

CCN MEXICOREPORT

 ccn-law.com

Amendments to Mexico's National Waters Law: Key considerations for industrial water concessionaires

By: Jorge R. Ojeda Santana

On December 11, 2025, the Mexican General Water Law ("LGA") and amendments to the Mexican National Waters Law ("LAN") were published in the Official Journal of the Federation. The LGA is the regulatory law of Article 4, eighth paragraph, of the Mexican Constitution, and its purpose is to establish the conditions and mechanisms necessary to ensure compliance with the right to access, availability, and sanitation of water for personal and domestic consumption.

In turn, the amendments to the LAN regulate Article 27 of the Mexican Constitution with respect to the exploitation, use, or appropriation of national waters, including concessions for the use of national waters for industrial purposes.

Below is a brief outline of some of the most relevant aspects of the amendments to the LAN and their impact on companies operating in the industrial sector.

The main changes to the LAN include the following:

- A new concept known as "reassignment" is introduced, pursuant to which the Mexican National Water Commission ("CONAGUA") may dispose of volumes of water available in the national water reserve fund and assign or grant them under concession, subject to the terms and conditions set forth in the LAN and its regulations.
- The national water reserve fund will be comprised of available water volumes, including those resulting from the termination of water concession ownership titles.
- In the reassignment of water rights available in the national water reserve fund, CONAGUA will give priority to uses that benefit the human right to water, food security, and national development.
- The right of concessionaires to freely transfer their concession rights to third parties is eliminated from the LAN.

- In cases involving the transfer of ownership of property to which concessioned water rights are attached, as well as in cases of corporate mergers or spin offs and succession rights of the titleholder, CONAGUA may approve the reassignment of such rights to the new owner or entitled third party. CONAGUA must resolve these requests within 20 business days. The LAN establishes a preference in favor of the acquiring third party, and the corresponding approval will be granted without conducting an analysis of water availability.
- Article 23 Bis, which allowed concession holders to provisionally supply all or part of the concessioned water to third parties upon simple notice to CONAGUA, has been repealed. Such conduct now constitutes grounds for revocation of the concession.
- The possibility for a concessionaire to change the authorized use of water established in the concession title is eliminated; therefore, the water must be used strictly for the purpose for which it was granted. Use for a different purpose constitutes grounds for revocation of the concession and is subject to sanctions.
- Applications for the extension of concessions must now be filed within a time window beginning three years prior to the expiration of the concession term (previously five years) and no later than six months before expiration.
- The mechanism allowing payment of a guaranty fee to prevent the total or partial forfeiture of concessioned water rights remains in effect and must be paid before two consecutive years elapse without full use of the granted volume. However, this option is now limited to two occasions.

The amendments to the LAN expand CONAGUA's authority, the grounds for non-compliance, and applicable sanctions. They also establish a series of criminal offenses aimed at preventing the transport of national waters for profit when it is known that such waters were illegally extracted, as well as offenses intended to sanction certain acts of corruption.

Accordingly, it is necessary for concessionaires to review their compliance with the obligations set forth in their concession ownership titles and applicable law in order to mitigate the risk of loss of rights and the imposition of sanctions.

