

MEXICO

INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE (IIPA)

2026 SPECIAL 301 REPORT ON COPYRIGHT PROTECTION AND ENFORCEMENT

Special 301 Recommendation: IIPA recommends that Mexico remain on the Priority Watch List in 2026 and that USTR conduct an out-of-cycle review (OCR) on whether to move Mexico to the Watch List in 2026 if Mexico publishes and fully operationalizes the implementing regulations of the 2020 Copyright Law amendments.¹

Executive Summary: Even after Mexico’s elevation to the Priority Watch List in USTR’s 2025 Special 301 Report, the first time in the history of the Report, the government failed to take meaningful and lasting action to solve its long standing piracy concerns, including by still not issuing the ever-promised implementing regulations of the 2020 Copyright Law amendments as part of its obligations under the U.S.–Mexico–Canada Agreement (USMCA). These, and other wide-ranging intellectual property (IP) concerns, can no longer be fully blamed on the previous administration.

Mexico continues to face a systemic and long-standing lack of adequate application, enforcement, and respect of its current laws, regulations, and judicial bodies, affecting legal certainty and security in the business environment. Criminal enforcement against pirates remains uncoordinated and generally weak, slowed by procedural and structural deficiencies, low prioritization, and a lack of adequate resources. Furthermore, civil cases in Mexico are expensive and difficult for rights holders (especially small businesses) to undertake and are slowed by onerous procedural hurdles and insufficient remedies. These concerns were exacerbated when Mexico overhauled its judiciary in 2024 resulting in inexperienced judges at all levels undermining the rule of law, due process, and access to justice in Mexico.

However, IIPA recognizes the significant steps the Mexican Institute of Intellectual Property (IMPI) has taken during the current administration, notably its robust administrative infringement actions targeting physical warehouses, marketplaces, and specific sites in Mexico’s territory. The so called “Operación Limpieza” has already seized more than 300,000 illicit products since November 2024. However, these efforts must be intensified and complemented by strengthened collaboration with criminal prosecution offices and customs authorities, who continue to remain silent. Additionally, the Mexican government must assume greater responsibility in combating online piracy, which disproportionately impacts the creative industries compared to physical piracy and counterfeiting.

Obstacles also remain in Mexico’s compliance with its USMCA obligations, primarily due to a lack of implementing regulations of the 2020 Copyright Law amendments that were statutorily required more than five years ago. Additionally, while the 2020 reforms included many positive copyright provisions, it did not provide a clear principle of secondary liability for those inducing or promoting copyright infringement, which would incentivize Internet service providers (ISPs) to take preventive actions. Further, the 2022 Cultural Heritage Law created even more significant legal uncertainty for a range of creative industries due primarily again to a lack of implementing regulations, and risks further undermining Mexico’s IP regime. It is more critical than ever for the Government of Mexico to work closely with industry representatives and rights holders from the creative industries to ensure any legislative or regulative revisions finally allow Mexico to fully implement its obligations under the USMCA and international treaties and meet international best practices.

PRIORITY ACTIONS REQUESTED IN 2026

Enforcement

¹ For more details on Mexico’s Special 301 history, see previous years’ reports at <https://iipa.org/reports/reports-by-country/>. For the history of Mexico’s Special 301 placement, see <https://www.iipa.org/files/uploads/2026/01/Appendix-C-FINAL-2026.docx>.

- Empower Mexican IP agencies with the necessary political will and financial and human resources to tackle years of unaddressed rampant physical and online piracy, in particular, through stronger actions from criminal prosecutors and customs authorities.
- Remove burdensome and unnecessary legal and administrative barriers, formalities, requirements, and procedures that prevent effective IP enforcement including injunctive relief, and particularly those related to unreasonable burden of proof (namely related to copyright ownership and large-scale infringement), statutory damages, physical copy requirements, mandatory expert opinions, among others. Develop and adopt a high-level national anti-piracy plan to target major online piracy and counterfeiting operations, which includes improving coordination between federal, state, and municipal enforcement activities.
- Provide training to improve IP expertise in the judiciary, particularly for the newly appointed judges stemming from Mexico's recent judicial overhaul.
- Improve enforcement against theatrical camcording.

Legal Reforms

- Issue the implementing regulations of the 2020 Copyright Law amendments and reject interpretations of those amendments that would impede their effective implementation and positive progress resulting from those changes.
- Amend the Copyright Law and related laws and publish related implementing regulations to address issues not resolved in the 2020 amendments.
- Provide incentives for ISPs to cooperate in enforcement against online copyright infringement, including applying the reform of the 2020 Copyright Law to provide secondary liability for copyright infringement.
- Ensure implementation of the Cultural Heritage Law, and all secondary legislation arising from the 2024 amendment to Article 2 of the Mexican Constitution, does not undermine protections for copyright and related rights.
- Reject amendments to the Copyright Law that would establish a remuneration system through a "Private Copy Levy" (PCL)
- Ensure legislative proposals related to artificial intelligence (AI) meet the standards set forth by the G7 Hiroshima AI Process.

Market Access

- Reject policies proposing Local Content Quotas that limit distribution to theaters and online platforms.
- Reject discriminatory investment obligations in the audiovisual industry.

ENFORCEMENT

Digital and physical piracy is widespread, and its main sources are stream-ripping sites, mobile apps, illicit IPTV services, and social media platforms. Fragmentation among legitimate streaming services and high subscription costs further contribute to consumer reliance on unauthorized sources. Stream ripping, the most widespread source of music piracy in Mexico remains popular with go-to sites including *y2mate.nu*, *mp3juice.blog* and *flvto.nu*. Stream-ripping mobile apps including *Stube-offline-music-videos*, and *MusiChic-Offline Music Player* are very popular means for Mexican users to obtain illegal content. Additionally, copycat apps for *SnapTube* and *Tube mate* remain popular along with parasitic apps such as *Demus*.

Video game publishers continue to experience among the highest levels worldwide of e-commerce infringement in Mexico, notably of modded hardware and circumvention devices. One publisher noted that Mexico was in the top 12 globally for piracy of its titles and ranked second for online piracy rates in Latin America. In 2025, Mexico ranked 34th in the world for the number of connections by peers participating in the unauthorized file-sharing of Entertainment Software Association (ESA) member video game titles on public peer-to-peer (P2P) networks, and by the same metric, 3rd in the world for unauthorized file-sharing of mobile games, 21st in the world for illicit console-based games, and 44th in the world for PC-based games.

Additionally, The Confederation of National Chambers of Commerce, Services and Tourism of Mexico (CONCANACO SERVYTUR) highlighted in 2024 that according to a study conducted by the University of Michigan, Center for Anti-Counterfeiting and Product Protection, 50% of Mexican consumers voluntarily purchased some type of product knowing that it was pirated during the last 12 months. Further, according to the *Mapping Global Trade in Fakes 2025* report published by the Organisation for Economic Co-operation and Development (OECD) in collaboration with the European Union Intellectual Property Office (EUIPO), Mexico has been identified as one of the top ten countries most closely associated with the global trade in counterfeit goods.²

Given these significant IP challenges in Mexico, IIPA and its members strongly encourage Mexico to take the following priority actions.

- **Empower Mexican IP agencies with the necessary political will and financial and human resources to tackle years of unaddressed rampant physical and online piracy, in particular, through stronger actions from criminal prosecutors and customs authorities.**

Mexican officials are admittedly aware of this longstanding and growing digital and physical piracy problem and its impact to the Mexican creative industries. In October 2024, just days after being sworn in as the new director of IMPI, Director Santiago Nieto Castillo stated that fighting piracy is a priority of the new administration under President Claudia Sheinbaum.³ Director Nieto noted that “[p]iracy is not only physical; in the digital sphere we see the illegal distribution of music, videos and artistic works,” “[p]iracy generates a parallel economy that affects Mexican businessmen and workers. It is essential that consumers understand that by buying pirated products they are contributing to a system that harms everyone,” and “piracy not only harms national companies that pay taxes and generate jobs but also impacts consumers.”⁴ Additionally, in 2024 the Cámara Nacional de la Industria de Transformación (National Chamber of the Transformation Industry *CANACINTRA*) warned that piracy is one of the factors, along with contraband and extortion, directly contributing to the closure of businesses and the relocation of investments in Mexico and that these illicit activities are severely affecting key industries and undermining the country’s productive infrastructure, prompting calls for a coordinated national strategy to address insecurity and protect formal commerce⁵.

IIPA recognizes the significant steps IMPI has taken during this administration to begin tackling these long-standing piracy concerns.⁶ One of the most visible and impactful initiatives has been the launch of “*Operación Limpieza*” (“Clean-Up Operation”), a nationwide enforcement program aimed at strengthening IP protection in Mexico. The program involved coordinated actions with federal and local authorities, including the Navy, National Guard, Customs officials, and State prosecutors, to dismantle piracy hubs in major commercial areas across the country. These operations have targeted both physical marketplaces and distribution centers. “*Operación Limpieza*” was conducted between November 11, 2024, and October 2, 2025, resulting in the seizure of hundreds of thousands of counterfeit goods, including apparel, toys, electronics, and accessories bearing unauthorized trademarks. Enforcement actions were carried out in the states of Hidalgo, Nuevo León, Puebla, Coahuila, as well as in various locations throughout Mexico City and the State of Mexico. These coordinated operations resulted in the seizure of 376,071 counterfeit products, with an estimated commercial value of 62.9 million pesos⁷. A notable example includes the seizure of over 262,000 infringing items at the Izazaga 89 shopping center in Mexico City, with an estimated value exceeding 56 million

² Forbes México, “México, entre los 10 principales países que comercian piratería: OCDE,” May 7, 2025. Based on the OECD–EUIPO report *Mapping Global Trade in Fakes 2025*. Available at: <https://forbes.com.mx/mexico-entre-los-10-principales-paises-que-comercian-pirateria-ocde/>.

³ Cristina Protugues, *Piracy in Mexico, an urgent challenge: Santiago Nieto Castillo, director of IMPI*, *ContraRéplica*, October 15, 2024, available at <https://www.contrareplica.mx/nota-Pirateria-en-Mexico-un-desafio-urgente-Santiago-Nieto-Castillo-director-del-IMPI-2024141012>.

⁴ Id.

⁵ Forbes Mexico. “Canacindra denuncia cierre de empresas en México por la extorsión, contrabando y piratería”. October 11, 2024. [<https://forbes.com.mx/canacindra-denuncia-cierre-de-emresas-en-mexico-por-la-extorsion-contrabando-y-pirateria/>]

⁶ In 2024, based on the public statistics issued by IMPI, the Institute processed 406 administrative actions related to industrial property infringements, issuing 247 precautionary measures. Additionally, 330 procedures were initiated for copyright violations, with 79 precautionary measures applied. Throughout the year, IMPI resolved 576 industrial property infringement cases and 381 copyright-related cases.

⁷ Id.

pesos⁸. IMPI has also publicly identified at least ten customs brokers allegedly involved in facilitating the illegal entry of smuggling and counterfeit goods, primarily from Asia⁹. IMPI has emphasized the importance of intelligence-sharing and inter-agency collaboration to ensure effective enforcement. Investigations are ongoing in coordination with the National Customs Agency (ANAM) and the Attorney General's Office (FGR). However, it is notable that no criminal charges or prosecutions have resulted from these actions.

Although “Operación Limpieza” signifies a significant change in Mexico’s enforcement strategy and highlights strengthened political commitment, its long-term success will require ongoing institutional backing, transparent legal proceedings for customs violations, consistent judicial action, and the extension of enforcement measures to cover online piracy and activities on digital platforms. Enforcement agencies face resource and coordination limitations, along with two key hurdles that continue to drive piracy in Mexico. First, IP cases have traditionally been regarded as “less relevant” compared to other types of illegal conduct. Second, ongoing budget cuts have affected the following key federal agencies responsible for copyright enforcement in Mexico:

- IMPI – oversees administrative enforcement actions under the Industrial Property and Copyright Law;
- Instituto Nacional del Derecho de Autor (the National Copyright Institute, INDAUTOR) – registers copyrights and conducts mediation proceedings for aggrieved rights holders;
- Scientific Police (part of the Federal Police) of Secretaría de Gobernación (the Secretariat of the Interior) – assists rights holders by providing information on illegal software websites and seizing the domain names of infringing sites; and
- Fiscalía Especial en Investigación de Delitos contra los Derechos de Autor y la Propiedad Industrial, (the Special Prosecutor’s office on Investigation of Crimes Committed Against Industrial Property and Copyright, FEIDCDP) within the FGR – responsible for federal criminal enforcement.

The lack of prioritization and budget cuts have directly led to sizable reductions or full curtailments in effective enforcement activities under the previous administration, particularly by the FGR. For example, one video game publisher reported no increase in the number of customs seizures from 2024 to 2025, but a 28% increase in the amount of preloaded consoles seized. This lack of seizures exists despite numerous IP trainings programs for customs officials in the past two years. No police raids occurred from 2022 until November 2024, when the Ministry of Economy and IMPI led a first of its kind joint effort that seized over 200,000 illicit goods, the “Izazaga 89 operation”.¹⁰ This raid should be commended and repeated.

Further, FGR and FEIDCDP remain reluctant to prosecute IP crimes under the previous and current administrations, and there have been very few criminal enforcement actions against piracy services or operators, both in the online and physical realms. This low prioritization is even more apparent regarding investigations into crimes of small quantities of illicit products such as piracy devices (PDs, also known as illicit streaming devices or ISDs), including mod chips, and circumvention devices, especially in the case of products entering through customs. These illegal devices are increasingly being offered in online marketplaces and through social media, without any detainments or seizures of such devices by customs. A general understanding existed in all previous administrations’ government offices that few to no administrative actions would be taken against piracy operations. Also, within the FEIDCDP stood a general order not to seek any search warrants for these types of cases. The Attorney General’s Office also has not published IP enforcement statistics in recent years. However, in late November 2025, a new head of FGR was appointed to replace the person that occupied the position since January 2019. This could constitute an opportunity to promote a change in the approach followed for seven years now in this key criminal prosecution office.

⁸ Gobierno de México. Secretaría de Economía e IMPI redoblan esfuerzos para combatir la Piratería y Competencia Desleal, en el marco de “Operación Limpieza”, April 03, 2025 [<https://www.gob.mx/impiprensa/secretaria-de-economia-e-impipredoblan-esfuerzos-para-combatir-la-pirateria-y-competencia-desleal-en-el-marco-de-operacion-limpieza?idiom=es>].

⁹ El Universal, “IMPI anuncia dos nuevos “Operativos Limpieza”; acusa a 10 agencias aduanales de contrabando y piratería”. January 23, 2025 [<https://www.eluniversal.com.mx/cartera/impipredoblan-esfuerzos-para-combatir-la-pirateria-y-competencia-desleal-en-el-marco-de-operacion-limpieza?idiom=es>].

¹⁰ Authorities seize over 200,000 counterfeit Chinese products in Mexico City, Mexico News Daily.

IIPA strongly urges the Government of Mexico to follow through on its initial public statements about fighting Mexico's rampant piracy by ensuring that all relevant Mexican IP enforcement agencies have the political will to make the changes noted below, prioritize IP cases, and have the financial and personnel resources to fully implement their objectives and Mexico's new IP legal framework.

- **Remove burdensome and unnecessary legal and administrative barriers, formalities, requirements, and procedures that prevent effective IP enforcement including injunctive relief, and particularly those related to unreasonable burden of proof (namely related to copyright ownership and large-scale infringement), statutory damages, physical copy requirements, mandatory expert opinions, among others.**

IIPA continues to recommend several detailed structural reforms and agency actions to improve copyright enforcement that have been detailed in previous submissions.¹¹

Administrative Enforcement Challenges

- **Formalities to Institute Administrative Actions:** On July 1, 2020, the new *Ley Federal de Protección a la Propiedad Industrial* (Federal Protection of Industrial Property Act) was enacted. The law entered into force in November 2020, and its implementing regulations have yet to be issued. As part of this new law, IMPI was now empowered to issue blocking orders against infringing sites which, in practice, is a clarification of the powers that IMPI previously exercised as part of its general duties. However, under the current framework, IMPI requires the petitioner to comply with an extreme – and sometimes impossible – burden of proof and disproportionate costs related to providing large number of authenticated copyright certificates and expert reports as to the infringement scale. The requirements for filing a siteblocking case for one individual website prevent rights holders from effectively protecting their rights and meaningfully impacting large-scale piracy. The Government of Mexico should allow the initiation of administrative proceedings before IMPI to seek the blocking of structurally infringing sites, based on a more reasonable evidence threshold and applying the presumption of copyright ownership. Meaningful impact on piracy does also require dynamic injunctive relief in the sense that the blocking decision needs to be extended to new online locations set up by the pirates to circumvent the effect of the measure.

Civil Enforcement Challenges

- **Burdensome Procedures with Minimal Remedies:** In general, Mexico's three-tiered civil procedure system makes civil litigation overly complicated, time consuming, and costly for rights holders, even against obvious infringers. The Copyright Law allows rights holders to seek damages in civil courts even before an administrative infringement decision is issued (or becomes final), but the law does not provide for statutory damages (e.g., additional or pre-established damages), and the USMCA-related amendments implemented in 2020 did not address this deficiency. Rights holders can seek 40% of the gross sales revenues from infringing products as damage awards. The Government of Mexico should amend the Civil Code and improve the procedures of the courts to add pre-established remedies and allow the recovery of costs and attorney's fees; current law does not provide compensatory damages, including lost profits or sufficient monetary damages, nor costs or fees. Mexico needs to amend its Copyright Law to provide for "pre-established" and/or "additional damages" consistent with the USMCA Article 20.81.6 that are "an amount sufficient to constitute a deterrent to future infringements and to compensate fully the rights holder for the harm" as set forth in Article 20.81.8.

¹¹ See, e.g., IIPA 2019, 46-47, available at <https://iipa.org/files/uploads/2019/02/2019SPEC301MEXICO.pdf>; IIPA 2022, p. 68-69, available at <https://www.iipa.org/files/uploads/2022/01/2022-SPEC301-3.pdf>.

- **Requirements to Prove Ownership:** There are unreasonable, time consuming, and unduly burdensome requirements to prove copyright ownership in lieu of presumptions of ownership (which, as noted, is an unfulfilled USMCA obligation).
- **Electronic Evidence:** Mexican law grants full validity to electronic documents and discovery, although some judges are unfamiliar with these rules.
- **Destruction of Evidence:** The Civil Code provides *ex-parte* measures to avoid the destruction of evidence, but these provisions have never been fully implemented.

Criminal Enforcement Challenges

- **Ex Officio Authority:** Since Mexico transitioned to an adversarial justice system in 2008—despite the availability of *ex officio* action in the Criminal Code—prosecutors no longer prosecute criminal copyright cases without the filing of a complaint against an infringer by the rights holder. This change has resulted in prosecutorial delays of IP-related crimes, including at FGR.
- **Physical Copy Requirement:** A complicating element in combating piracy in Mexico is the cumbersome requirement (by FGR) that each copy of an infringing product must be accompanied in prosecution files by a physical copy of a legitimate original for comparative examination by experts (*peritos*). This requirement is followed as a general practice, even though the law does not explicitly require it. The video game industry continues to see investigations terminated because the prosecutor in charge claims the products do not show the publisher’s trademarks and copyrighted works, despite evidence established at the time of seizure and the presence of a multitude of infringing games included within the console. In 2025, one video game publisher had 6,900 preloaded consoles seized by customs but did not report any successful prosecutions. This complicates online or digital matters that do not involve hard goods.
- **Requirement for Expert Testimony for Repeat Offences:** Prosecutors must understand that expert opinions are not required in every case to analyze genuine and counterfeit specimens. Under the existing system, when the comparison involves multiple copies of the same infringing game, music, or film, rights holders must submit an equal number of legitimate game, music, and film DVD copies to the experts for comparison. This results in delays and, in some cases, investigations have been dropped due to undertrained prosecutors, leading brand owners to re-introduce actions often against repeat offenders. These expert opinions or *peritos’* reports are a burdensome administrative requirement that take too long to complete, in addition to the fact that the *peritos* are insufficiently trained in digital issues, produce factually incorrect determinations, and are often reluctant to cooperate with investigations and prosecutions. Rights holders then must appeal those decisions through a Control Judge, including having to hire a private expert to counter the *perito’s* determination, adding to the expense and delay, which undermines effective enforcement.
- **Copyright Registration Documentation Requirements:** Although Article 5 of the Copyright Law refers to copyright registrations as only voluntary (“recognition of copyright and neighboring rights does not require registration”), in practice, the FGR and courts require registrations to commence a criminal case. This is an additional formalistic practice of Mexican authorities contrary to the main purpose of international commitments on IP recognition and protection. The USMCA (Article 20.79.1) requires Mexico to provide clear presumptions of ownership in civil, criminal, and administrative matters, based on the copyright notice appearing on the work, or on a screen, without the need for a mandatory and certified registration. Mexico needs to change its Copyright Law to ensure these presumptions of ownership apply to all works (it currently exists only for sound recordings), even after the 2020 amendments.

- **Commercial Scale Piracy:** In 2023, FGR and FEIDCDP reverted to their previous criteria to reject complaints of IP infringements based on the lack of loss of profits or lack of commercial scale, affecting the initiation of – and creating more burdens to initiate – any criminal investigation against counterfeit and copyright piracy. As a result, criminal penalties have not been available in Mexico for commercial scale infringements without a direct economic benefit. The “direct economic benefit” for criminal cases is a difficult hurdle to overcome for a prosecutor willing to commence a case in a country already short on resources for such cases. Additionally, Mexican courts generally do not consider file sharing via online networks to be a serious legal violation; this is a continuing obstacle to effective criminal enforcement. Consistent with its WTO TRIPS Agreement obligations, Mexico should have “effective” criminal remedies, including “imprisonment and/or monetary fines,” available in cases of “willful ... copyright piracy on a commercial scale.”¹² The Criminal Code, Copyright Law, and Federal Protection of Industrial Property Law need to be amended to delete “for profit” provisions and replace them with “acts carried out for commercial advantage or financial gain” and “significant acts not carried out for commercial advantage or financial gain that have a substantial impact on the interests of the copyright or related rights holder.” This change would allow the initiation of enforcement procedures in FGR and FEIDCDP, and criminal penalties would be available in Mexico for commercial scale infringements absent proof of actual lost profits (in other words, without a direct economic benefit).
- **Destruction of Infringing Goods:** Enforcement agencies should adopt clear and consistent policies for the expeditious destruction of seized infringing goods. Another of the positive 2020 amendments (in the Protection of Industrial Property Law) gives IMPI the authority to order the destruction of infringing goods 15 days after a final court decision, which is faster than previous procedures. The copyright industries have also successfully utilized the *Ley Federal de Extinción de Dominio* (Federal Law for Property Forfeiture) in piracy cases, but materials seized in FGR enforcement operations continue to find their way back into the black market. Another recommendation is for *Procuraduría Federal del Consumidor* (Office of the Federal Prosecutor for the Consumer, PROFECO) to use its *ex officio* powers for consumer protection, and its resources against street market piracy.
- **Coordination with Rights Holders:** FGR had been reorganized under the previous administration and is closed to the general public, meaning that there have been no coordination meetings with rights holders or rights holder organizations, and such practices, which are common in other countries, are not allowed. The lack of communication with the private sector and the absence of any significant enforcement action by FGR against IPR violations have significantly worsened the piracy situation in the last year.
- **Forensic Standards:** FGR should improve the forensic standards for digital enforcement and eliminate the required experts and mandated registrations (as a practice, if not a legal requirement) for criminal cases.

Customs Enforcement Challenges

- **Seizure of Illicit Goods:** Exacerbated by the lack of *ex officio* authority, FGR and FEIDCDP have ceased executing border measures to detain containers of pirated goods, including those comprising counterfeit video game consoles, controllers, and merchandise bound for the local market. They also do not stop in-transit shipments and trans-shipments, resulting in a worsening situation for rights holders. For example, absent an official order from IMPI, customs authorities will not seize infringing products entering the country or detain them for more than a few hours, even where the material is clearly infringing. While IMPI has attempted to address this issue through expeditious communications with customs to seize infringing goods, the lack of action by customs authorities and FGR undermines the enforcement of IPR.
- **Leadership:** During the past administration, there were four changes to the head of Customs in less than four years— including the establishment of the *Agencia Nacional de Aduanas de México* (National Customs

¹² See WTO TRIPS Agreement, Articles 41 and 61.

Agency of Mexico)—only to be followed by transferring Customs’ authority to the Ministry of the Navy for maritime customs matters and to the Ministry of National Defense for customs matters on land. These inconsistencies in leadership and transfers of power have created an unstable and uncertain customs enforcement regime that is nearly impossible for rights holders to effectively navigate to enforce their rights. Leadership stability and consistency is urgently needed in Mexico’s customs procedures and authorities. The aforementioned problems with Mexican customs authorities continue to be exacerbated by the presence and control of criminal organizations and cartels in Mexico.¹³

- **Develop and adopt a high-level national anti-piracy plan to target major physical and online piracy operations, which includes improving coordination between federal, state, and municipal enforcement activities.**

The lack of coordination and capacity among IP enforcement bodies remains a major problem in Mexico, especially when tackling large-scale piracy operations that may be located throughout the country. Mexico should therefore develop and adopt a high-level national anti-piracy plan to target major and commercial-scale physical and online piracy operations and operators and to coordinate these enforcement operations with federal, state, and municipal officials. For coordination, this strategy should establish a centralized coordinator for copyright enforcement to improve the efficiency and effectiveness of each of these agencies. Through this coordinator, the Government of Mexico could coordinate municipal, state, and federal government criminal enforcement actions across Mexico’s 32 states and 2,400+ municipal governments while helping in many regions of the country where state and municipal government anti-piracy efforts are weak. This strategy should include a national *ex officio* anti-piracy campaign with a consistent focus on major targets, emphasizing coordination of police and prosecutorial resources. For example, Mexico should replicate and expand the success of the “Izazaga 89 operation” from November 2024.

Further, this strategy should have a strong capacity building component to ensure Mexico’s IP enforcement agencies have access to the necessary skills, techniques, and best practices to fight today’s modern and evolving piracy operations. Some particularly important areas of capacity building should include specialized training on: (i) initiating effective enforcement procedures against sites offering illegal video game downloads and unauthorized digital goods (UDGs); (ii) search engine sites that provide links to enable the downloading of game content hosted on cyberlocker platforms; (iii) BitTorrent index sites; (iv) piracy and circumvention devices and ISDs, including media boxes, set-top boxes, or other devices that allow users, in combination with illegal software applications (apps), to stream, download, or otherwise access unauthorized content from the Internet, and; (v) devices imported into Mexico pre-loaded with the apps to infringe IPR, apps that are added as a complementary after-sale service, or apps that can easily be installed by the users to access infringing content. There should also be a capacity building component on developing new and enhanced guidelines for prosecuting IP crimes and training on technological solutions and methodologies for properly undertaking criminal investigations directed against online piracy.

Finally, the Government of Mexico should ensure this strategy promotes increasing international cooperation with U.S. prosecutorial and law enforcement authorities to facilitate exchanges of communication and cooperation in criminal investigations and enforcement proceedings in Mexico. Additionally, the collaboration with rights holders to better streamline IP cases should be prioritized in this strategy as it has already had a positive impact on IP enforcement in Mexico. For example, in 2024, the Motion Picture Association (MPA) successfully filed an infringement proceeding before IMPI against one of the largest sites distributing pirated audiovisual content to audiences in Mexico, *Gnula.nu* and *Gnulahd.nu*. As a result, IMPI issued an effective site-blocking order that was successful in general implementation with support from many of the ISPs. Only one ISP filed an injunction to challenge the order. The challenge was dismissed by the District Court but is still pending, as the Federal Appeal Court referred the case to the Supreme Court to clarify several constitutional aspects but the request for a provisional suspension was denied. IIPA hopes this type of collaboration can be mirrored by other IP enforcement agencies.

¹³ Jonathan Nacar, *Corruption investigated in the FGR’s Anti-Piracy Prosecutor’s Office*, ejeCentral, August 12, 2024, available at <https://www.ejecentral.com.mx/category/nuestro-eje/indagan-corrupcion-en-fiscalia-antipirateria-de-la-fgr>.

In another positive example demonstrating the importance of public-private collaboration, IMPI signed a Memorandum of Understanding (MOU) with ESA on August 18th, 2022, to enforce and protect video game IP. Under the auspices of the MOU and in accordance with the relevant laws and regulations, IMPI has conducted enforcement activities including infringement referrals, online inspection visits, and investigations, promoting the importance of IP to creative and innovative industries. Practical efforts to execute the MOU continued in 2024 including an ESA-led training with members of the IMPI enforcement team on issues specifically impacting the video game industry. Given the new administration at IMPI, it is crucial in 2026 to maintain the work under IMPI's existing MOUs, such as the one it concluded with ESA. As an example of the strong cooperation provided by the new IMPI administration—particularly by Director General Santiago Nieto—in December 2025, the Motion Picture Association (MPA) signed an MOU with IMPI to strengthen enforcement. It is also important to grow the partnerships between IMPI and other Mexican IP enforcement agencies with additional rights holders to ensure that Mexico continues to undertake administrative IP proceedings, as well as to enhance the removal of illegal content from digital platforms.

- **Provide training to improve IP expertise in the judiciary, particularly for the newly appointed judges stemming from Mexico's recent judicial overhaul.**

In September 2024, the Mexican Congress enacted a sweeping reform requiring that justices, magistrates, and judges be elected by popular vote. The reform generated significant debate in Mexico on how the new model will guarantee the independence and impartiality of the judiciary. The first elections, held on June 1, 2025, resulted in the election of all nine Supreme Court Justices, 486 magistrates, and 386 judges; elections for the second half of the judiciary will be held in 2027. Unfortunately, initial reports indicate that none of the new judges have experience trying IP cases, and many lack experience handling general judicial matters, including proof of ownership and evidentiary procedures. Without properly trained judges, IIPA is concerned that this judicial upheaval will undermine the rule of law, due process, and access to justice in Mexico. More particularly, without a fully functioning judiciary, Mexico will be unable to tackle its piracy concerns and to meet its USMCA obligations to effectively enforce copyright protections.

To ensure this reform does not undermine the rule of law in Mexico and not affect the basic rights of due process and access to justice, the Government of Mexico must provide IP training to these judges. Training should focus especially on technology, digital distribution and piracy, and the use of circumvention technologies. Mexico's new judiciary should also be trained on calculating and providing deterrent-level sentences for IP cases, which are rare in Mexico. Regarding deterrent penalties more broadly, Mexico should consider mandatory sentencing regulations for criminal copyright cases or have the Supreme Court issue recommended guidelines to assist judges with the imposition of deterrent sentences and the award of damages. Besides simply increasing training on these topics, Mexico could also create specialized IP judges and courts.

- **Improve enforcement against theatrical camcording.**

Criminal enforcement against illicit camcording is historically ineffective in Mexico for two reasons: (1) inadequate laws and (2) weak and infrequent enforcement of the existing laws. One of the 2020 amendments adopted to comply with the USMCA corrects the legal regime deficiency. New Article 424bis of the Criminal Code criminalizes camcording, and, as the only exception in the Code, deleted the for-profit motive as a prerequisite for criminal infringement, a practice that thwarted effective prosecutions of camcording. However, the new provision does require a rights holder to file a claim. Until the 2020 change, the few camcording criminal convictions that had been successful were the result of prosecutions based on an array of crimes other than camcording. As reported in prior IIPA filings, in recent years, many MPA member films have been sourced from illicit camcords in Mexican theaters. Camcords have resurfaced as a piracy problem in Mexico upon theaters reopening post-pandemic, and it is hoped the new laws and improved enforcement will properly address this problem. The independent sector of the film and television industry (namely, the Independent Film & Television Alliance (IFTA)) is especially concerned about Internet piracy derived from camcording because of its harm to the legitimate online distribution platforms and services that provide revenue for financing the development of new creative works worldwide. IIPA suggests that the Government of Mexico organize

capacity building programs between prosecutors and relevant agencies in Mexico that encourage improved enforcement against theatrical camcord piracy.

LEGAL REFORMS

- **Publish the implementing regulations of the 2020 Copyright Law amendments and reject interpretations of those amendments that would impede the positive progress resulting from these changes.**

Mexico amended its Copyright Law in 2020 to attempt to fully implement the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT) (collectively, the WIPO Internet Treaties) and meet its obligations under the USMCA. These amendments represented needed reforms to Mexico's Copyright Law and included: notice and take down, safe harbor, and related provisions; protection for TPMs and RMI; explicit making available right and right of communication to the public for works and recordings, as well as adaptation or transformation of the phonogram and rent of the original or copies of the phonogram; and sanctions for camcording, as well as against satellite and cable signal theft.

After the Copyright Law reform passed, three constitutional challenges were filed seeking to repeal key provisions of the amendments. These challenges caused several years of legal uncertainty and generated a chilling impact on practical implementation of the reforms because authorities were not willing to address cases based on a challenged law. In May 2024, over three years after the first challenge was filed, the Mexican Supreme Court upheld the 2020 reforms as constitutional. IIPA welcomed this development.

As mandated by the 2020 copyright reform, the Mexican government, and particularly INDAUTOR, were given 180 days to publish implementing regulations for the Copyright Law. However, after more than five years since enactment, more than 180 days since the Supreme Court's 2024 ruling, and more than 180 days since the new administration came to power, this obligation remains unfulfilled. The copyright sector is justifiably concerned by this delay because it indicates that the Secretary of Culture and INDAUTOR did not adequately prioritize this matter under the previous administration and it appears it is similarly not a priority for the current administration. IIPA urges the Government of Mexico to promptly introduce the implementing regulations of the Copyright Act to prevent a breach of Article 20.88 of the USMCA.

- **Amend the Copyright Law and related laws and publish related implementing regulations to address issues not resolved in the 2020 amendments.**

While the passage of the 2020 Copyright Law amendment was a welcome development, more revisions are needed to the Copyright Law, as well as to the Industrial Property, Criminal, and Criminal Procedure Codes for Mexico. Further, related implementing regulations must be published, to meet Mexico's obligations in USMCA and international treaties and comply with other international best practices. Some key reforms that are needed, but were not achieved through the 2020 changes include:

- Establish explicit secondary liability for copyright infringement.
- Amend the Forfeiture Law to cover copyright infringements undertaken by organized crime syndicates.
- Add criminal provisions to enforce against the production or distribution of PDs, ISDs, or circumvention devices.
- Provide proper civil and criminal sanctions for all activities relating to the manufacturing of, or trafficking in, circumvention devices or technologies that circumvent TPMs. This is especially relevant in the importation of circumvention devices used in video games that are entering Mexico in small consignments and via courier packages.
- Enhance penalties for repeat infringers.

- Provide *ex officio* authority for all IP enforcement agencies and the ability to detain containers with pirated goods that are in transit or being transshipped.
 - Severely restrict or eliminate exceptions to infringement for certain public performances where retransmission is not “for profit-making purposes” (Copyright Law, Article 150, transmissions of works) and “no direct economic benefit is sought” (Copyright Law, Article 151, neighboring rights). These exceptions are too broad, exceeding what treaties permit.
- **Provide incentives for ISPs to cooperate in enforcement against online copyright infringement, including applying the reform of the 2020 Copyright Law to provide secondary liability for copyright infringement.**

In a positive development, the 2020 Copyright Law required compliance with notices to remove infringing content, contained measures to prevent infringing content from being uploaded again, and provided safe harbors for services and platforms that comply with the notices. The 2020 package of amendments adopted notice and takedown procedures, defined ISPs, and included legal remedies and safe harbors to ISPs providing mere conduit, caching, and storage and information location tools, by limiting monetary damages (not administrative sanctions for ISPs that respond properly and timely to notices (Copyright Act, new Article 114 *Octies*). The liability limitations are notwithstanding the obligation for ISPs to provide injunctive relief. The changes add specific provisional measures to order the suspension, stay down, blocking, or removal of content, and the cessation of acts that are infringing or unauthorized. The new provisions also require ISPs to have repeat infringer policies and counter-notification procedures (requiring rights holders to commence judicial, administrative, or criminal actions within 15 days of notification by an ISP). The Copyright Law also now compels an ISP receiving a notice of infringement to comply and there are administrative penalties (fines) for non-compliance with notices. However, Mexican law should also require an ISP with actual knowledge of an infringement or awareness of facts or circumstances from which infringement is apparent (so-called “red flag” knowledge), to take down material. ISPs also have the right to file an injunction against a takedown order by IMPI that could suspend the decision of authority and frustrate the takedown of the infringing content. Moreover, these amendments have not been in practice in Mexico’s legal regime because even though the Supreme Court confirmed the constitutionality of these provisions, the Mexican government has not issued implementing regulations to the Copyright Law.

The Mexican legal system also includes general liability principles contained in the Civil and Criminal Codes, but it does not include explicit secondary liability for copyright infringement for ISPs and similar parties in the Civil Code. The safe harbors imply that such potential secondary liability exists, but IIPA urges the Government of Mexico to make such liability explicit in its law. The USMCA (Article 20.88) requires Mexico to implement “legal incentives for Internet Service Providers to cooperate with copyright owners to deter the unauthorized storage and transmission of infringing materials or, in the alternative, to take other action to deter the unauthorized storage and transmission of copyrighted materials.” While notice and takedown and related provisions are a strong first step, ISPs need further encouragement to meaningfully cooperate with all rights holders (large and small) to deter the unauthorized storage, transmission, or making available of copyrighted materials. One suggestion is to designate one Mexican IP enforcement agency to take the lead on enhancing cooperation or facilitating communication with ISPs with the purpose to improve a notice and takedown system in Mexico.

IMPI is the competent authority to issue injunctions and order the ISPs (as third parties) to suspend, block, and remove content, and to cease the infringing acts through virtual, digital, or electronic means (known or to be known) on an *ex officio* basis. IMPI has sought to incorporate constitutional considerations, including proportionality and net neutrality, when issuing site-blocking orders by weighing IP rights against the impact on Internet users. However, stronger coordination among IP enforcement authorities remains necessary to ensure a consistent interpretation of these principles, and to align constitutional analysis with effective IP enforcement. In late 2024, IMPI issued a site blocking order against major infringing sites, namely *Gnula.nu* and *Gnulahd.nu*. The order was successfully implemented by most ISPs; one provider challenged IMPI’s order requesting the suspension thereof and challenging the order on its merits through an *Amparo Indirecto* trial; both were denied. Notably, this is the first time a technological

measure for site blocking has not been lifted, as IMPI found that the criteria of necessity and proportionality were met—marking a shift from the precedent established by the Second Chamber of the Mexican Supreme Court in ruling 1/2017. However, the procedure remains ongoing, because last December the Federal Court of Appeals decided to refer the case to the Supreme Court for clarification of certain constitutional considerations invoked by one ISP.

Finally, specific provisions in the Telecommunications Law prohibit ISPs from disclosing a customer's personal information to rights holders seeking civil recourse against alleged infringers (although Article 189 of the Telecommunications Law, as amended in 2014, does allow an ISP to cooperate with an order from any competent authority). Additionally, ISPs have been reluctant to include clauses in their subscriber agreements to permit termination of service contracts if subscribers infringe IPR. ISP contractual practices thus compound the difficulties of obtaining access to information necessary for seeking civil remedies. For file sharing, the two major ISPs (*Telmex Infinitum*, which has about 70% of the domestic broadband connections in Mexico, and *ALESTRA*) have, to date, been reluctant to take any actions. As such, the collaboration between ISPs, IP enforcement agencies, and rights holders remain crucial to addressing Mexico's piracy challenges.

- **Ensure implementation of the Cultural Heritage Law, and all secondary legislation arising from the 2024 amendment to Article 2 of the Mexican Constitution, does not undermine protections for copyright and related rights.**

On January 18, 2022, Mexico enacted the “Federal Law for the Protection of the Cultural Heritage of Indigenous and Afro Mexican Peoples and Communities” (the Cultural Heritage Law), which raises serious concerns regarding Mexico's USMCA obligations on copyright.¹⁴ The law requires free, prior, and informed consent of any third-party for the use of traditional cultural expressions (TCEs), and foresees an authorization process, however, the law's complex procedures and ambiguities create ongoing uncertainty for its application. In addition, the law aims to register, classify, and document the TCEs of indigenous communities, while broadening their scope of protection, acknowledging their economic rights, and introducing an enforcement scheme. The law's implementing regulations should have been issued within 180 days of its publication. As of today, no instrument has been published. However, the *Instituto Nacional del Derecho de Autor* (INDAUTOR, the National Copyright Office) asserted the law can be enforced even in the absence of implementing regulations. Unfortunately, the lack of implementing regulations continues to create legal uncertainty for a range of creative industries, especially regarding the granting of authorization for certain works and the fact that some forms of creative expressions could be removed from the public domain.

The law also lists a catalog of administrative infringements that are unclear and ambiguous and establishes fines that range from US\$2,240.00 to US\$224,000.00. In addition, the law establishes criminal penalties for the improper use and exploitation of the elements of cultural heritage of indigenous and Afro-Mexican communities or peoples, and for the cultural appropriation of elements of the cultural heritage of indigenous communities or peoples. Criminal penalties range from two to ten years of imprisonment and double if the conduct results in “cultural ethnocide.” Mexico's Human Rights Commission filed a claim of unconstitutionality against the Cultural Heritage Law, citing policymakers' lack of consultation with indigenous communities during the law's formulation, and the excessive nature of the penalties. Unfortunately, the case remains pending before the Supreme Court but has been deferred due to ongoing judicial upheaval, making resolution unlikely in the near term.

In September 2024, the Mexican Senate approved a constitutional amendment to Article 2 on Indigenous Communities, establishing TCE protection as a communities' right and expressly establishes that indigenous people hold collective rights over their TCEs. Consequently, both federal and local governments must now create a legal framework for protecting and promoting this right. Implementing regulations will be critical for the practical use of this reform. This constitutional reform, coupled with the 2022 Cultural Heritage Law, increases legal uncertainty for creative

¹⁴ *Ley Federal de Protección al Patrimonio Cultural de los Pueblos Indígenas y Afromexicanos*, January 17, 2022, available at <https://www.diputados.gob.mx/LeyesBiblio/ref/lfppccpcia.htm>.

industry investments. The U.S. government should encourage Mexico to implement this initiative transparently, with stakeholder engagement, good regulatory practices, and adherence to USMCA commitments.

Because the scope of these provisions is unclear, IIPA is concerned that the implementation of this *sui generis* system for the protection of TCEs threatens to undermine copyright exclusive rights that are guaranteed by the USMCA, including in Articles 20.57-20.61 and risks non-compliance with contractual transfer (Article 20.65). Furthermore, to the extent that protections for TCEs function as a limitation or exception to these exclusive rights, these protections must be within the scope of the three-step test governing copyright exceptions and limitations (Article 20.64). To ensure that U.S. rights holders are protected, IIPA recommends that as an outcome of this Review process Mexico signs a side letter or other binding instrument with the United States confirming that protections for copyright and related rights under USMCA will not be undermined by Mexico's implementation of TCE protections.

- **Ensure legislative proposals related to AI meet the standards set forth by the G7 Hiroshima AI Process.**

The Government of Mexico is beginning to discuss regulating AI. In particular, the President of Mexico convened a presidential commission on AI and asked INDAUTOR, to put together a proposal for potential regulations. Some local collective management organizations (in particular, EGEDA) tried to use this platform to advocate for mandatory collective management for AI use of copyrighted material, as well as for remuneration rights in exchange for an AI levy. Additionally, the Specialized Intellectual Property Chamber (SEPI), which is the administrative judicial tribunal with the authority to confirm or modify the administrative determinations of IMPI and INDUTOR, ruled in 2024 that AI-generated works cannot be copyrighted, as human creativity is legally required. The Supreme Court of Justice confirmed that decision and ruled, in 2025, that recognizing authorship for synthetic or artificial entities is impossible, as creative protection is a human right intrinsically tied to human qualities, making it incompatible with AI. As Mexico looks to possibly regulate AI, IIPA strongly encourages the Government of Mexico to look towards the G7 Hiroshima AI Process, which has set forth important rules of the road for the development of AI systems.

For example, the International Code of Conduct for Organizations Developing Advanced AI Systems includes the following: "Organizations are encouraged to implement appropriate safeguards, to respect rights related to privacy and intellectual property, including copyright-protected content."¹⁵ The International Guiding Principles for Organizations Developing Advanced AI Systems includes the following principle: "Implement appropriate data input measures and protections for personal data and intellectual property."¹⁶ In the June 17, 2025, G7 Leaders' Statement on AI for Prosperity, the G7 Leaders indicated they would "leverage the outcomes of the Hiroshima AI Process (HAIP) to foster trust."¹⁷ The Leaders further committed to "[p]romote economic prosperity by supporting SMEs to adopt and develop AI that respects personal data and intellectual property rights, and strengthen their readiness, efficiency, productivity and competitiveness" and stated, "We recognize the need to respect intellectual property rights in enabling these efforts."¹⁸ Mexico should also provide meaningful stakeholder engagement and due process regarding this type of work, including by affording adequate opportunity to review and comment on legislative and regulatory proposals governing copyright and AI.

- **Reject amendments to the Copyright Law that would establish a remuneration system through a PCL.**

The Government of Mexico should reject proposed amendments of the Copyright Law that would establish a remuneration system through a PCL. Such amendments would require manufacturers and importers of equipment,

¹⁵ See Hiroshima Process International Code of Conduct for Organizations Developing Advanced AI Systems, p. 8, available at <https://www.mofa.go.jp/files/100573473.pdf>.

¹⁶ See Hiroshima Process International Guiding Principles for Organizations Developing Advanced AI System, p. 5, available at <https://www.mofa.go.jp/files/100573471.pdf>.

¹⁷ See G7 Leaders' Statement on AI for Prosperity, June 17, 2025, available at <https://g7.canada.ca/assets/ea689367/Attachments/NewItems/pdf/g7-summit-statements/ai-en.pdf>.

¹⁸ See G7 Leaders' Statement on AI for Prosperity, June 17, 2025, available at <https://g7.canada.ca/assets/ea689367/Attachments/NewItems/pdf/g7-summit-statements/ai-en.pdf>.

devices, and technological goods to pay a fixed “compensatory remuneration” for the supposed copying, storing, compacting and/or reproduction of protected works that could occur in the future. This initiative will normalize copyright infringement, offering a blank check to consumers of devices for the unrestricted copying of content, on the assumption that the relevant manufacturer or distributor has already “prepaid” for the reproduction of protected works.

MARKET ACCESS

- **Reject policies proposing Local Content Quotas that limit distribution to theaters and online platforms.**

On a regular basis, Mexican lawmakers and policymakers propose protectionist policies, such as the imposition of local content quotas in both theatrical and streaming, over-the-top (OTT) windows, limiting the number of screens in which a given movie can be exhibited, or regulating the dubbing of films regardless of the market preferences. If adopted, such measures would severely limit the exhibition of U.S. films in Mexico and would potentially contravene Mexico’s USMCA national treatment provision and market access commitments. Instead, Mexican policymakers should encourage open markets, investments, and collaborations that would result in job creation, knowledge transfer, and the internationalization of the alignment of local industry with international best practices for the benefit of both Mexican and U.S. industries.

Several bills aimed at improving accessibility and transparency in cinemas and protecting dubbing actors from AI were introduced between March and April 2025 but remain stalled at the committee stage, making further progress unlikely this session. However, the Mexican Executive Branch has been silent regarding these proposals. Additionally, the Ministry of Culture announced a MX\$115 million increase in funding for national cinema, prioritizing training, preservation, and decentralized exhibition while limiting foreign studio participation. Additionally, Plan México 2025 reinforced protectionist measures favoring domestic stakeholders, creating challenges for broader industry growth.

- **Reject discriminatory investment obligations in the audiovisual industry.**

In 2025, Mexico’s Congress introduced several bills on digital platforms, cinematography, AI, telecommunications, cybersecurity, and labor; most did not advance, except for the new Telecommunications and Broadcasting Federal Law. However, lawmakers continue to pursue legislation in these areas, and if any of these proposals are approved, they could potentially raise concerns regarding Mexico’s USMCA commitments. Additionally, on September 8, 2025, the 2026 Economic Package introduced an amendment to Article 30-B of the Federal Tax Code, requiring digital service providers to grant real-time system access to tax authorities, with non-compliance resulting in temporary platform blocking “kill switch”. This measure could raise serious constitutional concerns and conflicts with Mexico’s USMCA obligations.