Mexico:

Business opportunities in the water sector
**Mexico, Water sector, business opportunities**

The water sector in Mexico is booming. Problems around water shortage and excess of water have forced the government, the main decision maker in this sector, to invest in waterworks and facilities to provide clean water, both protecting the land and providing clean to as many inhabitants as possible. A new Public Private Partnership (PPP) Law has been approved which gives more possibilities to foreign companies to take advantage of government initiatives. The new government will definitely follow this line of improvements and maintenance in this sector.

**Facts & Figures about the country**

The total market for the water and wastewater subsectors estimated growth from 2011 to 2012 is 3.8%. The 2012 total budget from the Federal Government to Conagua (The National Water Commission) will reach over US$2.1 billion for new investment in water supply and waste water treatment for the municipal and industrial sector. As a result of the new Public and Private Partnership Law approved by the Mexican Congress, estimations are that investment form private sectors contractors in CONAGUA concessions will reach US$700 million in 2012.

**Water Technologies**

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011**</th>
<th>2012(estimated)</th>
<th>2013(estimated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Market Size</td>
<td>3,820.0</td>
<td>3,915.3</td>
<td>4,065.1</td>
<td>4,188.5</td>
</tr>
<tr>
<td>Total Local Production</td>
<td>1,225.0</td>
<td>1,225.6</td>
<td>1,286.9</td>
<td>1,319.0</td>
</tr>
<tr>
<td>Total exports</td>
<td>765.0</td>
<td>787.9</td>
<td>803.7</td>
<td>819.8</td>
</tr>
<tr>
<td>Total imports</td>
<td>3,360.0</td>
<td>3,477.6</td>
<td>3,581.9</td>
<td>3,689.3</td>
</tr>
</tbody>
</table>

** - statistics based on data available till November 2011.

**Business Opportunities**

**Water Purification Plants**

CONAGUA will invite companies to bid for the upgrading of 100 of the existing 631 plants. The estimated budget is US$35.5 million for plants in the states of Guerrero, Coahuila, Sinaloa, Tamaulipas, Zacatecas and Veracruz. CONAGUA plans to increase public access to water sanitations services from 49% coverage to 60% in 2012.

**Desalination Plants**

CONAGUA is planning to invite private companies to bid on desalination plants for the cities of Hermosillo and Puerto Peñasco in the State of Sonora as well as in Los Mochis and Mazatlan in the State of Sinaloa. CONAGUA has indicated that the new desalination plants will be built using the new Public Private Partnership Law as a framework.

**Wastewater Treatment**

CONAGUA will invite companies to bid on the upgrading of 140, of the existing 2,2029, municipal wastewater treatment plants mainly in the states of Aguascalientes, Chihuahua, Guanajuato, Jalisco, Nuevo Leon, Oaxaca and Puebla, among others. The estimated budget is US$70 million. New plants will be built in the states of Puebla, Colima, Yucatan, Quintana Roo, State of Mexico, Nayarit, Guerrero, Colima and others. CONAGUA has a budget of US$200 million for construction of new plants for the year 2012.
Water cooperation Mexico – The Netherlands
In first instance cooperation is focussed on coastal protection but in a later stage also water purification and sanitation will be included in the process.

Building on an already constructed network the Netherlands has asked to participate in the process of formulating a policy, including a budget proposal and action plan for the water policy focused on the Mexican state of Tabasco. The Dutch National Water Plan will be used as an example for the water plan for Tabasco, where the subjects floods, water security, climate adaptation and water governance will play a major role. Involvement in this formulation will lead to concrete orders for Dutch companies in the final output of this plan. The collaboration will also focus on bringing together Mexican and Dutch actors from government, industry and research institutes so as simultaneously to build a framework that which will provide a broader view of longer term cooperation.

NWP, Arcadis, European Centre for Governance, Innovation and Development and the government of the state of Tabasco are involved in setting up a joint cooperation which will result in a Mexico country platform for the water sector. A seminar will be organised in September 2012 in which also other companies, government agencies and knowledge institutes will be involved.

**Events**

The Green Expo
25-27 September 2012 – World trade Centre Mexico City
www.thegreenexpo.com.mx

Annual Convention and Expo ANEAS (National Association of water sanitation companies)
15-19 October 2012 in Querétaro
www.convencionaneas.com

**More information ?**

**In Mexico**

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Any companies interested in being informed about new developments in the water sector in Mexico, please let us know through mex-ea@minbuza.nl. We will be happy to keep you involved.

**In Nederland**

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