Rights,” *JD Supra*, July 16, 2020, <https://www.jdsupra.com/legalnews/companies-face-risk-from-the-usmca-s-40266?utm>.

¹⁷ U.S. House, United States-Mexico-Canada Agreement Implementation Act USMCA Implementation Act, HR 7520, 116th Congress, 2nd sess., introduced in House December 13, 2019, Section 716(b)(4), <https://www.congress.gov/bill/116th-congress/house-bill/5430/text>.

This dynamic may help explain cases in which a facility has been targeted by subsequent petitions. According to the FOIA information we obtained, three facilities faced at least a second petition after the initial case was “resolved during review.” In one instance, *Manufacturas VU* chose to close the facility rather than comply with the Course of Remediation established through the second complaint.¹⁸ In another, *Tecnología Modificada (Caterpillar)*, workers have been on strike for two years while being blacklisted, and a second RRM petition was not effective in resolving the labor dispute.¹⁹ It is worth considering whether these outcomes could have been avoided if the initial cases had not been deemed “resolved during review” and, instead, the companies had been required to implement a formal Course of Remediation under the threat of sanctions for non-compliance.

Closing cases prematurely is deeply problematic given the power imbalance between workers and employers. During a conflict, workers are often on strike, dismissed, blacklisted, and in some cases even threatened or assaulted. For employers, active RRM cases may be inconvenient, but they typically have the resources to withstand prolonged disputes. As a result, when corporations can extend conflicts and avoid having a “strike” on their record, even while facing multiple RRM investigations, workers’ incentives to defend their rights and interests are severely weakened.

All this suggests that, while cases being “resolved during review” might initially sound like a positive development, this outcome could in fact shield companies from facing real sanctions under the RRM. This trend is particularly concerning if the commitments and actions resulting from an RRM case are not substantial enough to meaningfully address the underlying labor rights violations. To evaluate this possibility, the next subsection examines the types of remediation achieved through the RRM.

Types of Remediation

While the USMCA text explicitly states that the primary goal of the mechanism is to ensure remediation of Denials of Rights,²⁰ the agreement does not define what constitutes effective remediation. Moreover, given the diversity of situations that have triggered Denial of Rights complaints, it is hard to determine which kind of actions should be considered enough to bring the facility back into compliance. This report identifies the most common remedial actions achieved through RRM cases, as announced by the governments when signing a Course of Remediation or announcing that a case has been “Resolved During Review.”

Table 1 lays out the most common remediation actions announced by the governments through Courses of Remediation or “Resolved During Review” decisions.

¹⁸ “Statement by Undersecretary of Labor for International Affairs Thea Lee on Closure of Auto Parts Facility Accused of Labor Rights Violations at Piedras Negras Plant in Mexico,” U.S. Department of Labor, Bureau of International Labor Affairs, October 10, 2023, <https://www.dol.gov/newsroom/releases/ilab/ilab20231010>.

¹⁹ Noam Scheiber, “Caterpillar Factory in Mexico Draws Complaint of Labor Abuses,” *New York Times*, July 15, 2024, <https://www.nytimes.com/2024/07/15/business/economy/uaw-usmca-mexico-trade-caterpillar.html>.

²⁰ USMCA, Art. 31-A.11.2.

Table 1. Top 10 Most Common Remediation Actions Achieved through the RRM

Common Remedial Actions	Total Number of Cases
Neutrality Statement and/or Zero-Tolerance Policy	26
Mexico-Provided FOA Training	24
Facility-Provided FOA Training	19
Worker Reinstatement and/or Backpay	19
Anonymous Hotline to Report Violations	14
Severance Payments	7
Union Access to Facility	7
Proper Management of Union Dues	6
CBA Distribution	5
Recognizing and Engaging in Bargaining with Petitioner Union	5

As evidenced by Table 1, the vast majority of RRM cases so far have led to the adoption of neutrality statements (public statements that commit the offending company to respect workers’ rights to freedom of association and collective bargaining) and the issuance of a zero-tolerance policy, which is supposed to guarantee management’s adherence to the neutrality statement. Additionally, a remedy found in most cases is Mexico’s commitment to conduct in-person freedom of association (FOA) trainings for all company personnel. While useful, a report published by Cornell University shows that worker training programs triggered by RRM complaints have not been sufficient to promote workers’ awareness about the labor law reforms, the process to approve their collective bargaining agreements, or union election procedures.²¹ Additionally, the aforementioned cases in which one facility has been targeted by multiple RRM petitions raise questions about the effectiveness of neutrality statements

and zero-tolerance policies as remedies against union-busting conduct. Indeed, in the *Atento Servicios* case, the panel found that, despite adopting a neutrality statement, the company continued to favor the employer-controlled union—demonstrating that the mere adoption of such a statement did not amount to genuine remediation.²²

Thus, a more significant development is that, in 19 cases, offending facilities have been required to reinstate workers who were dismissed in retaliation for their union activism and provide them with backpay.

Reinstating and making whole workers who were unjustifiably fired is a crucial way to uphold labor rights, and the use of this remedy in nearly two-thirds of the concluded RRM cases stands out as one of the system’s most significant achievements.

²¹ Desirée LeClercq, Alex Covarrubias-V, and Cirila Quintero Ramírez, “Enforcement of the United States-Mexico-Canada Agreement (‘USMCA’) Rapid Response Mechanism: Views from Mexican Auto Sector Workers,” Cornell University, ILR School, January 2024, <https://ecommons.cornell.edu/items/989323d0-4f38-4947-ab7c-706c0a72ea1c>.
²² Panel’s Final Determination, *Rapid Response Labor Panel on the Atento Servicios Case* (MEX-USA-2024-31A-01), July 4, 2025, para. 426.

However, other remedial actions that support workers in organizing and negotiating better wages have been less common. In only seven cases were companies required to facilitate the petitioner union's access to the facility's premises. Notably, one of the grounds on which the panel in *Atento Servicios* deemed remediation insufficient was that the minority union—the petitioner in the case—was denied access to the facility even after both the U.S. and Mexican governments had found a serious Denial of Rights.²³ Similarly, in just five cases (*Panasonic, Manufacturas VU II, Minera Tizapa, Odisa Concrete, and Modern Metal Alloys*), a commitment by the company to recognize the petitioner union as the workers' bargaining representative was included as part of the remediation.

The low number of cases in which a commitment to recognize and bargain with the petitioner union was included as part of the remediation may be attributed to a perceived gap in Mexican labor law. Unlike labor laws in the United States and Canada, Mexico's Federal Labor Law does not explicitly impose a legal duty on employers to bargain in good faith.²⁴ Yet, since the enactment of the 2019 reform, the newly established Mexican labor courts have begun to recognize the

principle of bargaining in good faith, which is derived from the obligation to promote collective bargaining set out in Article 4 of ILO Convention No. 98.²⁵ However, the application of the principle of bargaining in good faith so far appears to have been limited to cases where an employer violated obligations under an existing CBA,²⁶ rather than to situations showing a lack of good-faith bargaining to secure an initial contract. As a result, Mexican labor law enforcement does not typically address bargaining practices or an employer's refusal to negotiate. Instead, enforcement focuses on guaranteeing the right to strike. In these cases, the role of the labor authorities is limited to verifying that the strike meets legal requirements and, if so, enforcing the right to strike by providing the workers with the necessary guarantees and support to halt company operations.²⁷

²³ Panel's Final Determination, *Rapid Response Labor Panel on the Atento Servicios Case*, para. 428.

²⁴ In the United States, while the National Labor Relations Act requires parties to bargain collectively in good faith, legal scholars have noted gaps in both its definition and application that should be addressed. See Colleen McMullen, "Good Faith in Collective Bargaining: A Term Without Concrete Meaning," *Penn State Law Review*, April 14, 2023, <https://www.pennstatelawreview.org/the-forum/good-faith-in-collective-bargaining-a-term-without-concrete-meaning/>.

²⁵ International Labour Office, "Freedom of Association and Collective Bargaining: General Survey," Report III (Part 4B), Chapter III, International Labour Conference, 81st Session, 1994, accessed August 22, 2025, https://webapps.ilo.org/static/english/dialogue/ifpdial/llg/noframes/ch3.htm#ref_27.

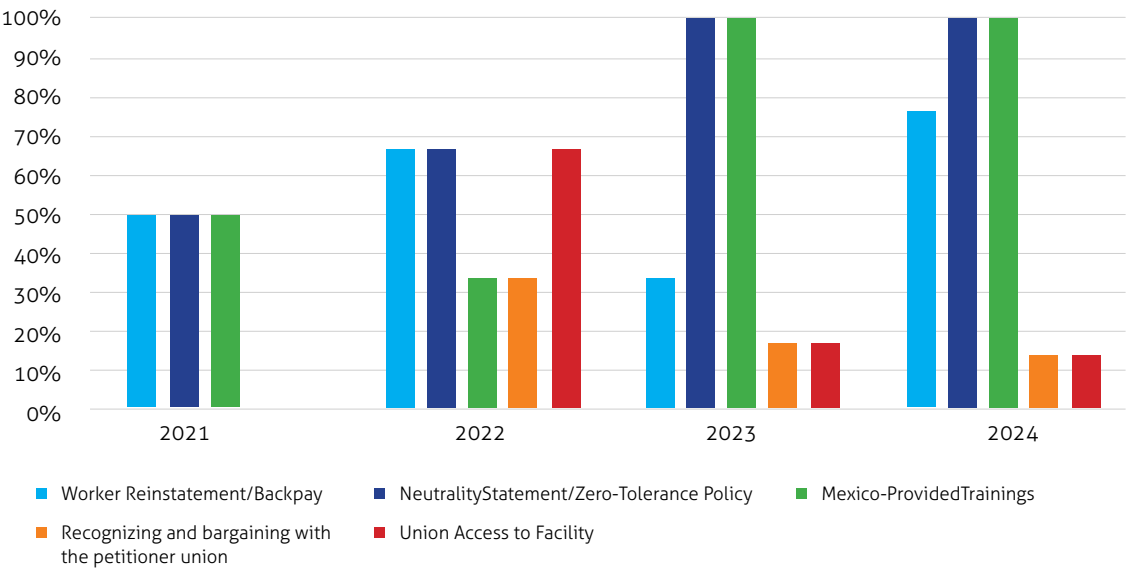
²⁶ *Sindicato Independiente de Trabajadores de "La Jornada" v. DEMOS, Desarrollo de Medios, S.A. de C.V., Procedimiento especial colectivo 639/2024* (Tribunal Laboral Federal de Asuntos Colectivos, Mexico City, 3 July 2024); *Unión del Personal Académico del CINVESTAV v. Centro de Investigación y de Estudios Avanzados del Instituto Politécnico Nacional, Procedimiento especial colectivo 863/2024* (Tribunal Laboral Federal de Asuntos Colectivos, Mexico City, November 5, 2024).

²⁷ "U.S. and Canadian labor laws establish a legal 'duty to bargain in good faith' on the part of employers. Unlike Canadian and U.S. labor law, Mexican labor law does not create a legal duty to bargain. Mexican labor law enforcement thus does not deal with negotiating practices or refusals to bargain per se. Rather, legal enforcement deals with the results of an employer's refusal to sign the contract sought by the union, if the refusal results in a strike. The legal enforcement role of the CAB in these situations is to verify that the strike meets legal requirements and, if so, to enforce the right to strike by granting the workers the necessary guarantees and assistance to halt company operations." Kevin Banks, Lance A. Compa, Leoncio Lara, and Sandra Polaski, "Labor Relations Law in North America," Commission for Labor Cooperation, 2000, p.123, <https://ecommons.cornell.edu/items/92cbdd9d-448c-4e24-968d-40e353d0b97b>.

Still, it is worth noting that in the first year of consistent RRM activity (2022), the U.S. and Mexican governments were able to secure commitments from companies in 67% of cases to grant the petitioner union access to the facility’s premises, and in 33% of cases to recognize and bargain with the petitioner union. These percentages fall to 17% and 15% in 2023 and 2024, respectively, for each of these types of remedies. Only one of the three concluded cases in the first half of 2025 included remediation measures in which the company committed to grant the petitioner union access to the facility’s premises and to recognize and engage in collective bargaining.

Conversely, all cases that produced remedial measures since 2023 have required the Covered Facility to implement a neutrality statement and/or zero-tolerance policy and have assigned the Mexican government to provide training to personnel. This pattern suggests that such remedial actions have become standardized even if they may be insufficient to effectively address violations or deter future breaches, as the *Atento Servicios* case showed.

Figure 4. Share of Remedial Actions in Concluded Cases by Year



Impact on Representation, Bargaining, and Wages

While immediate remedial actions are important, the ultimate measure of the RRM's success is whether workers achieved independent representation and the ability to collectively bargain for higher wages and improved working conditions after filing an RRM case. Thus, based on public information, this report analyzes whether the filing of an RRM case led to: (a) workers securing the right to be represented by a new union; and (b) the union successfully negotiating or revising a CBA.

Table 2. Union Representation and Collective Bargaining Outcomes of Concluded RRM Cases by Workplace

Workers gained new union representation and/or a new/ revised CBA	Workers only gained new union representation	RRM activity did not result in new union representation or a new/ revised CBA
1. General Motors (2021)	1. Manufacturas VU (2022)	1. Draxton (2023)
2. Tridonex (2021)	2. Unique Fabricating (2023)	2. Grupo México – San Martín mine (2023)
3. Panasonic (2022)	3. Aerotransportes MAS de	3. Grupo Yazaki (2023)
4. Teksid Hierro (2022)	Carga (2023)	4. Asiaway Automotive Components (2023)
5. Goodyear (2023)		5. Tecnología Modificada – Caterpillar (2023)
6. INISA (2023)		6. Fujikura* (2023)
7. Teklas (2023)		7. Atento Servicios (2024)
8. Autoliv (2023)		8. RV Fresh Foods* (2024)
9. Minera Tizapa (2024)		9. Servicios Industriales González (2024)
10. Odisa (2024)		10. Volkswagen* (2024)
11. Modern Metal Alloys (2025)		11. Impro (2024)
		12. Vidrio Decorativo Occidental (2024)
		13. Aludyne Automotive (2025)
		14. Superior Industries (2025)

Table 2 classifies concluded RRM cases based on this analysis (the year in parenthesis indicates the year in which the case was initiated by the U.S. government). It shows that at least in 12 cases, RRM activation with regards to a workplace led to new union representation and/or the negotiation of a new or revised CBA. However, in 14 cases, there is no evidence of RRM activity leading to new union representation or the negotiation of better wages and working conditions.

Importantly, not all RRM cases have been filed with these ultimate objectives. For instance, the case against the *Volkswagen* facility located in Puebla was not related to workers' struggle to gain better union representation or achieve a new or improved CBA. The Volkswagen Puebla plant has been represented by an independent union since

the early 1970s. The RRM petition alleged Volkswagen dismissed former members of the union's Executive Board in retaliation for union activity they conducted while serving as union representatives.²⁸ The cases marked with an asterisk in the table are those in which securing new union representation or a new or improved collective bargaining agreement was likely not the petitioners' ultimate goal when filing the complaint.

The fact that half of all concluded RRM cases have not resulted in new union representation and/or a new or revised contract raises questions about the mechanism's effectiveness in fulfilling its ultimate objectives. Box 2 delves into one of the cases where, despite the initiation of the RRM, workers' efforts to gain representation by an independent union were obstructed.

BOX 2: Draxton: How 62% of Workers Voting for an Independent Union Did Not Result in New Union Representation

Draxton is a global company with operations in six countries on three continents, including North America.²⁹ This company has three factories in Mexico, with one plant located in Irapuato, Guanajuato.³⁰ Workers at this plant make iron and aluminum parts for carmakers such as Chrysler, Ford, and Audi. The Irapuato

factory began operations in 2004 and employs nearly 500 workers.³¹

USTR self-initiated an RRM case against Draxton's Irapuato facility on May 31, 2023, after receiving information concerning several serious denials of labor rights, including the termination of a union official and company interference with workers' activities in order to control the union.³² This case was the fourth time the U.S. government initiated the RRM and only the second-ever self-initiated case. USTR specifically expressed concern that

²⁸ "United States and Mexico Announce Course of Remediation at Volkswagen de México Facility," Office of the United States Trade Representative, July 30, 2024, <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2024/july/united-states-and-mexico-announce-course-remediation-volkswagen-de-mexico-facility>.

²⁹ "Rapid Response Labor Mechanism: Draxton Case," Vázquez Tercero & Zepeda, last modified June 2, 2023, <https://vtz.mx/the-trading-room/draxton-rapid-response-labor-mechanism/>.

³⁰ "Labor Complaint Closed at Draxton Plant in Irapuato, Guanajuato," *Mexico Daily Post*, August 2, 2023, <https://mexicodailypost.com/2023/08/02/labor-complaint-closed-at-draxton-plant-in-irapuato/>.

³¹ "Rapid Response Labor Mechanism: Draxton Case," Vázquez Tercero & Zepeda.

³² "United States Announces Successful Resolution of Rapid Response Labor Mechanism Matter at Draxton Facility," Office of the United States Trade Representative, April 9, 2024, <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2024/april/united-states-announces-successful-resolution-rapid-response-labor-mechanism-matter-draxton-facility>; Article 132.XXX of the Federal Labor Law requires each employer to "Deliver to its workers, free of charge, a printed copy of the initial collective bargaining agreement or of its revision within fifteen days after such agreement is deposited with the Federal Center for Labor Conciliation and Registration; this obligation may be evidenced by the worker's signature of receipt."

Draxton was privileging *Sindicato Nacional de Trabajadores de la Industria Metalmeccánica y del Acero* ("Lic. Benito Pablo Juárez García") and interfering with the activities of the independent union, *Sindicato Independiente Nacional de Trabajadores y Trabajadoras de la Industria Automotriz* (SINTTIA).³³ An investigation by USTR found that workers experienced harassment, surveillance, and intimidation when they tried to join SINTTIA.³⁴ One source reported that a SINTTIA official faced threats and violence at his home.³⁵ The U.S. government also found that workers voted on a CBA in 2022 without receiving it first and still have not received it.³⁶

The Mexican government agreed to conduct its own review and concurred with USTR's findings. On July 14, 2023, it announced that there were ongoing denials of the rights to free association and collective bargaining at the facility. The United States and Mexico announced a Course of Remediation on July 31, 2023, with a deadline of October 30, 2023, to complete all the remedial actions.³⁷ Under the Course of Remediation, Mexico was supposed to undertake several actions to ensure the Draxton facility was not involved in future violations, including overseeing the reinstatement of the union official who was unlawfully dismissed. Actions to be taken by Mexico also included conducting in-person workers' rights training for all company personnel; offering an anonymous hotline to report any intimidation, coercion, or threats

with respect to union activities; monitoring and visiting the facility prior to any union vote to ensure workers have awareness of the CBA; and initiating sanctions proceedings if Mexican government officials had information showing violations of Mexican law.

After the announcement of the Course of Remediation, SINTTIA filed a lawsuit to contest the control of the CBA. This action led to a worker vote on November 30 and December 1, 2023, to decide which union they wanted to represent them. The vote was monitored by the International Labor Organization (ILO), independent observers, and the Mexican Secretariat of Labor and Social Welfare. According to SINTTIA, the company-controlled union tried to rig the election, creating a smear campaign against it and "buying votes, spreading lies, and altering propaganda of the independent union."³⁸ Nevertheless, once the ballots were tallied, SINTTIA received 61.7% of the vote and was confirmed as the union designated to represent the workers in collective bargaining.³⁹

Despite its electoral victory, SINTTIA was not able to represent Draxton workers and negotiate a new CBA because the company-controlled union filed an injunction ("*amparo*") to contest the outcome of the vote. The claim rested on an allegation that SINTTIA's lawsuit lacked a secondary signature. The Federal Labor Court specialized in collective bargaining matters assessed this claim, found

³³ "Rapid Response Labor Mechanism: Draxton Case," Vázquez Tercero & Zepeda.

³⁴ "United States Announces Successful Resolution of Rapid Response Labor Mechanism Matter at Draxton Facility," USTR.

³⁵ "Rapid Response Labor Mechanism: Draxton Case," Vázquez Tercero & Zepeda.

³⁶ "United States Announces Successful Resolution of Rapid Response Labor Mechanism Matter at Draxton Facility," USTR.

³⁷ Course of Remediation: Draxton Facility, Office of the United States Trade Representative, July 28, 2023, <https://ustr.gov/sites/default/files/2023%2007%2028%20COR%20Draxton.pdf>.

³⁸ Jared Laureles, "Trabajadores de Draxton Elegirán en Votación a Representación Sindical," La Jornada, November 23, 2023, <https://www.jornada.com.mx/noticia/2023/11/23/sociedad/trabajadores-de-draxton-elegiran-en-votacion-por-representacion-sindical-7680>.

³⁹ Verónica Gascón, "Se Aferra Sindicato Propatral a Draxton," Reforma, August 6, 2024, <https://www.reforma.com/se-aferra-sindicato-propatral-a-draxton/ar2852648>.

that the alleged deficiency was immaterial, and granted SINTTIA the right to represent Draxton workers.⁴⁰ While the challenge was ongoing, the Federal Labor Court's decision was stayed, meaning that the company-controlled union retained control over the CBA covering this plant. Despite the fact that workers were being denied the right to representation by the union they had elected, the United States announced the resolution of the USMCA RRM case in April 2024.⁴¹ Eventually, the court charged with deciding the *amparo* ruled in favor of the "*Lic. Benito Pablo Juárez García*" union, overturning the specialized Federal Labor Court's decision. When the *amparo* reached Mexico's Supreme Court in August 2024, the Court declined to hear the case, effectively siding with the company-controlled union and invalidating the vote. To this date, the company-controlled "*Lic. Benito Pablo Juárez García*" union controls the CBA covering this facility.

While *Draxton* is undoubtedly a complex case with no easy answers, it is a useful case study to explore how the activation of the RRM could have been more effective in addressing the violations and promoting the right to freedom of association at this facility. To begin with, it is important to note that this case concluded with a formal Course of Remediation, thereby avoiding the pitfall of being "resolved during review"—a positive development. However, the Course of Remediation negotiated by the U.S. and

Mexican governments imposed a very short deadline: Remediation actions were expected to be completed within three months. As a result, by the time the judicial process triggered by SINTTIA's CBA control challenge concluded, the remediation timeline had already expired.

Moreover, while the Course of Remediation required Mexico to ensure compliance with the law if a union-related vote was held at this facility, it did not account for potential legal challenges to the outcome of such a vote. Under the RRM, a Denial of Rights may be permitted—or even perpetuated—by administrative or judicial authorities. For this reason, Courses of Remediation could include guarantees that the Respondent Party's authorities will not obstruct workers' rights to freedom of association and collective bargaining. If an independent panel determines that this obligation has not been met, sanctions should be imposed on the facility concerned. Admittedly, when the *Draxton* Course of Remediation was negotiated, it was difficult to foresee the events that led domestic courts to dismiss SINTTIA's electoral victory. However, after five years of RRM experience, the way in which certain courts and administrative bodies appear to obstruct workers' rights to organize and bargain collectively indicates that greater attention must be paid to government conduct as a potential enabler—or even primary source—of denials of rights.

⁴⁰ Jared Laureles, "Pretende Tribunal Anular Fallo del T-MEC Sobre CCT en Empresa de Autopartes," *La Jornada*, August 9, 2024, <https://www.jornada.com.mx/2024/08/09/politica/012n1pol>.

⁴¹ "United States Announces Successful Resolution of Rapid Response Labor Mechanism Matter at Draxton Facility," USTR.

During the first two years of the RRM (2021 and 2022), all five cases led to new union elections, and four cases led to successful negotiation of a CBA and increased wages for workers. This impressive success rate dwindles in 2023 and 2024, with fewer cases resulting in new union representation and/or better contracts. Two factors could be contributing to this trend. First, it is likely that corporations—and the law firms representing them in these cases—have developed strategies to convince the authorities that certain actions constitute sufficient remediation without actually allowing workers to organize in independent unions. Relatedly, in 2023 and 2024, the share of cases that were decided to be “resolved during review” increased markedly. Since this means that cases are closed more quickly, corporations are emboldened to obstruct workers’ organizing and bargaining efforts when the authorities are no longer actively investigating them. The 2026 USMCA review must include changes to reverse this pattern.

Policy Recommendations for the 2026 USMCA Review

The RRM has arguably been the most significant development in the trade and labor field in decades. Moreover, the U.S. government's active use of this novel tool has demonstrated that labor-related trade-enforcement mechanisms can deliver tangible benefits for workers and help level the playing field. To ensure this continues—and to enhance the mechanism's effectiveness—several changes should be considered in the upcoming 2026 review. Based on the findings in this report, we recommend a set of targeted adjustments and broader systemic improvements:

Targeted Adjustments

1. Shorten the respondent Party's period for internal review: Currently, the respondent Party—Mexico in all cases to date—has 45 days to conduct an internal review of Denial of Rights allegations. However, U.S. government practice has shown that it is feasible to complete such investigations within 30 days. Given that the Mexican government has greater access to relevant facilities and investigative tools, the need for a longer review period is questionable.
2. Extend or modify the Interagency Labor Committee's deadline to determine whether to invoke a panel: While the USMCA itself does not impose a deadline for the Complainant Party to request the establishment of a panel, the U.S. USMCA Implementation Act added a requirement that the Interagency Labor Committee must decide whether to request a panel within 60 days of invoking the RRM. As

More importantly, the growing number of cases categorized as “resolved during review” suggests that the internal review period is often used by companies to take quick, surface-level actions to address the most visible violations. In many instances, this has not meaningfully remedied the underlying barriers to workers' rights to organize and bargain collectively.

Shortening the internal review period to 30 days—aligning it with the complainant Party's timeline—could encourage the respondent Party to focus on conducting a substantive evaluation of alleged violations rather than spending time trying to rapidly close cases without systemic fixes.

a result, the U.S. government has only 15 days after Mexico's 45-day internal review period ends to determine whether to advance the case.

The intent behind this deadline is commendable—it aims to prevent indefinite delays in pursuing cases where labor rights violations persist. However, the time constraint may inadvertently contribute to the premature closure of cases based on remedial actions that fall short of ensuring fair organizing and bargaining conditions over the medium to long term.

To address this, Congress should consider modifying the deadline to give the Interagency Labor Committee sufficient time to assess the implementation and impact of remediation commitments before forgoing the option of requesting a panel. This could be achieved by either extending the deadline by an additional 15 to 45 days or by allowing the Committee to extend its own deadline in cases where further time is necessary to evaluate the effectiveness of corrective measures.

3. Require Parties to meaningfully consult with stakeholders—particularly the petitioners—when discussing remediation actions, and mandate that investigating authorities disclose the outcomes of their findings to stakeholders: The RRM obliges Parties to engage in consultations to agree on a Course of Remediation but is silent on the role stakeholders should play during this stage. Requiring authorities to conduct meaningful consultations with stakeholders—including the noncompliant company but, above all, the petitioners—would increase the

likelihood that remediation measures fully address the violations experienced by workers. This is especially important because violations often continue after an RRM case has begun, and petitioners should be able to supplement the information provided at the time of filing.

In addition, the Parties should be required to communicate in writing the findings of their investigations to relevant stakeholders, while withholding any information that could endanger workers. Doing so would improve stakeholders' understanding of the mechanism and strengthen the overall functioning of the RRM.

4. Clarify that a "Resolved During Review" outcome counts as a Denial of Rights Determination: The RRM enforcement mechanism is built on a system of escalating penalties. Increasing the potential costs of labor rights violations is essential to deterring such behavior. Hence, it is crucial to ensure that corporations involved in violations have their records effectively impacted and clearly face a heightened risk of subsequent RRM cases. In this context, the growing trend of cases being labelled as "resolved during review"—and the possibility that the respondent government and involved companies may be pushing for this outcome to avoid receiving a "first strike"—warrants immediate attention.

A straightforward way to address this concern would be to clarify in the USMCA text that a case resolved during the review phase still constitutes a Denial of Rights Determination for the purposes of the penalty system outlined in Article 31-A.10 of the agreement.

5. Clarify that administrative and judicial authorities' actions can constitute a Denial of Rights under the RRM: The USMCA text does not impose an "attribution" requirement.⁴² This means that for a facility to face sanctions under the RRM, it is not necessary to attribute the denial of workers' rights to either the company or the government.⁴³ This is key as companies often rely on third parties—such as protection unions or local authorities—to obstruct workers' organizing and bargaining efforts.

However, as illustrated by the Draxton case, authorities have been unable or reluctant to address potential violations committed by administrative bodies or courts through the RRM. Other cases in which likely administrative or judicial misconduct was an unresolved issue include *Grupo Yazaki*⁴⁴ and *Vidrio Decorativo Occidental*.⁴⁵ Thus, to reaffirm the Parties' intent to include administrative and judicial actions within the scope of the RRM, a clarification could be added to the agreement's text.

Systemic Improvements

1. Add a substantive obligation requiring all USMCA Parties to ensure employers bargain in good faith: While the RRM has been relatively successful in addressing freedom of association violations—such as securing the reinstatement of dozens of workers dismissed in retaliation for union activity—remediation related to collective bargaining has been far less common. Our analysis found that only in five cases were companies required to recognize and bargain with the petitioner union as part of the remediation process.

This gap in enforcement may stem from a perceived structural weakness in Mexican labor law. As previously discussed, unlike labor laws in the United States and Canada, Mexico's Federal Labor Law does not explicitly impose a legal obligation on employers to bargain in good faith. Although the newly established labor courts have begun to recognize the principle of bargaining in good faith, this has mostly occurred in cases where

⁴² Traditionally, under international law, holding a State responsible for a violation requires linking the conduct to a State organ. Since the RRM focuses on what occurs at the facility level and its impact on workers' rights, attribution should not be a factor when determining whether a Denial of Rights has taken place. See "Article 4. Conduct of Organs of a State," in *Materials on the Responsibility of States for Internationally Wrongful Acts*, Book 25, Part One: Chapter II, United Nations Legislative Series (United Nations), accessed August 21, 2025, https://legal.un.org/legislativeseries/pdfs/chapters/book25/english/book25_part1_ch2_art4.pdf.

⁴³ USMCA Articles 31-A.2 and 31-B.2 state: "The Mechanism shall apply whenever a Party (the 'complainant Party') has a good faith basis belief that workers at a Covered Facility are being denied the right of free association and collective bargaining under laws necessary to fulfill the obligations of the other Party (the 'respondent Party') under this Agreement (a 'Denial of Rights')." If the Parties had intended the RRM to cover only Denials of Rights attributable to an enterprise, they would have stated so explicitly. Instead, the clause is written in the passive voice, recognizing that workers' rights can be denied by a range of actors. What matters under the agreement is the Denial of Rights itself, not the identity of the actor to whom the conduct could be attributed—whether a corporation, a protection union, or a local court.

⁴⁴ "Yazaki Case Summary," Maquila Solidarity Network, accessed February 7, 2025, <https://www.maquilasolidarity.org/sites/default/files/resource/Yazaki-Case-Summary-MSN-Nov-2023.pdf>.

⁴⁵ One of the allegations in the petition against Vidrio Decorativo Occidental concerned a local court's decision to declare a strike "non-existent" based on biased evidence submitted by the employer. In July 2024, a federal district court vacated that ruling. However, the company appealed, and the strike remained outlawed while an appeals tribunal considered the case. In the meantime, the U.S. government activated the mechanism but ultimately closed the case after the company carried out certain corrective actions—without restoring the workers' right to strike, which had been denied by the local court. As of this report's publication, the appeals tribunal has yet to issue a decision, leaving workers' right to strike effectively frustrated. The author's account of this case draws on firsthand experience as one of the petitioners.

an employer violated obligations under an existing CBA. As a result, enforcement efforts in Mexico—in the context of securing initial union contracts—rarely address employers’ bargaining conduct or refusals to negotiate. Instead, labor authorities primarily focus on upholding the right to strike. Their role is limited to verifying the legality of a strike and, if confirmed, ensuring workers are supported in halting company operations.

While the right to strike is a core component of freedom of association, this right alone is not sufficient to guarantee meaningful collective bargaining. To better support workers’ ability to secure union contracts, the USMCA should include an obligation for all Parties to require that employers bargain in good faith with unions that legally represent workers. A commitment to amend Mexico’s Federal Labor Law to include this duty could be incorporated into Annex 23-A of the agreement.

2. Support efforts to grant sanctioning authority to Mexico’s Federal Center for Labor Conciliation and Registration: While the RRM has been a groundbreaking tool for promoting labor law enforcement since Mexico’s 2019 labor reform and the USMCA’s entry into force in 2020, it cannot address all violations of freedom of association and collective bargaining across the country. Domestic authorities must also have the power to investigate and sanction violations. A bill granting the Federal Center sanctioning authority was approved by Mexico’s lower congressional house in February 2024 but has stalled in the Senate. Amending Annex 23-A of the USMCA to require such authority under Mexican law would strengthen this legislative effort and expand labor rights enforcement nationwide.

3. Isolate fact-finding aspects of the RRM process and make it equally applicable to all USMCA Parties: If the RRM is to serve as a model for corporate accountability and fair competition tools in future trade agreements, it must evolve into a robust, independent, transparent, and reciprocal system.

In its current form, the RRM assigns dual roles to the U.S., Canadian, and Mexican governments: They are responsible for conducting factual investigations into petitions filed by unions and workers, while also participating in the international adjudication of disputes as competing parties. In the case of Mexico, this structure requires the government to simultaneously investigate complaints and defend companies accused of denying core labor rights—a dynamic that creates conflicting incentives and undermines the credibility of the Respondent’s investigation.

Additionally, the system lacks transparency. Neither the Complainant nor the Respondent Party publishes or shares the outcomes of their investigations with relevant stakeholders. Companies under investigation do not have access to the original complaints, while unions and other petitioning groups are similarly unable to review the arguments or evidence submitted by the companies in their defense.

These limitations make a strong case for institutionalizing the RRM through the creation of an independent body tasked with investigating complaints and sharing findings with all stakeholders, including governments, unions, and employers. One of the few strengths of the NAFTA-era labor enforcement system was its production of

public reports, which helped raise awareness of labor rights challenges across the region.⁴⁶ A reformed RRM could build on this legacy of transparency while preserving its emphasis on company-specific remedies and rapid timelines.

Other relevant precedents for the evolution of the RRM include the 1999 U.S.–Cambodia Textile Agreement (UCTA) and the 2013 Accord on Fire and Building Safety in Bangladesh (Bangladesh Accord). The UCTA, in force from 1999 to 2004, linked Cambodian exporters' access to the U.S. apparel market to their compliance with national and international labor standards. Importantly, the governments enlisted the ILO to conduct facility-specific compliance monitoring, which added both credibility and transparency to the enforcement of the agreement. Throughout the duration of the agreement, the ILO published reports with aggregated data; however, when a factory failed to remedy identified violations, it also issued facility-specific reports to draw attention to the problems and force compliance.⁴⁷ Regarding the Bangladesh Accord, this private sector agreement was established in the aftermath of the 2013 Rana Plaza building collapse in Bangladesh, which killed more than 1,100 people and injured over 2,000. The tragedy starkly exposed the deplorable working conditions in much of the country's apparel industry. In response, the Accord created a system to improve factory safety standards. It proved highly successful,

leading to inspections of more than 1,600 factories with over 90% of remediation works completed by 2018. For the purposes of this report, it is particularly relevant that the Accord relies on an independent Secretariat staffed with technical experts capable of impartially assessing compliance with safety standards. The Secretariat's assessments are fully transparent, and parties may challenge them through arbitration. To date, only two cases have reached arbitration, both resolved with substantial awards (including one of \$2.3 million).⁴⁸ These experiences illustrate how either creating a new independent body or even enlisting the ILO to investigate facilities under the RRM—avoiding in this way duplicative investigations and conflicting incentives for the governments—is feasible and desirable to increase the transparency and credibility of the mechanism.

Finally, to ensure fairness and credibility, the RRM should be fully extended to cover facilities in the United States and Canada. This would ensure that workers in all three USMCA countries are equally protected and help prevent future distortions in labor standards and competition.

⁴⁶ "Submissions under the North American Agreement on Labor Cooperation (NAALC)," U.S. Department of Labor, Bureau of International Labor Affairs, accessed February 26, 2025, <https://www.dol.gov/agencies/ilab/submissions-under-north-american-agreement-labor-cooperation-naalc>.

⁴⁷ Sandra Polaski, "Combining Global and Local Forces: The Case of Labor Rights in Cambodia," *World Development* 34, no. 5 (May 2006), <https://carnegie-production-assets.s3.amazonaws.com/static/files/WDCambodia1.pdf>.

⁴⁸ "Bangladesh Accord Arbitration Cases—Resulting in Millions-of-Dollars in Settlements—Officially Closed," UNI Global Union, accessed August 22, 2025, <https://uniglobalunion.org/news/bangladesh-accord-arbitration-cases-resulting-in-millions-of-dollars-in-settlements-officially-closed/>.

Conclusion

The USMCA's Rapid Response Mechanism has marked a historic advancement in the integration of labor rights into trade enforcement. By delivering concrete wins for workers—particularly in addressing freedom of association violations in its initial years—it has demonstrated that trade agreements can serve as effective tools to promote corporate accountability and fair competition. However, the mechanism's long-term credibility and impact will depend on its continued evolution, including with critical improvements during the 2026 mandatory six-year USMCA review.

This report highlights several critical areas for reform. The growing reliance on “resolved during review” outcomes, the limited enforcement of collective bargaining rights, and the structural and transparency shortcomings of the current system all pose risks to the RRM's integrity. These challenges must be addressed through both procedural improvements, such as shortening the internal review period and revising panel request deadlines, and more systemic reforms, including mandating good faith bargaining obligations and institutionalizing independent, transparent investigation procedures.

Additionally, the RRM must become fully reciprocal and apply equally across all USMCA countries. Extending its scope to U.S. and Canadian facilities would not only ensure equal protections for workers throughout North America but also prevent distortions in competition rooted in uneven labor standards.

With certain legal and institutional changes, the RRM can be strengthened into a globally influential model for labor rights enforcement in trade. Its evolution into a more transparent, independent, and balanced mechanism is not only achievable—it is essential to deliver on the USMCA's promise of shared prosperity and respect for fundamental labor rights across the region.

Annex: List of RRM Petitions from Jul. 2020 to Jun. 2025

Case No.	Case Name	Date	Procedural requirements threshold	Request for Review
1	RRM Petition - 2021-01 (Mexico) vs. Mexico City Firefighters	2/16/21	Failed	NA
2	RRM Petition - 2021-02 (Mexico) vs. Mexican Airspace Navigation Services (Air Traffic controllers)	3/2/21	Failed	NA
3	RRM Petition - 2021-03 (Mexico) vs. Tridonex	5/10/21	Passed	Yes
4	RRM Petition - 2021-04 (Mexico) vs. General Motors Silao	5/12/21	NA – Self-initiated	Yes
5	RRM Petition - 2021-05 (Mexico) vs. Hard Rock Hotels	7/15/21	Failed	NA
6	RRM Petition - 2021-06 (Mexico) vs. Chiapas University	8/5/21	Failed	NA
7	RRM Petition - 2022-01 (Mexico) vs. Panasonic	4/18/22	Passed	Yes
8	RRM Petition - 2022-02 (Mexico) vs. Teksid	5/5/22	Passed	Yes
9	RRM Petition - 2022-03 (Mexico) vs. VU Manufacturas	6/21/22	Passed	Yes
10	RRM Petition - 2022-04 (Mexico) vs. BBB	8/2/22	Passed	No
11	RRM Petition - 2022-05 (Mexico) vs. St. Gobain	9/27/22	Passed	No
12	RRM Petition - 2022-06 (Mexico) vs. VU Manufacturas 2.0	12/29/22	Passed	Yes
13	RRM Petition - 2023-01 (Mexico) vs. Unique Fabricating	2/2/23	Passed	Yes
14	RRM Petition - 2023-02 (Mexico) vs. Goodyear	4/20/23	Passed	Yes
15	RRM Petition - 2023-03 (Mexico) vs. INISA	5/12/23	Passed	Yes
16	RRM Petition - 2023-04 (Mexico) vs. San Martin	5/15/23	Passed	Yes
17	RRM Petition - 2023-05 (Mexico) vs. Home Depot	5/25/23	Failed	NA

Case No.	Case Name	Date	Procedural requirements threshold	Request for Review
18	RRM Petition - 2023-06 (Mexico) vs. Draxton	2/16/21	NA – Self-initiated	Yes
19	RRM Petition - 2023-07 (Mexico) vs. Yazaki	3/2/21	Passed	Yes
20	RRM Petition - 2023-08 (Mexico) vs. CEMEX (Tugboat)	7/21/23	Passed	No
21	RRM Petition - 2023-09 (Mexico) vs. MASAIR (Pilots)	7/31/23	Passed	Yes
22	RRM Petition - 2023-10 (Mexico) vs. TEKLAS	8/24/23	Passed	Yes
23	RRM Petition - 2023-11 (Mexico) vs. Asiaway	9/20/23	Passed	Yes
24	RRM Petition - 2023-12 (Mexico) vs. Tecnologia Modificada (Caterpillar)	9/25/23	Passed	Yes
25	RRM Petition - 2023-13 (Mexico) vs. Autoliv	10/19/23	Passed	Yes
26	RRM Petition - 2023-14 (Mexico) vs. Fujikura	11/13/23	Passed	Yes
27	RRM Petition - 2023-15 (Mexico) vs. Atento Call Center	12/18/23	Passed	Yes
28	RRM Petition - 2024-01 (Mexico) vs. RV Fresh Foods	1/17/24	Passed	Yes
29	RRM Petition - 2024-02 (Mexico) vs. SIG	2/29/24	Passed	Yes
30	RRM Petition - 2024-03 (Mexico) vs. Patron Spirits	2/29/24	Passed	No
31	RRM Petition - 2024-04 (Mexico) vs. Tizapa	3/4/24	Passed	Yes
32	RRM Petition - 2024-05 (Mexico) vs. Pemex Hospital	4/17/24	Failed	NA
33	RRM Petition - 2024-06 (Mexico) vs. Tin Izzi	4/23/24	Failed	NA
34	RRM Petition - 2024-07 (Mexico) vs. VW Puebla	4/25/24	Passed	Yes

Case No.	Case Name	Date	Procedural requirements threshold	Request for Review
35	RRM Petition - 2024-08 (Mexico) vs. Industrias Tecnos	5/23/24	Passed	Yes
36	RRM Petition - 2024-09 (Mexico) vs. Tecnologia Modificada (Caterpillar) 2.0	5/28/24	Passed	No
37	RRM Petition - 2024-10 (Mexico) vs. IMPRO Industries	6/24/24	Passed	Yes
38	RRM Petition - 2024-11 (Mexico) vs. Camino Rojo Mine	6/24/24	Passed	Yes
39	RRM Petition - 2024-12 (Mexico) vs. Yamaha	7/23/24	Passed	No
40	RRM Petition - 2024-13 (Mexico) vs. Pirelli	7/23/24	Passed	Yes
41	RRM Petition - 2024-14 (Mexico) vs. Bader	8/15/24	Passed	Yes
42	RRM Petition - 2024-15 (Mexico) vs. ODISA	9/23/24	Passed	Yes
43	RRM Petition - 2024-16 (Mexico) vs. Dasung	9/24/24	Passed	No
44	RRM Petition - 2024-17 (Mexico) vs. Vidrio Decorativo Occidental	10/10/24	Passed	Yes
45	RRM Petition 2024-18 (Mexico) vs. Contitech	10/21/24	Passed	No
46	RRM Petition 2024-19 (Mexico) vs. Tizapa Mine 2.0	10/23/24	Passed	No
47	RRM Petition 2024-20 (Mexico) vs. Akwel	10/24/24	Passed	Yes
48	RRM Petition 2024-21 (Mexico) vs. Tornel	12/9/24	Passed	Yes
49	RRM Petition 2025-01 (Mexico) vs. Autotransportes Varela	NA	Withdrawn	NA
50	RRM Petition 2025-02 (Mexico) vs. Aludyne	3/3/25	Passed	Yes
51	RRM Petition 2025-03 (Mexico) vs. Modern Metal Alloys	3/17/25	Passed	Yes
52	RRM Petition 2025-04 (Mexico) vs Tizapa Mine 3.0	3/26/25	Failed	NA

Case No.	Case Name	Date	Procedural requirements threshold	Request for Review
53	RRM Petition 2025-05 (Mexico) vs Amphenol Optimize México	4/11/25	Passed	Yes
54	RRM Petition 2025-06 (Mexico) vs Mondelez México	4/30/25	Passed	No
55	RRM Petition 2025-07 (Mexico) v. Superior	5/5/25	Passed	Yes
56	RRM Petition 2025-08 (Mexico) v. Linamar	5/12/25	Passed	No
57	RRM Petition 2025-09 (Mexico) v. TAMSA	5/15/25	Passed	Yes
58	RRM Petition 2025-10 (Mexico) v. Liber Genesys	6/12/25	Passed	Yes



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