

Initiative for the enactment of the General Waters Law and reform to the National Waters Law

Mexico City, October 14, 2025

On October 9, 2025 the "Initiative of the Federal Executive containing a draft decree issuing the General Waters Law and amending, repealing, and adding various provisions of the National Waters Law" (the "Initiative"), was published in the Parliamentary Gazette of the Chamber of Deputies, with the purpose of establishing a new legal framework to regulate the use, exploitation, management, preservation and distribution of national waters.

This Initiative is one of the actions that the Federal Executive has undertaken, as a consequence from the "National Water Plan 2024-2030" presented on November 21, 2024, which is based on four guiding principles: water policy and national sovereignty; justice and access to water; mitigation of environmental impact and adaptation to climate change; as well as a comprehensive and transparent water management. This Initiative seeks to prioritize the human right to water for personal and domestic consumption.

Likewise, on December 19, 2024, it was published in the Federal Official Gazette, the "National Agreement for the Human Right to Water and Sustainability", which seeks to guarantee equitable access to drinking water and promoting its efficient use in Mexico, recognizing water as a national asset and a human right.

The main changes contained in the Initiative are described below.

I. General Waters Law

The need for a General Waters Law derives from the constitutional reform published on February 8, 2012, through which the then sixth paragraph (currently eighth) of article 4 of the Political Constitution of the United Mexican States ("CPEUM") was modified, elevating the human right to water and sanitation to constitutional rank. Article third transitory of such reform established a period of 360 days for the Congress of the Union to issue the General Waters Law, an obligation that, to date, has not been fulfilled.

Therefore, the General Waters Law is configured as regulatory of article 4, eighth paragraph of the CPEUM, regarding the human right to access, disposal and sanitation of water for personal and domestic consumption.

The following are some key points that the General Waters Law aims to regulate:

A. Rainwater Collection

The General Waters Law regulates the collection of rainwater for personal and domestic use, establishing the obligation of federal entities and municipalities to promote its use, as well as the guidelines for implementing rainwater collection systems in public and private projects, provided that the natural hydrological cycle is not affected. Such guidelines will be determined by CONAGUA.

These systems must allow the collection, filtration, treatment and storage of rainwater for its subsequent use and exploitation.

Likewise, the federal entities must promote the inclusion, in construction related codes and in legislation on condominium property, of the obligation to install rainwater collection systems with sufficient capacity to meet the needs of each private unit of the condominium.

In this regard, it is important to note that, pursuant to the amendment to the National Waters Law, the collection of rainwater for purposes other than personal and domestic use will require authorization from the National Water Commission ("CONAGUA"), in order to avoid affecting water availability for third parties and will be regulated under the National Waters Law. Notwithstanding the foregoing, the amendments to this Law do not specify the context in which such authorization will be required, nor the procedure to obtain it; therefore, further clarity on this matter will depend on the issuance of secondary regulations.

B. Social and Citizen Participation

In water management, mechanisms for citizen participation will be promoted that include the most vulnerable sectors in a public and transparent manner, with the aim of ensuring their inclusion in the planning, decision-making, implementation, evaluation, and oversight of national water policy.

C. Community Water and Sanitation Systems

The figure of Community Water and Sanitation Systems is created, comprised of people from a community, who may provide water and sanitation services for personal and domestic use, without profit, in areas that are not included within the area of operation of municipal, intermunicipal or metropolitan water and sanitation services. The operation of each system will be regulated according to what is established by the laws issued in this regard at the state level.

Community systems administered by indigenous and Afro-Mexican peoples and communities will be governed by the general law regulating article 2 of the CPEUM, that will be issued in due course.

II. National Waters Law

The Initiative states that the National Waters Law was originally conceived as a response to an economic model rather than as an instrument to conserve and equitably distribute water resources. Therefore, the proposed reform seeks to reaffirm and strengthen the State's authority over the ownership and administration of national waters, ensuring a fairer distribution of the resource.

In this context, the Initiative proposes to amend, repeal, and add provisions to the National Waters Law, primarily in the following areas:

A. Water Responsibility

The concept of "Water Responsibility" is included, which refers to responsible water management and good practices by the water authority, concessionaires, assignees, permit holders, and users in general to improve the management, exploitation, use, reuse, or efficient and sustainable utilization of national waters, ensuring their availability, accessibility, and affordability for human use and ecosystems.

This concept becomes relevant in the context of extension requests for water concession titles, as well as in CONAGUA's evaluation regarding the imposition of administrative sanctions on title holders who breach the provisions set forth in the National Waters Law, its regulations, and the obligations established in the concession titles.

CONAGUA must issue the regulations concerning the technical criteria for Water Responsibility.

B. Treated Wastewaters

A definition of “Treated Wastewater” is included, stating that it refers to water that has been conditioned for reuse. CONAGUA shall promote the use of both treated and untreated wastewater, which must at all times comply with the provisions of the applicable Mexican Official Standards, environmental regulations, and particular discharge conditions.

It is important to note that the conditions governing the reuse of treated or untreated wastewater shall be established in the regulations issued by CONAGUA for that purpose.

C. Creation of the National Waters Reserve Fund

The former Water Banks are replaced by the National Waters Reserve Fund (the “Reserve Fund”), which will be composed of volumes recovered from concession titles.

The volumes of this Reserve Fund will not form part of the ordinary availability of basins or aquifers.

Reassignment procedures from the Reserve Fund must be public and transparent, with periodic publication of available volumes, applications received, applied technical criteria, and issued resolutions.

This Reserve Fund will be operated exclusively by CONAGUA, and its operation will be defined in the corresponding regulation, based on principles of transparency and equity in the distribution of water volumes.

D. Reassignment of Rights Instead of Transfer

The regime allowing the transfer of water concession titles between private parties is eliminated, and a new system of volume reallocation is introduced. Such reallocation may only take place after an analysis and authorization by CONAGUA, which will issue a new concession or assignment title.

“Reallocation” is understood as the procedure through which CONAGUA manages the water volumes held in the National Water Reserve Fund and grants or assigns them accordingly.

In this regard, although not explicitly stated in the reform, concession holders seeking to transfer the volumes covered by their concession titles will be required to “reallocate” them to the

Reserve Fund, from which CONAGUA will grant (or assign) them anew, following the procedure established in the Law and its implementing regulations.

In line with the above, the reform also provides for the possibility of granting concessions for “certain waters” through a bidding process and/or awarding them either to the first applicant or to the party offering the best terms and conditions to ensure rational use, reuse, and restoration of the resource.

The prohibition on transferring water concession titles also extends to wastewater discharge permits and concessions for the use of federal zones.

Furthermore, the reform eliminates the possibility of modifying the authorized use of water stated in a concession title, as well as the option of allowing third parties the provisional use of the water.

E. National Water Registry

The Public Registry of Water Rights is transformed into the National Water Registry, which will function as the only official and binding database on concessions, assignments and permits.

Concession or assignment titles must be registered in the National Water Registry.

F. Extensions and Validity of Titles

Extension requests must be submitted within the last year of the title validity and at least six months prior to its expiration.

In deciding on the characteristics for granting extensions, CONAGUA shall consider: the availability of the resource, Water Responsibility, and compliance with fiscal obligations.

When a concession or allocation title results from an approved extension, its validity shall begin on the day following the expiration of the immediately preceding title.

G. Early Termination

The provision for the early termination (*caducidad*) of water use concessions is maintained when the granted volume is not used for more than two consecutive years.

The causes for interrupting the expiration remain, including the option to pay a non-expiration guarantee fee; however, the requirement to properly justify the reason for non-use before CONAGUA is added, and the possibility of requesting this is limited to only two occasions.

H. Wastewater Discharge Permits

Wastewater discharge permits shall have the same duration as the corresponding concession or allocation title, and their extension shall be subject to the same rules on duration and termination.

In the event of a reassignment of water volumes, CONAGUA must issue a new discharge permit specifying the particular characteristics of such discharge.

The obligation to submit annual reports on the analysis and indicators of water quality and discharge volumes is established, replacing the previous biennial reporting.

I. Supervision, surveillance and security measures

A sanctioning regime and administrative procedures are established, setting forth rules for verification, inspection, and the classification of violations.

In cases of imminent risk to public health, national waters, property, biodiversity, or ecosystems, immediate measures may be applied, such as the temporary closure of water uses, suspension of polluting activities, or coordination with civil protection and public security authorities.

During inspections, CONAGUA may access all necessary information, including confidential information, and use new technologies. If irregularities are detected, the offender will be instructed on how to correct them and deadlines for compliance will be established, withdrawing the measures once they are remedied.

J. Sanctioning regime

The catalog of infractions is expanded to include: the assignment, supply, exchange or provision to third parties, temporarily or permanently, of the total or partial use of waters subject to concession or assignment; transfer of concession titles or permits; or change the use of water for which it was granted.

The amounts for economic penalties are increased according to three main ranges:

- a. USD\$1,548 – USD\$38,711 (260 to 6,500 UMAs¹)
- b. USD\$41,684 – USD\$89,316 (7,000 to 15,000 UMAs)
- c. USD\$119,094 – USD\$297,211 (20,000 to 50,000 UMAs)

In case of a repeated offender, the fine may be up to three times the amount originally imposed, as well as revocation of the title and permanent closure.

In addition to economic penalties, administrative sanctions may include temporary or permanent, total or partial closure when the offender fails to comply with corrective or immediate measures within the deadlines established by CONAGUA, as well as the suspension or revocation of concessions, allocations, permits, or authorizations, depending on the severity of the violation.

In determining sanctions, it is also stated that CONAGUA shall take into consideration the Water Responsibility of the titleholder, demonstrated during the validity of the concession, allocation, or permit. The commission of serious offenses or repeated violations may constitute grounds for denying an extension of titles.

In cases of minor, first-time offenses, the authority may refrain from imposing a sanction if the user has no record of final sanctions and has regularized their situation, complied with corrective measures, or repaired the damage. This determination to not impose a sanction must be officially documented and recorded in the National Water Registry.

K. Water-Related Crimes

The Initiative establishes specific criminal classifications for actions that threaten the integrity, availability or lawful management of national waters. These provisions seek to strengthen the legal protection of water resources and prevent acts of corruption, manipulation or illegal exploitation thereof.

The penalties contemplated are as follows:

¹ The Unit of Measurement and Update (*Unidad de Medida y Actualización*) (UMA) in 2025 has a value of 113.14 pesos per UMA.

Crimes	Penalties
Unauthorized transfer of national waters	Imprisonment from 2 to 10 years and an economic penalty from USD\$2,387 to USD\$23,873 (equivalent to 400 to 4,000 UMAs).
Alteration or diversion of waterways	Imprisonment from 2 to 10 years and an economic penalty from USD\$2,387 to USD\$23,873 (400 to 4,000 UMAs).
Tampering or alteration of water meters	Imprisonment from 1 to 9 years and an economic penalty from USD\$1,791 to USD\$17,910 (300 to 3,000 UMAs).
Corruption of public servants	Imprisonment from 2 to 12 years and an economic penalty from USD\$2,387 to USD\$23,873 (400 to 4,000 UMAs).
Bribery related to concessions or permits	Imprisonment from 1 to 12 years and an economic penalty from USD\$1,791 to USD\$17,910 (300 to 3,000 UMAs).

L. Transitory provisions

If the Initiative is approved, it will be published in the Federal Official Gazette and the new legal framework will enter into force the day after its publication.

Within a maximum period of 180 calendar days, CONAGUA must issue complementary regulations relating to the Reserve Fund, reassignment procedures, the National Water Registry and technical criteria for Water Responsibility.

Procedures submitted prior to the entry into force will be resolved in accordance with the regulations in effect at that time, provided that they do not contravene the new provisions. This point is particularly relevant in the case of requests for the transfer of concession titles that have not yet been resolved, since these procedures contravene the new provisions, which expressly prohibit the transfer of the rights established in concession titles.

In light of the above, it is possible that CONAGUA may reject requests for the transfer of concession titles submitted prior to the entry into force of the reform, even though this would imply a retroactive application of the law. This anticipates a complex scenario, especially when analyzed in the context of the reforms also being pursued in the area of *amparo*, as well as within the broader framework of judicial reform.

* * *

This document is a summary for disclosure purposes only. It does not constitute an opinion and may not be used or quoted without our prior written permission. We assume no responsibility for the content, scope or use of this document. For any comments regarding it, please contact any partner of our firm.