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AMENDMENTS TO THE FEDERAL LABOR LAW AND THE FEDERAL COPYRIGHT LAW – EXPANSION OF THE SCOPE OF RIGHTS FOR PERFORMING ARTISTS (PERFORMERS)

On May 14, 2026, the "DECREE amending and adding various provisions of the Federal Labor Law and the Federal Copyright Law regarding the rights of workers who are performers" (the "Decree") was published in the Federal Official Gazette ("*Diario Oficial de la Federación*") and entered into force on May 15, 2026.

The amendments to the Federal Labor Law (*Ley Federal del Trabajo*, "FLL") and the Federal Copyright Law (*Ley Federal del Derecho de Autor*, "FCL") had as their primary objective the protection and strengthening of the rights of performing artists, through the following measures:

1.

Integration of principles that favor performers;

2.

Recognition and reinforced regulation of the rights of image, voice, and identity of performers;

3.

Regulation of the use of artificial intelligence tools and other technologies applied to the reproduction or alteration of image, interpretations, and performances; and

4.

Reinforced authorization requirements for the use and exploitation of performers' image, interpretations, and performances, including specific consent and remuneration rules.

Other relevant subjects of the amendments:

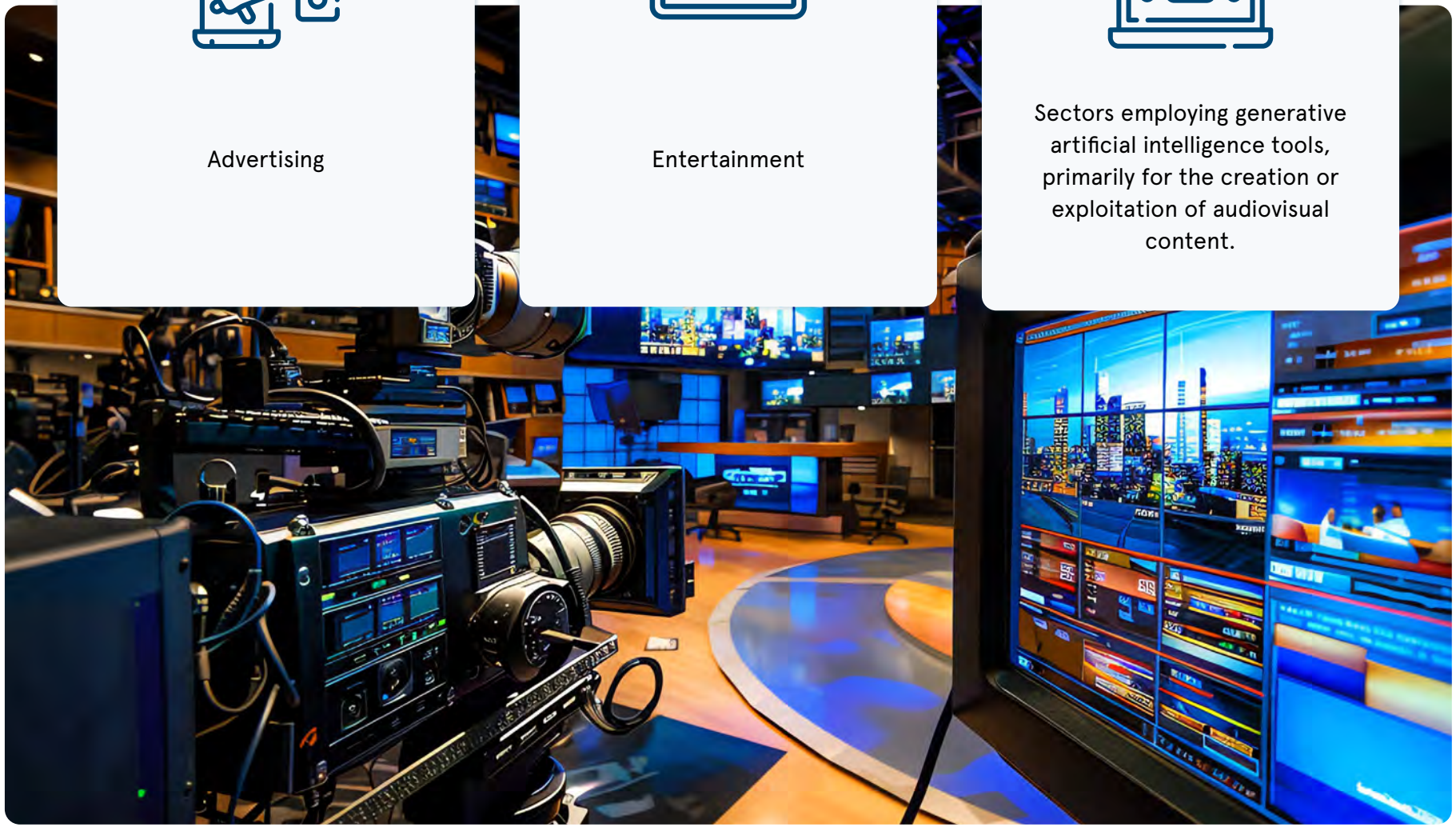
- Expansion of copyright protection for artistic and cultural events;
- Notifications by electronic means; and
- Expansion of alternative dispute resolution mechanisms within the jurisdiction of the National Copyright Institute (*Instituto Nacional del Derecho de Autor, "Indautor"*)

KEY INDUSTRIES INVOLVED

Advertising

Entertainment

Sectors employing generative artificial intelligence tools, primarily for the creation or exploitation of audiovisual content.





Integration of principles that favor performers

- The new provisions of the FCL expressly establish that, in cases of doubt regarding contractual clauses, the interpretation most favorable to the performing shall prevail.



Recognition and reinforced regulation of the rights of image, voice, and identity of performers

- The provisions of the FCL governing portrait rights were amended to henceforth cover image rights, expressly including voice as an integral element thereof.



Regulation of the use of artificial intelligence tools or other technologies applied to the reproduction or alteration of image, interpretations, and performances

- Artificial intelligence programs are protectable as computer programs, unless they are designed to cause harmful effects to other computer programs or violate third-party rights protected under the FCL.
- Under the amended FCL, the image of performers— including outputs generated by artificial intelligence systems — may only be used or published with the express consent of the performing artist or, where applicable, of the holder of the corresponding rights.
- Henceforth, performers shall be entitled to authorize or prohibit AI-driven (or other technologies) impersonation of their performances, when they result in performance cloning and identifiable voice simulation.

Consequences for non-compliance with the new provisions regarding the use of image, including voice recordings, and those related to impersonation of performances or the creation of clones using artificial intelligence or other technologies:

- Violations shall be sanctioned as commercial infringements, subject to a fine ranging from 5,000 to 40,000 Units of Measurement and Update ("*Unidades de Medida y Actualización*") ("*UMA*"), equivalent to between MXN $586,550.00 and MXN $4,692,400.00 (as of the date of preparation of this document, subject to annual adjustment). These proceedings fall within the jurisdiction of the Mexican Institute of Industrial Property (*Instituto Mexicano de la Propiedad Industrial*, "*IMPI*").



Stricter requirements applicable to authorizations for the use and exploitation of image, interpretations, and performances, including specific rules on consent and remuneration

- The use of a performer's image, including their voice, and the use of their performances may only be made with express consent and for the specifically authorized purposes; other purposes require new authorizations and may generate additional remuneration.
- The authorization granted for the production of an audiovisual work, such as a video or a film, includes the right to fix, reproduce, and communicate to the public the performers's performances, but does not include the right to use the sound and images fixed in the audiovisual work separately; this last right must be expressly agreed upon.



Labor contracts

- As part of the amendments to the FLL, employment contracts governing the labor relationship of performers must now specify the conditions and corresponding consideration for the authorization of their image or voice through artificial intelligence systems or any other technology.



Literary work publishing contracts

- These must now include, as part of their minimum required elements, the number of editions or, as the case may be, reprints covered by the contract, as well as the version and format of the work.



Advertising contracts

- Advertising or promotional announcements may be broadcast for a maximum of six months from the date of first communication. After this period, broadcast may continue for an additional six months, provided that a fee at least equivalent to the originally agreed amount is paid. Once one year has passed since the first communication (the FCL previously provided for a three-year period), a new authorization must be obtained to continue using the announcements, and the corresponding remuneration must be updated in line with inflation and market values.
- The requirements and conditions that advertising contracts must satisfy have been expanded.

EXCEPTIONS TO THE REQUIREMENT OF AUTHORIZATION FOR THE GENERATION OF CLONES OF INTERPRETATIONS OR PERFORMANCES:

When carried out for purposes of parody, satire, or creative imitation, provided that such use does not have the object or effect of replacing the professional services of the performer(s).



Note: unlike equivalent legislation in other jurisdictions, where parody or satire constitute a general limitation on copyright, in Mexico these exceptions are limited to the AI-driven or other technology-driven replication or cloning of interpretations or performances, and only operate as a limitation on the rights of performers. This, since the provisions introduced by the amendments were specifically and narrowly tailored to this context.

OTHER RELEVANT TOPICS



Expansion of copyright protection for artistic and cultural events

- The FCL now incorporates the possibility of protecting artistic and cultural events, such as festivals, competitions, fairs, or any other event of a similar nature through the figure of Reservations of Rights to Exclusive Use ("*Reservas de Derechos al Uso Exclusivo*"), for a term of one year.



Notifications by electronic means

- The FCL now provides for *Indautor* to be able to send notifications via email or any other technological means, with such notifications deemed as personal notifications.



Expansion of alternative dispute resolution mechanisms under the jurisdiction of the *Indautor*

- Mediation and conciliation were added to the list of alternative dispute resolution methods, alongside settlement and arbitration.
- The procedures governing these mechanisms will be set forth in the FLL Regulations, which must be amended and updated within 60 days of the Decree's entry into force.



Modifications to persons covered by the amended provisions of the FLL

- The amended chapter no longer covers art workers in general (which previously included actors and musicians performing in theaters, cinemas, nightclubs or variety venues, circuses, radio and television, dubbing and recording studios, and any other venue where photography, image, voice, or music is transmitted) and now specifically applies to those considered as performer(s) under the terms of the FCL.

KEY CHALLENGES OF THE AMENDMENTS

1.

Interpretive and practical challenges regarding the determination of who qualifies as a performer, and whether that status applies to the individual at all times or only when engaging in activities directly related to the performance.

2.

Lack of clarity regarding the scope of limitations on related rights, exceptions, and the exhaustion of rights once performers have granted paid authorizations to certain individuals or entities.

3.

Lack of a definition of "artificial intelligence," which could create legal uncertainty.

4.

Copyright protection is restricted to the image of any individual who qualifies as a performer; it is implied that any other individual must seek protection of their image and portrait rights necessarily through civil actions and/or personal data protection mechanisms.

Privacy and Processing of Personal Data

- During the implementation of the amendments, the Federal Civil Code ("*Código Civil Federal*"), local civil codes, and secondary local legislation must also be taken into account (e.g., the "Civil Liability Law for the Protection of the Right to Privacy, Honor, and Own Image of Mexico City (*Ley de Responsabilidad Civil para la Protección del Derecho a la Vida Privada, el Honor y la Propia Imagen de la Ciudad de México*)). These provisions establish general protections for honor, privacy, and image rights applicable to any person — regardless of whether they are performers.
- Furthermore, the commercial use of a person's image involves the processing of personal data; accordingly, such processing must be disclosed in the corresponding privacy notices and consent must be obtained in accordance with the terms established by the Federal Law on Protection of Personal Data Held by Private Parties ("*Ley Federal de Protección de Datos Personales en Posesión de los Particulares*").

Practical examples of prohibited uses of artificial intelligence tools (unless expressly authorized)

- The FCL amendments expressly recognize that image and voice constitute protected data whose use requires the express consent of the performing artist.
- Unless the performing artist expressly consents, certain prohibited uses of artificial intelligence include: (i) publishing or disseminating deepfakes or synthetic voices; and (ii) cloning or simulating the performer's voice in a recognizable manner to generate new versions of works with the intent of replacing the performer's professional performance.
- On the other hand, training AI using recordings of performers is not regulated; however, if the result constitutes cloning or an identifiable simulation of their voice, it will be prohibited.

Non-compete: The amendments stipulate that, in advertising contracts, exclusivity or non-compete clauses may not extend beyond the term of the contract. Since these contracts now have a defined term structure (6 months, renewable), the clause is similarly limited. Clauses with a broader scope will be invalid by law. This reinforces the performers's right to compete freely in the market once the contractual relationship has ended—preventing advertisers with greater bargaining power from limiting the performer's access to third-party campaigns.

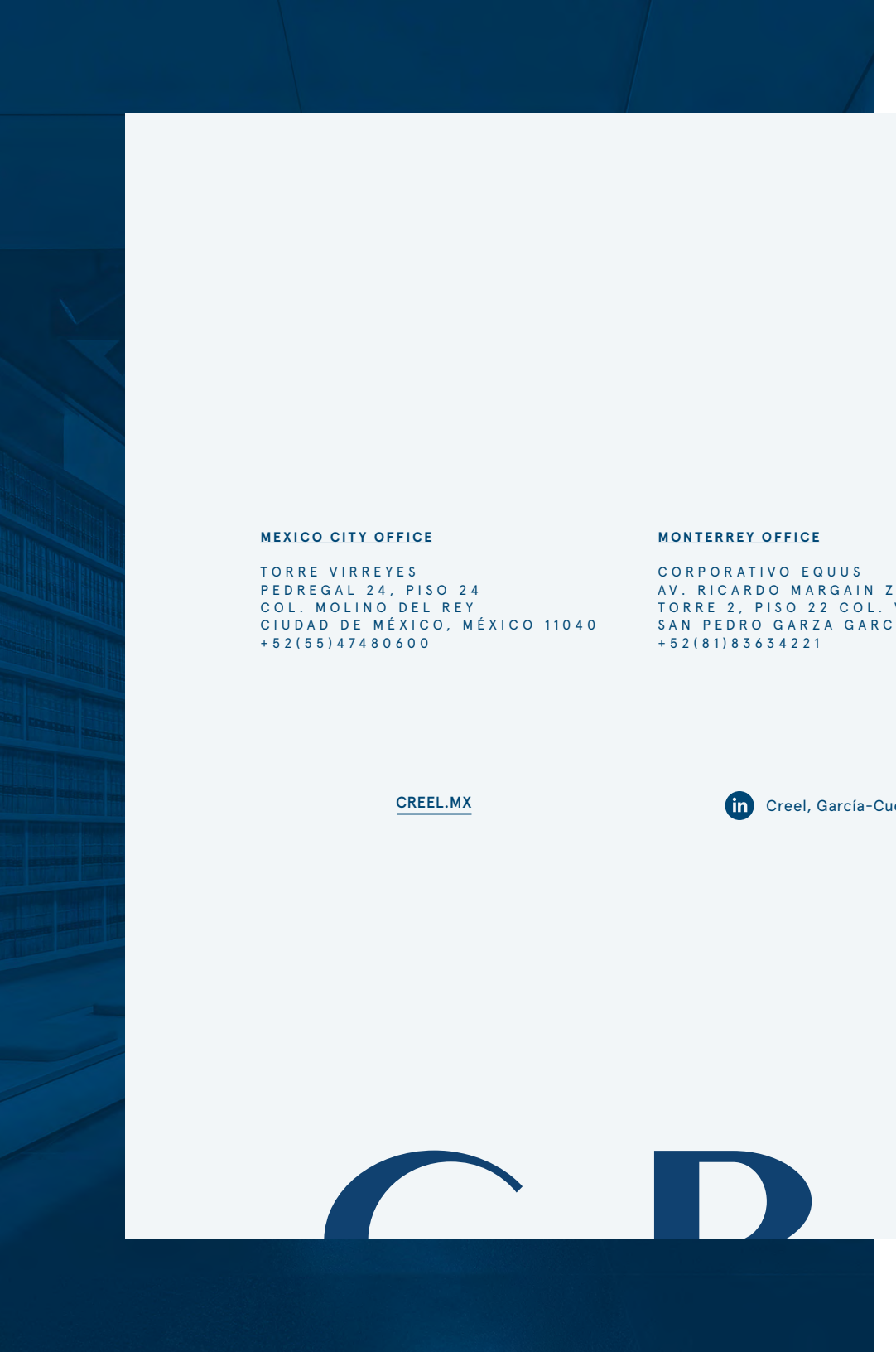
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