

# Report on the Amendment to the Public Works and Related Services Law

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## Executive Summary:

- On April 16, 2025, an amendment to the Law on Public Works and Related Services (Ley de Obras Públicas y Servicios Relacionados con las Mismas, "LOPSRM") was published in the Official Gazette of the Federation. This amendment, promoted by the Head of the Federal Executive Branch, aims to strengthen the regulatory framework for public procurement, thereby ensuring the quality of infrastructure and the efficient use of public resources. This amendment addresses previously identified deficiencies that hindered these objectives and it represents a structural change in how the Mexican State plans, procures, executes, and oversees public works by incorporating principles of transparency, efficiency, and digitalization.
- Among the most significant changes are the creation of a new Digital Public Procurement Platform, the introduction of new bidding procedures, the mandatory use of an electronic logbook, and limitations on subcontracting. These measures seek to enhance accountability, reduce discretionary areas, and promote greater competition in the sector.

## Main Changes

### 1. Digital Public Procurement Platform

One of the pillars of the amendment is the creation of a new digital platform that replaces the former platform, known as "CompraNet". This tool centralizes the entire procurement cycle, from planning to agreement signing, allowing for real-time traceability and public access to information. The platform also incorporates electronic signature mechanisms and the automated tracking of procedures.

### 2. New Procurement Procedures

The amendment introduces concepts such as strategic dialogues, which allow government agencies to interact with potential suppliers before launching an official call, aiming to improve the technical quality of projects. Subsequent discount offers are also

incorporated, enabling bidders, after the presentation and opening of proposals, to electronically submit additional offers to improve the initial price offered. This aims to secure better prices for the State and foster competitiveness among participants. Furthermore, the use of the points and percentages method in proposal evaluation is strengthened, prioritizing companies with integrity and compliance policies.

### 3. Mandatory Electronic Logbook

The amendment establishes the mandatory use of an electronic logbook for all public works agreements. This digital tool allows for real-time recording of progress, incidents, and modifications during the execution of the work.

#### 4. Regulated Subcontracting and Limitations

The amendment imposes a limit of 49% (forty-nine percent) of the total agreement amount for subcontracting, aiming to prevent the fragmentation of responsibilities and ensure that the main contractor has the technical and operational capacity. Additionally, it prohibits subcontracting companies that participated in the same official call, reducing the probabilities of potential fraudulent arrangements.

#### 5. Reduced Deadlines and Greater Agility

Legal deadlines are reduced for various stages of the procurement process, including proposal submission and award announcement. It also allows for the agreement to be awarded to the second-place bidder if the first fails to sign, provided the price difference does not exceed 10% (ten percent).

#### 6. Updated Obligated Parties and Exclusions

The amendment clarifies that all entities that exercise federal resources are subject to this law, including states, municipalities, and autonomous bodies, unless they have a specific exemption or regulatory framework. Works carried out by state-owned public companies and those necessary for public service concessionaires are also expressly excluded.

#### 7. Inclusion of New Dispute Resolution Mechanisms

A chapter on arbitration and other alternative mechanisms for resolving disputes related to contract interpretation or execution was also added. This seeks to streamline conflict resolution and prevent disputes from delaying the execution of work.

In this regard, the April 2025 amendment represents a significant effort to modernize Mexico's public procurement system. By incorporating digital tools, new bidding procedures, and stricter control mechanisms, the amendment has the potential to significantly improve transparency, efficiency, and accountability in the execution of public works.

However, its success will largely depend on the practical implementation of secondary provisions, the training of public servants, and the political effort to apply the law uniformly. The exclusions granted to the Armed Forces, as well as the vagueness in specific exception clauses, represent significant risks that could weaken regulatory progress and perpetuate opacity schemes that have historically favored corruption if not adequately corrected or supervised.

One of the main changes introduced by the amendment is the creation and operation of a new Digital Public Procurement Platform. This tool, named Compras MX, was officially inaugurated on April 18, 2025, by the Ministry of Anti-Corruption and Good Governance, replacing the old CompraNet system.

Compras MX was designed to centralize and transparentize information related to public procurement of goods, services, and works. Its objective is to facilitate access to transparent, timely, and detailed data on the use of public resources for citizens, businesses, and government entities alike. Unlike its predecessor, this platform not only facilitates the consultation of processes but also aims to operate as a transactional system that streamlines procedure management, fosters competition, and enhances accountability.

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