

MGGL INFORMA

# PROTOCOL FOR SUBCONTRACTING INSPECTIONS

Following the reform to the Federal Labor Law (“LFT”) regarding subcontracting, the Ministry of Labor and Social Welfare (“STPS”) has issued a series of provisions and guidelines, through the General Directorate of Federal Labor Inspection (“DGIFT”), to oversee and promote compliance with labor regulations.

In this context, on November 24, 2025, the STPS published the Inspection Protocol on Subcontracting (the “Protocol”), which aims to describe the procedure and indicators federal labor inspectors must apply to verify legal compliance, establishing guiding criteria regarding regulatory scope and the actions of the labor authority in carrying out its oversight duties in this area.

## 1. Scope of Subcontracting

The Protocol applies to all workplaces where specialized services or specialized projects are provided under a subcontracting model, understood as the scheme through which an individual or legal entity (contractor) holding a valid registration with the authority, provides another party (beneficiary) a service that is not part of the beneficiary’s corporate purpose nor its primary business activity, supplying or making its own workers available for the beneficiary’s use.

From our perspective, making personnel available implies that the contracting party may direct, command, supervise, and in general control the subcontracted personnel. This authority to command constitutes labor subordination. Therefore, hiring services or labor based on industry standards, governed by deliverables and results, without regard to the personnel performing them, should not fall under the labor subcontracting provisions.

## 2. Types of Visits

The Protocol establishes three types of visits:

- a. **REPSE Verification Visits:** Their purpose is to confirm that companies registered or seeking registration in the Registry of Providers of Specialized Services or Specialized Projects (“REPSE”) meet the requirements necessary to maintain such registration.
- b. **Subcontracting Inspections:** These may be ordinary or extraordinary and may apply to either the contractor company or the beneficiary of the service. During these inspections, the authority may request information and documentation that proves compliance with the general working conditions related to the provision of specialized services or projects. These inspections will be carried out at the contractor’s address, at the beneficiary companies’ address, and, in general, at any workplace where workers are made available for the benefit of another company.
- c. **Transversal Inspections:** These inspections may be conducted at the contractor’s or beneficiary’s address, and generally at any workplace where workers are made available to benefit another company. These relate to General Working Conditions, Occupational Safety and Health, and Training and Instruction. They are not focused exclusively on subcontracting but include verification of the indicators established for subcontracting. They may also be ordinary or extraordinary.

## 3. Compliance Indicators

During any of these oversight actions, the authority may request, in general terms, the following documents and information:

- Contracts for specialized services or labor that meet the requirements established by applicable regulations;
- The number of workers providing the services or carrying out the specialized labor;
- REPSE registration notice, including validity and registered activities;
- General company information;
- Work locations where the workers perform the services;
- Information about the workers assigned to the service or work;
- Documentation proving compliance with employer obligations regarding social security
- Evidence that personnel receive training appropriate to the activities they perform;
- Documentation of individual labor relationships, such as employment agreements, pay slips, etc.

Specifically, during REPSE verification visits, authorities may review:

- The total activities registered or requested for registration;
- ICSOE (Informative Reports on Specialized Service or Labor Contracts);
- Receipts filed in the SISUB (Subcontracting Information System);
- The number of workers registered in the IMSS quota determination forms (SUA);
- Whether personnel are subcontracted at the workplace.

When the inspection focuses on the contractor, the review may include:

- The company’s production process or economic activity;
- Whether the specialized services or projects are not part of the corporate purpose or primary

activity of the beneficiary and whether they are provided with the approximate number of workers specified in the contract;

- Whether the workers made available perform activities different from the beneficiary’s corporate purpose and/or primary economic activity.

When the inspection focuses on the beneficiary, the review may also include verifying that the workers provided by the contractor are properly identified.

## 4. Interviews and Questioning

The Protocol establishes that, in any of the three types of inspections, inspectors may directly question both workers and the employer or its representatives, focusing on compliance with the subject matter of the inspection. Interviews should be conducted with workers made available –or presumably made available– by the contractor to the beneficiary company.

Interviews will seemingly be mandatory in all inspections, since the Protocol specifies the minimum number of workers to be interviewed:

Total number of workers providing the specialized service or labor	Percentage of workers to be interviewed*
1 - 50	100%
51 – 100	50%
Over 100	40%

*\* These percentages apply only to verification visits and subcontracting inspections.*

Interviews may be conducted using information and communication technologies. If they cannot be concluded the same day, authorities may partially close the inspection record and request that workers be present the following business day to complete the required sample.

During interviews, inspectors may request information regarding:

- Activities performed by the interviewee.
- Salary information and method of payment.
- Name of the employer.
- Frequency of training received.
- Benefits provided.

It is important that workers assigned through subcontracting schemes are able to respond transparently and clearly if interviewed by authorities.

## 5. Sanctions

During REPSE verification visits, if inspectors identify non-compliance with subcontracting regulations, the REPSE registration will be cancelled. The DGIFT will request the immediate removal of the provider from the public registry of specialized service or work providers.

During inspection procedures, the authority will determine whether to initiate an Administrative Sanction Procedure. Likewise, REPSE cancellation may be initiated if non-compliance with subcontracting regulations is confirmed.

Finally, it's important to take into account that as part of the inspection program, the STPS's Dignified Work Unit and its administrative offices may consider information obtained through data exchange with other authorities as part of broader and more strategic oversight actions.

As preventive measures for verification visits or inspections, companies should begin by confirming that the services they provide, or have contracted, under specialized subcontracting schemes meet the legal requirements to be valid. They must ensure they have sufficiently comprehensive legal documentation to comply with indicators established by the authorities, supported by records, certifications, and material evidence demonstrating compliance with applicable regulations.

At MGGL, we can support you with the analysis and proper implementation of labor subcontracting schemes, ensuring that companies operate within the legal framework and avoid potential sanctions.

