

New Water Regulation in Mexico includes Major Reforms

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PRACTICES Latin America Caribbean, Mexico, International

On Dec. 11, 2025, the Federal Official Gazette (DOF) published a Decree that issued the new General Water Law, in which several provisions of the National Water Law were reformed, repealed and added.

Among the most relevant points of the reform to the National Water Law (LAN) are the following:

1. Prohibition of the Transfer of Water Concessions. The reform to the LAN prohibits the transfer of water concessions between individuals, and water concession transfer are only allowed through the "volume reassignment" procedure. Reassignment is permitted in the following cases:
 - a. When the ownership of a property associated with a water concession title is transferred
 - b. In cases of merger or division of civil or commercial companies
 - c. In the event that inheritance rights are accredited

According to the LAN, CONAGUA must resolve the reassignment procedure within a legal term of 20 business days and issue a new water concession title with the same volume, use and remaining term of the water concession.

The requirements for the reassignment procedure will be defined by CONAGUA within six months from the publication of the reform in the DOF.

This new provision will have implications for the purchase and sale of real estate properties that have water concessions.

2. National Water Reserve Fund. The National Water Reserve Fund is created, whereby the volumes recovered from titles for the exploitation, use or exploitation of national waters will be concentrated, to be reassigned in accordance with the process of "reallocation of volumes."

CONAGUA will have the authority to strategically guide the reallocation of water.

3. Prohibition of Modification of Water Use. Modifying the use authorized in the water concession titles is prohibited to ensure that the volume granted is destined for the purpose for which it was granted.

4. Prohibition of the Supply of Water to Third Parties. The transfer, supply or exchange of water, or providing water to third parties for a use other than what it was authorized or concessioned for is prohibited.

5. Penalties. Penalties have been increased for the use of water for a destination other than the authorized one, the transfer of water concessions, as well as the creation of a chapter for

water crimes such as the exploitation, extraction and illegal transfer of water.

As a result of this reform, it will be important to evaluate operations that companies currently have in relation to their water concession titles, as well as the implications of the same in real estate purchases.

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For more information, please contact any of the following attorneys: