

August 2, 2022

Course of Remediation

The United States and Mexico agree to implement this Course of Remediation, for the issue remaining for the purposes of United States-Mexico-Canada Agreement (USMCA) Annex 31-A (United States-Mexico Facility-Specific Rapid Response Labor Mechanism), for the Denial of Rights determined by Mexico to exist for purposes of USMCA Annex 31-A, and for workers at the Teksid Hierro de México, S.A. de C.V. (Teksid) facility in Frontera, State of Coahuila, whose bargaining representative is the Union of Mine, Metal, Steel and Allied Workers of the Mexican Republic (the Union).¹ The agreed-upon date for remediation is August 15, 2022.

The United States and Mexico recognize that the terms of the July 11, 2022, agreement between the Union and Teksid (the July 11 Agreement) required Teksid to transfer union dues to the Union. Teksid has made a transfer of union dues on July 21, 2022. However, the Union is in the process of reviewing the transferred dues.

Therefore, the United States and Mexico agree that:

1. The Secretariat of Labor and Social Welfare (STPS) will verify the appropriate amount of union dues owed to the Union by August 15, 2022, unless the Union and Teksid agree on the exact amount of union dues owed to the Union under the July 11 Agreement by August 8, 2022.
2. The STPS will oversee that Teksid has transferred the total amount owed to the Union by August 15, 2022.

Addendum of August 15, 2022

On August 11, 2022, Mexico facilitated an agreement between the Union and Teksid in light of the August 2, 2022 Course of Remediation. The agreement included a process to resolve any further concerns that may arise regarding the July 11 Agreement union dues obligation (the August 11 Agreement). The Union and Teksid established a permanent working group under Mexican domestic authorities to determine the final accounting of the exact amount of union dues owed. Mexico has agreed to provide technical and legal support to assist in resolution of a concern arising under the August 11 Agreement.

Given the agreements of the Union and Teksid, the United States and Mexico agree that:

1. The August 11 Agreement represents an adequate means of verification of the appropriate amount of union dues owed to the Union under the July 11 Agreement and satisfies paragraph 1 of the August 2, 2022 Course of Remediation; and,

¹ Sindicato Nacional de Trabajadores Mineros, Metalúrgicos, Siderúrgicos y Similares de la República Mexicana (SNTMMSSRM). SNTMMSSRM is the union holding the Certification of Representation.

2. The August 11 Agreement represents a sufficient means of oversight by STPS of the total amount owed to the Union, as confirmed by the Union's agreement to the August 11 Agreement, and satisfies paragraph 2 of the of the August 2, 2022 Course of Remediation.