



Amendments to the Constitution of Mexico City, related to Water and Sewerage, Housing and Land Use Planning

On May 16, 2024, the Government of Mexico City ("CDMX") published in the Official Gazette an amendment to the Political Constitution of Mexico City ("CPCM"), with the purpose of transforming it into a more inclusive and supportive city by modifying the governmental strategy and vision for access to water and sanitation, through 3 main areas: (i) Housing; (ii) Water and Sanitation; and (iii) Land Management.

The reform states that the above is based on the criteria of sustainability and circular economy in the CDMX, and as part of the actions to address the water crisis and water scarcity in the City in accordance with the Sustainable Development Goals of the 2030 Agenda.

Accordingly, the new requirements and obligations for the development of housing in the CDMX focus on:

(i) Housing:

The authorities are requested to take the necessary measures to ensure that the new housing in the CDMX guarantees the protection of the human rights of the inhabitants in terms of accessibility, habitability, cultural adaptation, sufficient size, design and location. The necessary infrastructure for adequate housing must be provided, such as basic services, connection to the drinking water network, rainwater collection and systems for its reuse, sanitation, energy and civil protection.

(ii) Water and Sanitation:

It reaffirms the obligation of the government of the CDMX to guarantee universal water coverage through daily, continuous, equitable and sustainable access.

This is expected to be achieved by the implementation of administrative, financial and technological resources through:

- A policy of use, utilization and capture of rainwater, giving priority to areas without access to the public network;
- The promotion of wastewater treatment and reuse, in a chain of circularity;
- The creation of instruments that regulate the infiltration of water into the phreatic mantle;
- Implementation of cultural and educational programs on the sustainable use and care of water; and
- Encouraging rainwater harvesting.

(iii) Land use planning:

Finally, the reform modifies the CDMX's land use policy with respect to sustainable water management by:

- Guaranteeing a due cycle and process in the sanitation of wastewater, which triggers a mandatory reuse of wastewater in the CDMX;
- Promoting public policies regarding rainwater collection and use;
- Creation of an Infrastructure Plan to make use of wastewater, rainwater harvesting and aquifer recovery with a circular economy vision;
- The use of materials favorable to rainwater harvesting, as well as the rehabilitation of public spaces;

- Prioritizing domestic and residential water use over business use; and
- Prohibiting the privatization of water and sewage services in Mexico City.

The reform is effective as of May 17, 2024, but grants a period of 90 days to the Environment Ministry to coordinate the implementation of proposed actions and policies, and 180 days for the Congress of Mexico City to issue the laws and reforms through secondary legislation.

It will be essential to monitor legislative changes in order to identify modifications to the applicable legislation, as well as to carefully evaluate these criteria and principles, prior to the development of new projects in the City.

Sánchez-Devanny has a highly experienced team in these matters. We can gladly provide more information and answer your particular questions to ensure an adequate internalization of costs and incentives to navigate these new legal obligations.

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