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White & Case Advises Consolidated Water in Successful Settlement Negotiations with Mexico

Global law firm White & Case LLP advised Consolidated Water Coöperatief, U.A. (Consolidated Water) in successful negotiations with Mexico to settle claims brought by Consolidated Water under a bilateral investment treaty between Mexico and the Netherlands.

The claims arose in connection with Mexico's termination, in 2020, of a public-private partnership agreement that two of its state agencies and the Government of Baja California had entered into with Aguas de Rosarito, Consolidated Water's subsidiary. Under the agreement, Aguas de Rosarito was to develop, build and operate a desalination plant and accompanying pipelines in Plays de Rosarito, Baja California, which would supply drinking water to a region of Mexico that is facing severe water shortages. In February 2022, Consolidated Water, represented by White & Case, commenced an arbitration against Mexico before the International Centre for the Settlement of Investment Disputes (ICSID) (see Consolidated Water Coöperatief, U.A. v. United Mexican States, ICSID Case No. ARB/22/6). The parties subsequently agreed to postpone the appointment of the arbitral tribunal in the interest of facilitating settlement discussions.

Consolidated Water and Mexico entered into a settlement agreement on May 29, 2024. Under the agreement, Mexico acquired the land owned by Consolidated Water on which the desalination plant and pipelines were going to be built, as well as Consolidated Water's documentation relating to the desalination project. In return, the ICSID arbitration against

Mexico was discontinued at Consolidated Water's request.

The settlement illustrates White & Case's capabilities in helping clients navigate complex cross-border disputes involving states and state entities, as well as negotiating successful resolutions of those disputes.

The White & Case team that represented Consolidated Water includes partners Sven Volkmer and Preeti Bhagnani (both in New York), Rafael Llano (Mexico City) and associate Ricardo Cruzat Reyes (New York).

Press contact

For more information please speak to your local media contact.