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IKI Alliance Mexico Newsletter IKI ALLIANCE MÉXICO

News from IKI projects in Mexico

A service provided by the "Mexican-German Climate Change Alliance"

Dear Reader:

The climate crisis and the loss of biological diversity are considered wicked problems, that is, problems that do not have a single solution; a complex and interdependent network of actors is necessary to solve them. Cooperation and dialogue are key to co-build solutions to these global challenges.

The International Climate Initiative (IKI) supports this effort in Mexico with over 32 projects and an IKI Interface which strengthens cooperation and enables political dialogue. A key activity is the annual exchange workshop between Mexican and German political counterparts and the IKI projects, this year's edition took place on May 19th in Mexico City. Keep reading to learn more about the activities and results of this exchange!

The quarterly newsletter "IKI Alliance Mexico" highlights the activities and impacts of IKI projects and seeks to promote exchange and synergies between them.

Share this edition with your colleagues and visit our blog or Twitter account! Do you have comments? We would love to hear from you! Contact us via email: iki.alliance.mexico@giz.de or Twitter.

We hope you enjoy this interesting read!

Phillip Schukat and Mona vom Endt from the IKI Interface in Mexico

Projects) #IKlenMéxico



Sixth IKI Workshop in Mexico © Camilo de la Garza, GIZ México 2022

For over a decade, the Mexican and German governments have collaborated within the IKI in the implementation of the Paris Agreement and the Convention on Biological Diversity (CDB). IKI projects in Mexico contribute to these efforts in the areas of greenhouse gas (GHG) mitigation, climate change adaptation, conservation and restoration of natural carbon sinks, and protection of biodiversity.

In this context, the sixth IKI projects exchange workshop was successfully held in Mexico, seeking to strengthen

dialogue and be a space where experiences could be shared between initiatives working on climate action and biodiversity protection. With 86 participants from the public and social sectors, topics such as sustainable transport, green finance, climate commitments, energy efficiency, and nature-based solutions were discussed.

The high-level event was attended by representatives from the Ministry of the Environment and Natural Resources (SEMARNAT), the Ministry of Agrarian, Territorial and Urban Development (SEDATU), the Ministry of Agriculture and Rural Development (AGRICULTURA), the Ministry of Finance and Public Credit (SHCP), the Ministry of the Environment and Territorial Planning of Guanajuato (SMAOT), the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMUV), the German Federal Ministry for Economic Affairs and Climate Action (BMWK) and the German Embassy in Mexico.

In their welcoming remarks, the spokespersons from SEMARNAT and the German Embassy reiterated their interest in continuing to work together on environmental protection, the fight against climate change and the conservation of biological diversity within the framework of the IKI. The BMWK and the BMUV reaffirmed that climate change is a priority for the German government and highlighted the importance of IKI cooperation in Mexico since 2008.

The event was an opportunity to share the priorities of both countries in the climate agenda, which coincide in putting climate justice and the protection of people and communities vulnerable to climate change at the centre.

In an expert panel on sustainable transport, representatives from the National Institute of Ecology and Climate Change (INECC), the Regulatory Agency for Rail Transport (ARTF), SEDATU, the SMAOT, the General Assembly of the National Association of State Environmental Authorities (ANAAE) and the International Climate Initiative Division of the BMWK, discussed actions to build green and inclusive cities with smart mobility solutions.

The IKI projects used their first face to face encounter after two years to network and exchange ideas and experiences. The result was a rich discussion between 14 IKI implementing organizations, who participated in the workshop, and political counterparts which identified synergies and opportunities for future cooperation.

For more information, check out this article summarising the event and videos of the presentations.

Below, we show a glimpse of the positive impacts of cooperation for climate and biodiversity of IKI projects. In addition, we present the new projects which have recently begun their activities, such as the Latin American Climate Asset Disclosure Initiative (LACADI), Transformative Urban Coalitions and Learning by Doing.

We hope that reading this edition of the IKI Newsletter will inspire you to continue climate and biodiversity action!



Sixth IKI Workshop in Mexico © Camilo de la Garza, GIZ México 2022

New Projects

Latin American Climate Asset Disclosure Initiative (LACADI)

02/2022 - 07/2023 Implemented by ICM

The Latin American Climate Asset Disclosure Initiative (LACADI) is implemented by Transforma (Colombia), Mexico's Climate Initiative (ICM) and Libélula (Peru). Its objective is to achieve the inclusion of climate change opportunities and risks in the investment decisions of the financial sector in Latin America.

LACADI's approach is to promote, adopt and support the implementation of the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD), aligning financial flows with the Paris Agreement objectives.



Informative session of the Mexico Advisory Committee, with the participation of the LACADI Mexico and Regional Technical Team © Transforma, ICM, Libelula

As part of the support to institutional investors in Mexico and Peru, in accordance with their progress and needs, LACADI will develop:

- Peer training and learning sessions.
- Advisory Committees as fundamental organisms in the governance of the project that, among other initiatives, will facilitate interaction between actors, generate articulation mechanisms and support the implementation of the project throughout its duration.
- Publications created from a detailed analysis of the topic both in Mexico and Peru.
- The design and implementation of questionnaires and methodologies to allow the creation of rankings, recommendations to the financial sector, as well as the impact on public policies —the latter based on TCFD recommendations.

Other details about LACADI can be found in the launch sessions held in Mexico and Peru

Transformative Urban Coalitions

01/2021 – 12/2026 Implemented by UNU-EH/WRI

Implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Within the framework of the Transformative Urban Coalitions project, laboratories were installed in the municipalities of



Leon's Urban Laboratory in which more than 40 people participate © Transformative Urban Coalitions

Leon, Guanajuato and Naucalpan, State of Mexico, with the aim of proposing a common vision in urban development.

The urban laboratories —under the auspices of the Transformative Urban Coalitions project— will allow the development of strategies to address local challenges in urban development, inequality, and the reduction of carbon emissions. They have a participatory governance approach, in addition to the collaboration of state and municipal authorities and representatives of civil society organisations.

During the first session, an agenda was developed to build trust among the people participating in the urban laboratory, create a sense of belonging around the urban transformation project, share a general diagnosis among specialised expert allies, and define rules and commitments. The laboratories will meet at least six more times in the remainder of 2022.

In addition, the results of the survey applied by the United Nations University were presented, which constitute the baseline to address the problem and the first proposals for solutions. International success stories were also presented, as well as the work plan and methodology.



Naucalpan's Urban Laboratory © Transformative Urban Coalitions

Learning by Doing

04/2020 – 09/2023 Implemented by CIES

The challenge of a future temperature rise of between 2 and 1.5°C presents an opportunity to imagine how we would deal with this change in Mexico. Learning by Doing aims to create visions and trajectories of a future society.

Learning by Doing has been working in Mexico, the Dominican Republic, Lebanon, South Africa and the Latin American region for more than a year. The project in Mexico



examines low-carbon and resilient sectoral policy trajectories 1.5 - 2°C Vision © Learning by Doing that make it easier for society to live better, with the necessary steps to achieve that desirable future. It also calculates emissions associated with these visions in various sectors and how they can achieve carbon neutrality.

To explore the vision of those future societies, the project combines a bottom up iterative and participatory process, with decentralised origins and proposals. For example, university students compete by submitting proposals, experts in working groups examine sectoral options, and analysis groups study the advantages and challenges of these results with general equilibrium models. The idea is to contribute to the debate about a Mexican society that is compatible with the climate challenge around 2050.

To learn more about this project visit the website: Learning by Doing, and watch the following video:



Bilateral Projects

Mexican-German Climate Change Alliance

02/2019 - 01/2023

Implemented by GIZ Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

In a productive cooperation, the *Deutsche Gesellschaft für Internationale Zusammenarbeit* (GIZ) GmbH together with the Tecnológico de Monterrey, organised the third edition of the Green and Inclusive Financing Festival 2022 (*Festival de Financiamiento Verde e Incluyente 2022*), which is a space for multi-actor dialogue to share the best international experiences in the allocation, access, governance, management and mobilisation of green financing to meet the Sustainable Development Goals of the 2030 Agenda and the Paris Agreement. The knowledge exchange took place over



Youth in action for green finance © Antonio Herrera, GIZ México, 2022

three days and in a hybrid manner, with around one hundred panellists and more than 2,000 online attendees in Mexico and other countries in Latin America, the Caribbean, as well as Spain and

Germany.

Various projects of the International Climate Initiative (IKI) in Mexico, such as the Mexican-German Climate Change Alliance, NAMA PyME, FELICITY and WaCCliM participated by providing their valuable experiences in mobilising green financing and greening the financial sector. The event had the outstanding presence of representatives of various agencies such as the Ministry of Finance and Public Credit (SHCP), the Ministry of Environment and Natural Resources (SEMARNAT), the Bank of Mexico, Nacional Financiera (NAFIN), the National Institute of Social Economy (INAES), Economic Commission for Latin America and the Caribbean (ECLAC), as well as youth projects which were highlighted for their innovation, social inclusion and significant climate action.



Green and Inclusive Financing Festival 2022 (Festival de Financiamiento Verde e Incluyente 2022) © GIZ México, 2022

Read More:

- » Federal Entities Join the Call for Training in the Use of the Subnational Climate Action Monitoring System (SIAT-Subnational)
- » RAECO Arrives: The New Way to Sustainably Manage and Consume Electronic Devices.

NAMA for Energy Efficiency in SMEs as a Contribution to a Low-carbon Economy in Mexico (NAMA SMEs)

02/2029 - 01/2023

Implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH



Launch with MicroYuc © Mary Angélica Pérez López IYEM with the NAMA SMEs project of GIZ Mexico

NAMA SMEs, implemented by the *Deutsche Gesellschaft für Internationale Zusammenarbeit* (GIZ) GmbH, , supports small and medium-sized enterprises (SMEs) in the state of Yucatan in their energy efficiency (EE) efforts. Together with the Yucatan Institute of Entrepreneurs (IYEM) and the Energy Undersecretary of the Ministry of Economic Development and Labour (SEFOET), a technical and financial support initiative was launched to incorporate EE in companies.

Through an open call, several companies in the state signed up to receive a no-cost energy diagnosis (ED) to be able to implement EE measures. In May and June, capacity building sessions were held for registered SMEs, with over sixty companies participating.

The companies learned about the MicroYuc Verde financing initiative promoted by the IYEM and the requirements to participate in the call, achieving a total of thirty-six registered companies; sixteen were selected, seven of them led by women. These SMEs will be able to identify and implement

improvements in their energy consumption, generating economic savings and increasing their competitiveness. Project implementation will begin in September.

Preparation of an Emissions Trading System in Mexico (SiCEM)

09/2017 - 02/2023

Implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

The project Preparation of an Emissions Trading System in Mexico (SiCEM) is implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, its counterpart being the Ministry of Environment and Natural Resources (SEMARNAT). It seeks to meet the institutional requirements and strengthen the technical capacities of public and private actors for the design and implementation of an Emissions Trading System (ETS) in Mexico. Additionally, it promotes cooperation, dialogue and the exchange of experiences between said actors and other jurisdictions with an ETS.



Foto: Attendees, including legislators, technical advisers and experts, at the "Emissions Trading System in Mexico: Awareness and Strengthening Workshop © Chamber of Deputies of Mexico

As part of its activities, in the months of March and April the following events were held:

- On March 7, the 2022 ETS Academy began: "Towards the Operation of the Mexican ETS". For the third time, the event brought together experts from various international institutions and jurisdictions, who shared ideas and experiences on the operational and design elements that make up an ETS. More than sixty representatives of the federal public administration and academia participated.
- On March 8, the launch of the "Analysis of Competitiveness and Allocation Mix for the ETS" workshop was held, generating an exchange with the industrial sector, regulated by the ETS, on the allocation through benchmarking and the evaluation of competitiveness.
- On April 20, the Environmental Policy and Legislation organisation (POLEA) held the first "Awareness and Strengthening Workshop on the Emissions Trading System in Mexico" in the Chamber of Deputies. The objective of the meeting was to update legislators on the development of the pilot phase of the Mexican ETS and its implementation.

Watch the new video "Heading toward the First Emissions Trading System in Mexico" where you will be able to learn how an ETS works and listen to key figures designing and implementing the ETS talk about the particularities of the Mexican context, the challenges and lessons learned:



Video: Heading toward the First Emissions Trading System in Mexico

Read More:

» Publication of a New Book to Understand Emissions Trading Systems

Biodiversity and Sustainable Agrosilvopastoralist Livestock Landscapes (BioPaSOS)

12/2016 – 12/22 Implemented by CATIE



Student carrying out biodiversity monitoring © BioPaSOS, CATIE

BioPaSOS promotes climate action and biodiversity conservation in livestock landscapes in Jalisco, Chiapas and Campeche. It is implemented by the Tropical Agricultural Research and Higher Education Center (CATIE), with the support of other institutions and with financing from IKI.

These are some of its activities in the following states:

- In Campeche: Together with the Ministry of the Environment, Biodiversity, Climate Change and Energy and the Technological Institute of Chiná, a plan was designed to strengthen the network of young people and women who monitor biodiversity in agricultural landscapes in the state of Campeche (Bio-Cam) and promote citizen science, through the use of the Naturalista platform, for monitoring biodiversity. In addition, a meeting of the Working Group on Sustainable Livestock Agroecosystems of Campeche (AGS-CAM) was organised to identify synergies within the 2022 work plan.
- In Chiapas: A Naturalist workshop was developed together with the Autonomous University of Chiapas (UNACH), as well as an exchange of experiences between Agroecology students from El Colegio de la Frontera Sur (ECOSUR) and livestock producers from the La Sepultura reserve. Also, in alliance with the Livestock Development Commission of the Honourable Congress of the State of Chiapas, actions were identified to promote and develop sustainable livestock.
- In Jalisco: Biodiversity monitoring is being planned in collaboration with the Sierra de Manantlán Biosphere Reserve, using camera traps; a workshop also took place with youth communities and

women from the Regional Preparatory School of Autlán and the University Centre of the South Coast of the University of Guadalajara.



Students carrying out biodiversity monitoring © BioPaSOS, CATIE



Global Projects

Climate Footprint 2.0

09/2018 – 10/2022 Implemented by The Climate Group

We are pleased to announce that the second phase of the Climate Footprint Project began in January 2022! This initiative will continue to support the creation of Monitoring, Reporting and Verification (MRV) capacities in ten subnational governments in Brazil, Colombia, India, South Africa and Mexico. In addition to technical interventions, four peer learning forums and two knowledge products will be developed.



Through this project—led by the Climate Group, in collaboration with Ricardo Energy & Environment and the Carbon Trust as a local partner in Mexico—we will work with the Commission for Ecology and Sustainable Development (CEDES) of the state of Sonora to support their efforts updating the GHG inventory. With this, Sonora is expected to increase the ambition of its current climate policy, which uses data from its 2018 inventory.

This technical intervention will consist of capacity building through technical webinars aimed at the ministries and local actors involved in the development of the inventory, as well as in the MRV activities of the mitigation actions within the State Climate Change Programme.

After a few months dedicated to defining this technical scope, we are pleased to announce that its implementation will begin very soon. We look forward to sharing these results with the IKI community in the coming months!

Financing Low Carbon Infrastructure in Cities (FELICITY)

03/2017 - 06/2022

Implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH



FELICITY at the Green and Inclusive Financing Festival 2022 © Antonio Herrera, 2022

The Global Programme FELICITY helps bridge the gap between planning and financing sustainable infrastructure projects. In Mexico, FELICITY has accompanied two projects:

- Management and Energy Use of Urban Waste in the Municipality of Naucalpan, State of Mexico.
- Transition to Sustainable Public Buildings in Mexico City.

With the support of FELICITY, both projects have improved capacities for their preparation and implementation, strengthened their global networks related to knowledge management and generation of cooperation processes, and improved the regulatory framework for access to climate finance.

As part of its capacity development strategy, the PreP Online Course: ABC for the Preparation of Successful Investment Projects was developed. This is a free course (in Spanish and English) that provides a general perspective on the phases required in the formulation and presentation of sustainable projects.

Take a look at the impact document on the programme's website: History of Change Generated by FELICITY in Mexico, the PreP online course brochure. Also, follow us with #FELICITYFriday on the IKI Alliance Mexico Twitter account: @IKI Mexico.

Read More:

» Accelerating the Green Recovery and Decarbonisation of Public Buildings in Mexico City

Water and Wastewater Companies for Climate Mitigation (WaCCliM)

12/2013 - 12/2022

Implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

The Water and Wastewater Companies for Climate Mitigation (WaCCliM) programme is a joint initiative between Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and the International Water Association (IWA). Its objective is to support water and sanitation companies to reduce their carbon footprint and to adapt to the impacts of climate change.

During the month of April, the WaCCliM programme—in

coordination with the Water Commission of Guanajuato and the Central Board of Water and Sanitation of Chihuahua—carried out face-to-face workshops to introduce the use of the Energy Performance and Carbon Emissions Assessment and Monitoring Tool (ECAM) with the aim of evaluating GHG emissions and energy consumption of municipal drinking water supply and sanitation systems.

The objectives achieved during the workshops include:



Training workshop on the use of the ECAM tool © Bianca Corona

- Raising awareness about GHG reduction in municipal water supply and wastewater treatment services.
- Understanding the key features of the ECAM.
- The evaluation of the carbon footprint of the invited companies using their own data, highlighting the importance of data collection.
- Identification of opportunities to reduce GHG emissions.



Training workshop on the use of the ECAM tool © Water Commission of Guanajuato

Biodiversity Finance Initiative (BIOFIN II)

01/2018 – 12/2025 Implemented by UNDP

BIOFIN is implemented by the United Nations Development Program (UNDP) and its objective is to develop financing solutions to mobilise resources, streamline spending, avoid future costs and align policies in favour of biodiversity.

Here are some results so far:



Producer of the Cafecol scheme in Veracruz, December 2021 © Frida Arriaga

- Together with the National Institute of Statistics and Geography (INEGI), biodiversity spending at the federal and subnational levels (CDMX and Jalisco) was updated. It should be noted that Mexico is the first country in the world to conduct this state analysis.
- NAFIN was supported in the design of the Sustainable Fund.
- The project contributed to reaching agreements with the National Forestry Commission (CONAFOR) and irrigation districts through concurrent funds, mobilising 294,000 dollars for ecosystems in Sonora, Sinaloa, Chihuahua and Durango. The National Commission of Natural Protected Areas (CONANP) improved administrative processes and recovered two million dollars in collection of rights.
- The CDMX Public Environmental Fund was strengthened, together with the Inter-American Development Bank (IDB), achieving savings of two million dollars in operating expenses and reallocation to conservation activities. In Jalisco, the Green Investment Office is being built in the Ministry of Public Finance (SHP), in addition to a blended finance exercise for the bioeconomy. With Guanajuato and Yucatan, their environmental funds are being strengthened.
- The project recommended that the National Banking and Securities Commission (CNBV) and Banorte join the Taskforce on Nature-related Financial Risk and Disclosure (TNFD), in which ways of mitigating nature risks and greening the financial sector are promoted.
- Alongside Nuup, the Bioeconomy Acceleration Fund (FAB) was developed, which finances and advises activities that trigger the growth of enterprises in the agricultural, fishing, tourism and forestry sectors. Within this, 138,000 dollars have been leveraged for projects.

Learn more about one of the financed projects in the coffee sector in this video: Fair chances for small farming in Mexico



Video: Fair chances for small farming in Mexico



Other News and Events



Launch of the new book on the Mexican Emissions Trading System

In collaboration with the Mora Institute, the SiCEM project coordinates the book launch of "Towards an Emissions Trading System in Mexico: Justification, Design and Connections with the Global Climate Agenda", to be held on July 5 at 17:00 hrs (CDMX) in person and with live transmission.

The event aims to continue the dialogue with the academic sector initiated by the SiCEM project in 2019, which gave rise to this publication. Key actors from the public and private sector who are part of the Mexican Emissions Trading System will participate and share the main reflections and ideas of the publication.

For more information about the event: https://iki-alliance.mx/event/evento-presentacion-libro-sce/

The book is available for free here.

BioPaSOS publishes the Use of Fire in Livestock Landscapes Manual"

Using it properly, fire can be a tool to obtain the benefits of management in livestock landscapes. This manual shows the benefits inherent to its correct use (reduction of unpalatable pastures or meadows, stimulation of pasture regrowth, increase of biomass yield, improvement of nutrient quality, and the elimination of pests and diseases).

Download the manual here.





Learn about the impacts of the FELICITY project in History of Change Generated by FELICITY in Mexico

The document summarises the milestones and impacts of the FELICITY program, as well as a brief account of the accompaniment of the projects in Naucalpan and CDMX, the capacity development strategy, the improvement of the regulatory framework, the strengthening of networks and the alignment of the program to the Sustainable Development Goals (SDGs).

Read it here.

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