



















## **Mexican-German Programme** for NAMAs - Results and Lessons Learned

### **Goal and Approach**

In 2011 the governments of Mexico and Germany decided to jointly design four energy efficiency-driven NAMAs in key, nationally high greenhouse gases (GHG) emitter sectors: construction/retrofit of residential buildings, small and medium-sized enterprises and road freight transport; in addition to designing the domestic criteria and guidelines for NAMAs.

As a result, the Mexican-German Programme for NAMAs (ProNAMA) was created to support the Mexican counterpart institutions to develop strategies and financial mechanisms, setting up measuring, reporting and verification (MRV) systems, and developing capacities needed for implementing the NAMAs.

Each NAMA technical concept case was accompanied by the design of coordination platforms and pilot projects to ensure the commitment and ample support for the NAMAs in their respective sectors. These tasks allow the NAMAs to meet the requirements for reaching status, credibility, transparency, feasibility and robustness to successfully attract funds and facilitate their implementation.

### **Pioneering the NAMAs Development**

The ProNAMA was the first multi-sectorial programme to be implemented in Mexico and quickly became a reference for other related actions both nationally and worldwide. Some of the approaches driven by this initiative, consisted in introducing the NAMAs framework into existing programmes, generating robust MRV systems, supporting parallel policies with regard to the NAMAs' targets, orientating results towards innovation, and constant adaptation to the country's priorities.1



for the Environment, Nature Conservation.

of the Federal Republic of Germany

ProNAMA Fact Sheet available at: http://climate.blue/download/Factsheets/FS\_ProNAMA.pdf Available at: https://www.youtube.com/watch?v=AIPMIDcu4BY (English subtitles)

### **State of Implementation and Results**

### Owner-attractive and climate-friendly housing

The New Housing NAMA focuses on fresh social projects and aims to complement existing initiatives in this sector to make optimum use of resources and to promote energy efficiency and costeffective building models under the framework of the Mexican housing policy as well as sustainable urban development. Providing financial incentives for the building industry by introducing a more stringent energy-efficient construction approach, grants the energy performance to raise above the current standards.

As for the Existing Housing NAMA, it promotes the penetration and gradual expansion of technological upgrades that produce energy efficiency improvements in formal existing dwelling, and establishes a comprehensive energy advisory scheme for achieving more ambitious performances in all market segments.

Among the results encouraged by ProNAMA we can name:

The presentation of the «Supported NAMA for new energyefficient housing in Mexico: mitigation actions and financial packages guidelines», during the 17th Conference of the Parties (COP17) in Durban.

Launch of the NAMA in the framework of the first round of the NAMA Facility, at that time facilitated by the German-British BMUB-DECC at COP18 in Doha.

Introduction of the 'whole house' performance approach into the national housing policy.

Development of promotional material for both NAMAs.<sup>2</sup> Advisory services for construction projects involving the piloting of NAMAs and MRV system for new housing in three different Mexican states (75 homes or apartments) and eight units for housing retrofit.





Images 1&2. New Housing NAMA in Hermosillo, Mexico (completed and under construction).

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# Raise competitiveness of Small and Medium-sized Enterprises (SMEs) by reducing energy consumption along with GHG emissions

This NAMA strengthens the *«Eco-crédito Empresarial»*Programme run by the Ministry of Energy (Sener) and implemented by the Electric Power Saving Trust Fund (FIDE), through a robust and comprehensive MRV system. These actions focuses on active commercial, industrial or services users, which have low energy consumption, accounting over 99% of the economic units in the country, through the massive replacement of inefficient and obsolete equipment —such as commercial refrigeration, lighting, air conditioning, motors and electrical substations— with energy-efficient appliances.

Another focus provided is that of putting into effect individual diagnostics of SMEs in order to identify thermal and electrical energy efficiency opportunities, which under a sectorial approach can increase certainty, thus reducing the risk for financial institutions.

These are the results obtained so far:

The operating IT platform of the *«Eco-crédito Empresarial»* Programme introduces the principles and criteria of the MRV system which optimises the energy savings and GHG reduction calculation methodology, giving transparency to the process

An analysis and benchmarking study of the energy saving potential was conducted in the hospitality SMEs industry in Mexico.

Online training course on energy efficiency for SMEs (sectorial version) has been developed and implemented along with the National Development Banking Institution Nafin.

Promotional videos for the Programme were developed also.<sup>3</sup>



Image 3. One of the many business' owners benefited



# Generating shared benefits in economy, health, and road safety: Climate-friendly Road Freight Transport. 5

The objective of the Road Freight Transport NAMA is to reduce GHG emissions in this sector concentrating on the 'Man-truck' (an owner operator with up to five vehicles) and Small fleet trucking (up to 30 vehicles). These two groups comprise about 60% of the total number of active freight vehicles in Mexico. In order to modernise the fleet and promote efficient usage, two on-going programmes were strengthened: the scrapping scheme to renew the fleet and the *«Transporte Limpio»* (Clean Transport) Programme in order to make a more efficient existing fleet.

Some key results from these efforts are:

Doubling of the incentive for the Mexican truck scrapping scheme, and introduction of the *«Pari-Passu»* (equally regarded) making capital investment more attractive for freight carriers.

Enforcement of Technical Eco-Driving for freight carrier drivers and its training material were developed.<sup>6</sup> Additionally, the Global Environmental Facility (GEF) will continue to support the implementation of Eco-Driving on a voluntary basis for Mexico's road haulers.

Calculation tools for the truck scrapping programme were also elaborated in the framework of the *MRV Expert Group* in collaboration with the IKI *TRANSfer project.*<sup>7</sup>

Supporting the process for updating the Mexican emissions standards from EPA 2004/EURO IV to EPA 2010/EURO VI, for heavy duty vehicles.



Image 4. Trucks arriving the "Central de Abastos", Mexico's biggest produce market

Available at: https://www.youtube.com/watch?v=BsAh1A9NvUU (in Spanish only)
Available at: http://climate.blue/download/Factsheets/FS\_Refrigeration%20Systems.pdf
Read more at: http://climate.blue/download/Factsheets/FS\_NAMA-Transporte\_English.pdf\_
Video available at: https://www.youtube.com/watch?v=MYzJXccAgzU (in Spanish)
More information available at: http://transport-namas.org/projects/t-nama-countries-iki/

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This component supported the national authority on Climate Change to generate general guidelines and minimum standards for the development of NAMAs under the Mexican context, as well as coordinate and supervise processes for managing the NAMAs domestically. These activities were set up to look for needs of assistance, to promote the collaboration between stakeholders, to communicate the individual and national progress of NAMAs on a transparent manner and to provide visibility to the NAMA proponents.

The main results from these activities were:

Support for the development of domestic criteria and guidelines for NAMAs.

Improvement of the national management system for NAMAs and the development of a web-based platform that embeds the Voluntary Mexican NAMA Registry.

Diagnosis studies of domestic funds for NAMA finances and fund matching events.

### **Sharing the Experience**

After four years of ongoing implementation, the ProNAMA has gained a number of valuable lessons able to serve as reference for carrying out the NAMAs from mere ideas to their realisation. As a contribution to this goal, emerging from these experiences, two instruments are accessible to governments and institutions willing to undertake the development of NAMAs or to centralise their coordination nationally:

Firstly, a that concentrates a variety of reports and studies developed under the programme. Secondly, a Final Product that summarises key activities, challenges, recommendations and lessons learned from each component.<sup>8</sup>

Following a cooperation management framework, the next factors were crucial to achieve successful results throughout the development of the ProNAMA:

### Cooperation

Build constant communication and linkages between actors. Promote mechanisms for cooperation with new players.

### **Strategy**

Linkage and alignment with government objectives.
Build and operate the NAMAs on existing mechanisms.
Get support from public policies related to the NAMA.

### Conduction

Consider the importance of the ownership of the NAMA. Balance the benefits of mitigation and development.

### Processes

Constant adaptation to the political times.
Focus on sustainability mechanisms of processes.

### Learning and innovation

Permanent capacity building.

Technological approach according to sectorial context.

Consider that innovation is the key.

For further information, please visit this Blog: http://climate.blue/pronama/

Available at: http://climate.blue/biblioteca-pronama/ (some reports are available in English)

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### Country: Mexico

### **Mexican counterparts:**

Ministry of Foreign Affairs (SRE) - Mexico
Ministry of Environment and Natural Resources (Semarnat) – Mexico
Ministry of Energy (Sener) - Mexico
Ministry of Communications and Transport (SCT) - Mexico
Ministry for Agricultural, Territorial and Urban Development (Sedatu) - Mexico
National Housing Commission (Conavi) - Mexico
Institute of the National Housing Fund for Workers (Infonavit) - Mexico

### Implementing organisation:

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

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