

I. ENVIRONMENTAL ASSESSMENT

The Mexican government has attached priority to key public and private activities that are the most likely to cause ecological imbalances or to exceed the limits established in the Law, its regulations and ecological standards. The government has imposed regulations on the evaluation of the environmental impact of a broad range of public and private activities and has made them subject to prior authorization.⁵⁶ Based upon an environmental review, the appropriate federal, state, or municipal government authority must authorize and impose conditions on both public and private activities that may cause adverse ecological effects or violate environmental laws.

(i) Existing Business

All operations that may emit contaminants into the atmosphere must obtain an operating licence pursuant to the Air Contamination Regulation. Companies that discharge residual waters from their operations also require a Waste Water Discharge Registration.

In addition, companies are required to report regularly and to provide detailed information on the chemical composition, volumes, storage, collection, transport and final disposition of hazardous wastes that have been generated.

Combined, the Environmental Impact Statements (EIS) and the above licensing and registration systems enable SEDESOL to assess the environmental impact of planned and existing operations in Mexico.⁵⁷

(ii) New Business

Prior to commencing operations, all new potentially contaminating industries and government projects must, by statute, file an environmental impact statement and risk analysis with SEDESOL.⁵⁸ The EIS must contain a description of the planned operations, elements of the natural and socio-economic environment in the area of operation, applicable land use standards and regulations, identification of the anticipated environmental impact of the project and measures for the prevention and mitigation of any potentially adverse environmental impacts.

SEDESOL, after an analysis of the EIS, issues a decision on the project. The decision may authorize the project as proposed, authorize the project with modifications, or deny authorization. Environmental impact assessments are public documents and are fully available to interested parties and individuals. The 1,610 new industrial projects begun in Mexico since 1988 have been required to comply with the government's environmental standards. Mexico's policy is to prohibit investments, whether foreign or domestic, that have been rejected by other nations as harmful to the environment or that do not meet Mexico's environmental regulations.

56. Jorge G. Santistevan, Responses to Questions Regarding Mexican Environmental Laws, p. 15.

57. *Ibid.*

58. *Ibid.*, p. 5.