

Mexico has a significant aquaculture industry, which is based mainly on traditional methods, such as small-pond cultivation of freshwater species. Total aquaculture production is in the order of 200,000 tonnes per year, of which more than 40 percent is *tilapia*, a freshwater species. Changes to the fisheries law in 1992 encouraged a substantial increase in private investment in this sector. Among other measures, the law allows for 50-year operating licences for private facilities. Private capital, including foreign investment, is now seen as essential to develop the potential of the entire fisheries sector.

Recent investments have created a small but growing industrial aquaculture sector based on ocean resources. Abalone, oysters, crab, squid and shrimp are growing in importance, notwithstanding the Gulf Coast cholera epidemic in 1991 to 1992 that severely cut oyster production. About one-quarter of all aquaculture production now consists of oysters and shrimp. The government hopes to develop more saltwater aquaculture projects, including inland saltwater ponds as well as offshore cage technologies, sometimes known as "mariculture". Technology for this approach has been tested in the Gulf of Mexico off Alabama, but so far not in Mexico.

With this objective, *Subsecretaría de Pesca*, Mexico's Fisheries Undersecretariat (now part of *Secretaría del Medio Ambiente, Recursos Naturales, y Pesca (Semarnap)*, Secretariat of Environment, Natural Resources and Fisheries) launched a major development program called the Mexico Aquaculture Project in 1994. It is supported by US \$300 million in World Bank funding, US \$150 million from the Government of Mexico and another US \$50 million from private companies. Its activities include sponsoring private research projects designed to develop aquaculture technologies and management of coastal resources in the following seven states: Tamaulipas, Veracruz, Baja California Sur, Sinaloa, Nayarit, Oaxaca and Chiapas.

The ultimate objective of the Mexico Aquaculture Project is to demonstrate the viability of different types of aquaculture technologies. It also seeks to develop aquaculture parks with infrastructure to support environmentally-appropriate development. Re-population of natural species and species management are also important project components. Projects sponsored by the program are expected to become operational over the six-year period ending in 2000.

Environmental and social impact studies for the project were completed in 1995. Increased pressure for environmentally-appropriate technologies is expected to keep the foreign content of aquaculture projects high. Most of the new technology in this sector has been provided by firms from Florida, Texas and California.