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MEXICAN LEGAL NEWS

## CONAGUA establishes temporary measures to guarantee the supply of water for population centers, during the contingency generated by the SARS-CoV-2 (COVID-19)

On July 1st,2020, the National Water Commission ("CONAGUA") published in the Federal Official Gazette the "Ruling establishing temporary and extraordinary measures to guarantee the supply of National Waters to population centers for domestic and public urban use, in light of the health emergency generated by the SARS-Cov-2 (COVID-19)" ("Ruling").

The Ruling establishes extraordinary and temporary measures to guarantee the supply of national waters for domestic and urban public use to population centers that are supplied through the states, municipalities, state operators and/or commissions responsible for providing the water, drainage and sewerage public service ("Authorities").

## Specifically, the Ruling provides:

- In basins and/or aquifers where water is required for human consumption as a consequence of the increased demand resulting from the health emergency caused by the SARS-CoV-2 (COVID-19), and where water is not available, national water concession holders are authorized on a temporary and extraordinary basis to grant provisionally to the Authorities, with prior notice to CONAGUA, part of their volume of water to use it temporarily to satisfy the objective of the Ruling.
- The notice that concession holders can submit before CONAGUA regarding the volume of water provisionally granted to the Authorities will be subject to the following:
  - o It must be in writing, indicating the number of the concession title and the volume of water to be allocated for the terms established in the Ruling.
  - o Establishing the measurement system that will be used to quantify the volume of water to be granted by the concession holders.
  - o Mentioning if the infrastructure of the concession holder will be used to extract the volume of water.
  - o Establishing the time period for which the volume of water will be provided; and
  - Establishing the form in which any damage caused to the concession holder's infrastructure by the use of such infrastructure for the purposes of the Ruling will be compensated.

The abovementioned can be executed through the submission of a water volumes temporary usage notice under the terms of Article 23 BIS of the National Waters Law and with the execution of a specific purpose contribution agreement that will be signed by the concession holder or its legal representative and the corresponding public officer of the Authorities with sufficient powers to execute such agreement.

- The volume of water that, in terms of the Ruling, is provisionally granted by the concession holder to the Authorities would be accounted as for "human consumption".
- The volumes of water on which the suspension, cancellation, expiration or revocation has been declared, that are expired, or those in which the process of extending the concession title is pending resolution by CONAGUA will not be subject to the measures established in the Ruling.
- The Ruling will be in force for 6 (six) months after the publication of the Ruling or "until the conditions of water supply to the population related to the health emergency generated by the SARS-CoV-2 virus (COVID-19) are overcome", whichever comes first.

At Von Wobeser, we have advised several of our clients regarding situations of this nature in coordination with CONAGUA and the corresponding Authorities in terms of the applicable legislation, and therefore we are prepared to provide advice on any issue related to the Ruling.

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