



IKI Alliance Mexico Newsletter



News from IKI projects in Mexico

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

Dear readers:

During this complicated time as COVID-19 spreads across the world, we hope that you and your families are well.

Fortunately, some countries have successfully reduced infection rates and slowly begun to lift restrictions and closings. In Mexico, where the virus spread later than in Europe, we are still in a phase of high infection rates. The government announced a route towards the "new normal" that involves gradually resuming economic and social activities.

The world economy has already suffered significant damage. In Mexico, the government faces the challenge of avoiding further deterioration, especially for the poorest parts of the population who are already suffering from the loss of their daily income. For this reason, an economic recovery must be comprehensive and oriented towards the medium and long term to – in the words of the United Nations – "leave no one behind."

However, during this important year for the climate and amidst this health emergency, we must not forget the climate crisis. To the contrary, the world community is trying to find ways to exit the crisis which combine economic recovery with the goals of the climate and biodiversity agreements – known as **Green Recovery**.

In this newsletter, we want to show you how the different IKI projects in Mexico have had to adapt to this new context and which of their actions are already promoting sustainable development as part of a Green Recovery.

Our quarterly newsletter "[IKI Alliance Mexico](#)" highlights the activities and impacts of IKI projects in Mexico and aims to promote exchange and create synergies. We invite you to share it with your colleagues and counterparts, as well as to visit our [IKI Alliance Mexico blog](#) for more news.

Do you have any comments? We would love to hear from you! Write us at our email iki.alliance.mexico@giz.de or on [Twitter](#).

We hope you enjoy reading!

Jasmin Fraatz and Mona vom Endt from the IKI interface team in Mexico



The COVID-19 pandemic presents an unprecedented challenge to the world, [comparable only to the 2008 global economic crisis or the Great Depression of 1929](#). The International Labour Organization (ILO) estimates that at least 195 million jobs will be lost worldwide, and the United Nations Development Program (UNDP) calculates that between 14 and 22 million people could fall into extreme poverty. In Mexico, the COVID-19 pandemic is estimated to

drop GDP by **9.6%**.

However, something distinguishes the current situation from the historical examples mentioned above: the health and economic crisis are developing in parallel to the climate crisis, and both emergencies are mutually dependent. The reduction in energy demand worldwide, due to the decrease in industrial activity and traffic resulting from border and company closings, could cause reductions in [global greenhouse gas \(GHG\) emissions of up to 8%, compared to the level 10 years ago, according to the International Energy Agency \(IEA\)](#). However, it is believed that when global restrictions come to an end, a rebound effect will cause emissions to skyrocket again, [a phenomenon also observed after the 2008 economic crisis](#).

Therefore, it is necessary to find ways to reconcile economic recovery with development that is climate friendly and sustainable, as stressed by Germany's Chancellor Angela Merkel [at the 11th Petersberg Climate Dialogue](#) organized by Germany's Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU). Although the COP26 climate conference – scheduled for November 2020 – will be postponed due to the pandemic, it is more important than ever to put the goals of the Paris Agreement on the global agenda. Under the title of Green Recovery, the way out of the crisis can be considered as an opportunity to integrate climate and biodiversity objectives into national development plans.

In fact, a number of recovery plans and stimulus packages, released by governments in response to the pandemic, include climate friendly incentives. In Canada for example, large businesses receiving government loans [must provide Climate Disclosure Reports](#). The [German stimulus package](#) on the other hand, incentivizes the purchase of electric cars while cutting subsidies for high emitting vehicles.

In Mexico, there are different initiatives, both public and private, that point in this direction. On the one hand, the head of the Ministry of the Environment and Natural Resources (SEMARNAT), Victor Toledo, has [urged that the post-COVID-19 economic recovery be combined with environmental action](#). On the other, the Business Coordinating Council (CCE) published the document "[68 ideas for Mexico](#)", which emphasizes the need to continue investing in projects related to renewable energy.

Regional and global initiatives promoting a Green Recovery represent a beacon of light worth pursuing to achieve not only the exit from the current crisis but also the promise of a more sustainable future. In this newsletter, we want to show you how the different IKI projects are advancing towards achieving their objectives, thus contributing to sustainable development and a Green Recovery from the crisis.

IKI Projects

Bilateral Projects

Ecosystem-based Adaptation to Climate Change with the Tourism Sector (ADAPTUR)

09/2017 - 08/2021



The [Ecosystem-based Adaptation to Climate Change with the Tourism Sector \(ADAPTUR\)](#) project is implemented by the [Deutsche Gesellschaft für Internationale Zusammenarbeit \(GIZ\) GmbH](#) and seeks for the private tourism sector to adopt Ecosystem-based Adaptation (EbA) solutions to reduce the impact of climate change on their businesses.

The tourism sector is one of the most vulnerable to restrictions in mobility and interaction between people following the COVID-19 outbreak. According to preliminary figures from the [World Tourism Organization](#), an approximate loss of 45 billion dollars is estimated, with a drop of between 60-80% in international tourist arrivals to Mexico in 2020. To put these figures into context, this is equivalent to losing almost double the amount of foreign exchange registered in 2019.

Therefore, business dialogs have been held in various parts of Mexico. The reflections revolve

around the ways tourism was developing before the crisis and if this is still appropriate for this new reality – as well as the lessons and learning that should diffuse through the sector.

Undoubtedly, the total impacts on tourism will not be known with certainty until the end of the pandemic and depending on the security measures established by each country. Therefore, this moment is an opportunity to develop creative strategies that allow the economic, social, and environmental recovery of tourist destinations.

For more information, please read ADAPTUR's special newsletter on [COVID-19 and the Tourism Sector](#) (in Spanish).

Read more:

» [COVID-19 and its impact on the tourism sector](#)

Mexican-German Climate Change Alliance

02/2019 – 01/2023

The [Mexican-German Climate Change Alliance](#) is implemented by [GIZ](#) and aims to assist the Mexican Government in implementing concrete measures to achieve the Nationally Determined Contribution (NDC) goals.



One of the central tasks of the project is to assist the General Directorate for Climate Change Policies (DGPC) of the Ministry of Environment and Natural Resources ([SEMARNAT](#)) in the development of climate strategies. For this reason, the Alliance can help partners to anchor climate goals on the political agenda and link them to economic recovery strategies. Furthermore, it can strengthen the exchange of experiences on this topic between Mexico and Germany, as partner countries.

A sustainable recovery from the crisis also includes EbA and tailored measures for the agricultural sector to ensure food security. Similarly, it will be essential to support subnational governments to link their reconstruction efforts with climate actions. Finally, the financial sector will play an essential role in paving the way for green investments that can lead to sustainable economic growth. In this regard, the project launched a [call for proposals](#) for socio-environmental business ideas together with [SEMARNAT](#) and the National Commission of Natural Protected Areas ([CONANP](#)). The aim is to match projects working in EbA with investors and thus support Mexico in its green recovery. The call for proposals is implemented in cooperation with the project Biodiversity Conservation in the Trans-Mexican Volcanic Belt ([COBEN](#)).

Read more:

- » [Integrating the gender perspective into climate action instruments: the case of CDMX](#)
- » [Results presented for the National Harmonization Process on Mobility](#)
- » [The importance of adaptation to climate change for Mexico](#)
- » [Prioritize Ecosystem-Based Adaptation measures in Mexico](#)
- » [Drawing a roadmap to achieve a national policy on adaptation to climate change](#)
- » [Climate change: problems and needs in subnational planning](#)

Read more:

- » [Indicators for monitoring and evaluating adaptation to climate change](#)
- » [Human rights and climate migration](#)
- » [The health of the planet depends entirely on the conditions of ecological balance of ecosystems](#)
- » [Launch of space for multi-stakeholder reflection on sustainable recovery](#)

Biodiversity and Sustainable Agrosilvopastoralist Livestock Landscapes (BioPaSOS)

12/2016 - 12/2020



The [Biodiversity and Sustainable Agrosilvopastoralist Livestock Landscapes](#) project, known as BioPaSOS, is implemented by the [Tropical Agricultural Research and Higher Education Center \(CATIE\)](#), together with the [Inter-American Institute for Cooperation on Agriculture \(IICA\)](#), in three territories of the states of Jalisco, Campeche, and Chiapas. The aim is to promote the use of agrosilvopastoral practices that can enable the conservation of biodiversity

and sustainable livestock systems.

Given the current conditions, BioPaSOS focuses on continuing activities that do not require visits to producer families, maintaining communication by telephone – particularly with members of the project's Field Schools. Similar efforts are being made to maintain coordination with local authorities

and partners using digital platforms.

In the agricultural sector's recovery post-COVID-19, it is fundamental to promote productive systems that respect ecosystems and biodiversity, because of the clear links between food production and the health of ecosystems and human beings.

In this way, BioPaSOS incorporates green economy principles with an EbA approach through practices that reduce the negative impacts of livestock production and promote the efficient use of resources, thus achieving a balance between production and conservation. In addition, the project dedicates significant efforts to creating and/or strengthening capacities that permit the adoption of these practices. These efforts consider two fundamental elements for achieving post-COVID-19 recovery: on the one hand, they promote social and gender equality by including the participation of women and young people, while on the other hand also improving the livelihoods of communities.



Preparation of an Emissions Trading System in Mexico (SiCEM)

09/2017 – 09/2020

The project [Preparation of an Emissions Trading System \(ETS\) in Mexico \(SiCEM\)](#) is implemented by GIZ and aims to create the necessary institutional preconditions and technological capabilities among public and private sectors to establish and implement an Emissions Trading System (ETS) in Mexico.



Mexico implemented the [ETS Test Program](#) in January 2020. This limits CO2 emissions from the industry and energy sectors and allows emission rights to be traded between regulated facilities.

Due to the economic recession caused by COVID-19, [the global energy demand is estimated to have fallen by 3.8%. This, along with less activity in the industrial sector, has the potential to decrease](#) the demand for emission rights in ETS internationally, including Mexico. Thus, some countries will have to analyze actions to contain the impacts on their ETS.

For example, the European Union foresees a reduction in the number of emission rights available within its Market Stability Reserve. [Other countries such as Canada, China, Korea, and Switzerland have decided to extend the compliance periods of their regulated entities and grant extensions for report deadlines.](#)

SiCEM follows these global strategies closely to support the Mexican Government in optimizing their ETS management. Check this [link](#) for updates.

Read more:

- » [The academy will publish scientific research about the Emissions Trading System \(ETS\)](#)
- » [Impact of the COVID-19 crisis on Emissions Trading Systems](#)

Mangrove Forest Landscape Restoration: An Opportunity for Social Development at the "Sistema Lagunar de Alvarado" RAMSAR Site in Veracruz

01/2017 - 12/2020

The [Restoration of Mangrove Forest Landscape: an Opportunity for Social Development in the RAMSAR site](#)



“Alvarado Lagoon System” in Veracruz is implemented by [Pronatura Veracruz A.C.](#) The initiative aims to generate a long-term strategy for the restoration of the mangrove ecosystem, as well as laying the foundations for sustainable use and commercialization in fair markets.

Mangrove-dependent livelihoods have been strongly affected by the contingency caused by COVID-19. Activities such as fishing as well as mangrove charcoal and honey production are linked to paused or restricted economic sectors, such as tourism and local food consumption.

As a result, the project proposes an analysis of value chains in the context of COVID-19 to identify their implications for the commercialization of mangrove products. This will allow identifying actions to commercialize sustainably-managed mangrove forest products.

To publicize the initiative and reach more people, the project is improving its website content and has already launched the [Mundo Manglar](#) promotional campaign. Considering the limitations of rural communities in accessing digital media, the main challenge is to improve online sales and delivery system operations. It also seeks to create awareness strategies to maintain and increase the consumption of products in fair markets.

Read more:

» [Mundo Manglar: promoting local economies in the face of the COVID-19 health contingency](#)



Implementation of NAMA Housing in Mexico

01/2017 - 12/2021

The [NAMA for Sustainable Housing in Mexico](#) is promoted by the German Development Bank [KfW](#), in cooperation with the [Federal Mortgage Society \(SHF\)](#), and aims to finance ecological houses (EcoCasa), which consume less energy than conventional houses. Domestic eco-technologies or eco-materials consume little energy, contributing to the reduction of greenhouse gas (GHG) emissions.



Due to the COVID-19 measures imposed, the loss of jobs, and, therefore, the inability to apply for a loan to buy a home, home sales have reduced considerably. On the other hand, developers have had to take precautionary measures in construction areas, for example, by limiting the number of people working at the same time in a house, which has slowed progress. In conclusion, the lack of sales is impacting negatively on the liquidity of companies, particularly small ones.

It is still early to predict the impact of this crisis in the sector since everything will depend on the duration of the virus containment measures. However, as a measure against COVID-19, SHF has developed an interrupted credit repayment program to support the housing sector in this regard.

Regional Projects

Mobilizing Capital for Ecosystem-Based Adaptation – The Value of resilient forests for water management in the Tropics

01/2018 - 12/2022



Adaptation – The Value of resilient forests for water management in the Tropics is implemented by [Oro Verde Fundación de Bosque Tropical](#) and [Pronatura México A.C.](#) This initiative supports the development of standardized methodologies for creating community-level adaptation programs with an EbA approach, as well as preserving traditional knowledge for participatory territorial planning.

At a regional level, the health crisis has restricted field trips and meetings with local communities, requiring modifications in the project's implementation tasks – especially the monitoring of reforestation and sustainable production modules. Therefore, project activities have focused on the development of EbA programs and the system of indicators and monitoring.

It is possible to link project implementation activities with Green Recovery, especially on issues associated with agriculture, forest recovery, local fair trade, and tourism. In this sense, the initiative can support the recovery of rural economies through the strengthening of food self-sufficiency, the promotion of rural community tourism, and the functions linked to the conservation of forests that create temporary jobs.

Based on generating territorial planning mechanisms with an EbA approach and comprehensive watershed management, this project promotes the implementation of measures that will strengthen the resilience of ecosystems, their associated services, and biodiversity. The groups of people most vulnerable to the negative effects of climate change are central to the process.

Development of a Regional System to monitor biodiversity and climate change – Selva Maya

08/2016 - 07/2021

The project [Development of a Regional System to monitor biodiversity and climate change – Selva Maya](#) is implemented by [GIZ](#). The initiative has two specific objectives: on the one hand, the monitoring of biodiversity and climate change in the Selva Maya will be agreed upon between Mexico, Guatemala, and Belize. On the other hand, the results of the monitoring will be considered, to a greater extent, in public policy decisions.



Collaborative work between institutions in the same country, as well as between actors at the regional level, requires frequent contact, both for the exchange of experiences and for the joint development of concrete strategies and products. Due to the COVID-19 prevention and care measures, field activities and face-to-face meetings of the project have been rescheduled.

To deal with this situation, the use of digital communication platforms has been promoted, together with counterparts and strategic partners. This means the project can continue to carry out important activities to achieve its aims, as well as to strengthen the digital capacities of actors. This can facilitate long-term cooperation at a regional level and decrease the expenses spent on international travel and face-to-face meetings. The funds saved may be invested in additional activities for the conservation of the Selva Maya.

Read more:

- » [Poor air quality worsens the effects of COVID-19](#)
- » [Actions against the economic effects of COVID-19 in Chiapas](#)

Smart Coasts - Climate-Smarting Marine Protected Areas And Coastal Management In The Mesoamerican Reef Region

09/2018 - 11/2022



The project [Smart Coasts - Climate-Smarting Marine Protected Areas And Coastal Management In The Mesoamerican Reef Region](#), implemented by the [World Wildlife Fund \(WWF\)](#), in coordination with [CONANP](#) and other partners, aims to strengthen the adaptation capacities to climate change of coastal communities in protected natural areas of the Yucatan peninsula.

The project identifies EbA measures – that is, the promotion of conservation and restoration of coastal ecosystems that provide services to local communities, such as the protection of their infrastructure against hydro-meteorological events, and the maintenance of key economic activities such as tourism and fisheries.

In addition to the field implementation of these measures, the project seeks recognition from various actors on the importance of ecosystem conservation and restoration, as well as updating public policies to take into account the conservation of ecosystem services as an integral element for the well-being of the population.

By drawing attention to and scientifically demonstrating that the conservation of ecosystems is indeed fundamental for the security, economy, livelihood, and well-being of the population, the project is a key project for Green Recovery. Without this recognition, any action aimed at recovery will not be sustainable in the long term.

LAC Green Finance Facility to Mobilize Private Investment in Mitigation Actions and Low Carbon and Sustainable Business Models through National Development Banks (NDBs)

06/2016 - 03/2021

The [LAC Green Finance Facility to Mobilize Private Investment in Mitigation Actions and Low Carbon and Sustainable Business Models through National Development Banks \(NDBs\)](#) is being implemented by the [Inter-American Development Bank \(IDB\)](#) to promote and accelerate climate finance. Through Mexico's development bank, it stimulates the creation of green financing programs and strengthens the sustainable management of banks.



The project presents three important dimensions to strengthen its approach post-COVID-19:

- Neither the global project nor individual initiatives with counterparts – which in this case are the development banking institutions – have been affected in their execution, and they continue to progress at their usual pace. It is important to recognize that some adjustments will be made, especially in the dynamics of events, so virtual participation will be sought if there is no recommendation to return to normal.
- On the other hand, although there has been some delay with the execution of projects as a result of profitability issues due to exchange rate adjustments in Mexico, the initiatives promoted by the IDB are closely related to generating savings and reducing costs, and should be well accepted by companies and organizations.
- Development banks serve the country's priority sectors: companies, governments, transportation, and agriculture, among others. Each of them already has an agenda that encourages green financing to drive the post-COVID-19 economic recovery.

Read more:

» [Sectoral workshop developed by LAB MEXICO to promote financing for distributed generation in Mexico](#)

Global projects

The Climate Footprint project

09/2018 - 02/2021



The [Climate Footprint](#) project is implemented by [The Climate Group](#) and supports the state governments of Baja California, Jalisco, and Yucatan in the improvement of their GHG reduction and monitoring efforts.

This initiative aims to provide technical assistance and training on Measurement, Reporting, and Verification (MRV) systems; promote integrated climate action between

different levels of government; and encourage knowledge exchange and the reproduction of good practices on an international level.

States and regions are essential to face the climate crisis. However, many lack the technical and financial resources as well as the experience to track and measure their emissions. This also applies to the current crisis of COVID-19, where states and regions are closest to the population and require resources and capacities that allow them to link economic recovery measures with environmental considerations. For this reason, Huella Climática seeks to focus its efforts – during the rest of the project – on highlighting the importance of associating MRV systems with data production. This will allow state governments to assess the socio-economic and environmental impacts of climate actions

and make informed decisions.

Read more:

» [Monitoring green recovery actions across states](#)

Water and Wastewater Companies for Climate Mitigation (WaCCliM)

12/2013 - 12/2022

The [Water and Wastewater Companies for Climate Mitigation \(WaCCliM\)](#) project is implemented by [GIZ](#), in direct coordination with the [National Water Commission \(CONAGUA\)](#). The program's main aim is to support water and sanitation operating agencies (OOs) in reducing their carbon footprint and increasing their climate resilience.



The increase in the frequency of handwashing is one of the main activities promoted by the Mexican Government to reduce the possibility of COVID-19 contagion. This means paying more attention to the functionality of the water and sanitation sector so that people in any part of the country can carry out this prevention measure.

The activities of the WaCCliM program relevant to Green Recovery include: strengthening the capacities of the operational personnel currently working in the OOs; promoting access to drinking water and sanitation services throughout the country; and promoting and replicating the use of technologies that minimize the carbon footprint in OOs – that is, supporting professionalization in the sector.

Read more:

» [The importance of the water and sanitation sector in battling the COVID-19 crisis](#)

Climate Transparency – National Commitment to Seven G20 Emerging Economies

03/2018 - 02/2020



The project [Climate Transparency - National Commitment to Seven G20 Emerging Economies](#) project was implemented by [Climate Transparency](#), in coordination with the local partner [Climate Initiative of Mexico \(ICM\)](#) in Mexico.

In Mexico, the project's aim was to provide independent and concise information on climate action in the country in comparison to its G20 peers. This information is compiled annually in the [Brown to Green Report](#), where each country's situation regarding climate change is analyzed. Also, the most important areas of opportunity are identified to accelerate the transition to economies with zero net emissions, linked to the commitments indicated in the Paris Agreement.

Without a doubt, the COVID-19 crisis demonstrates that local decisions have global implications. For this reason, some European Union countries and the United Kingdom have chosen to rethink how they generate and use energy, through a determined move to renewable energies and an accelerated decrease in the use of fossil fuels. Meanwhile, the G20 economies have an opportunity to curb subsidies and investments targeting fossil fuels. They can also promote the participation of renewable energies in the energy matrix to align their emissions to the path required to comply with the Paris Agreement.

Financing Energy for Low-Carbon Investment - Cities Advisory Facility (FELICITY)

03/2017 - 12/2020

The global [Financing Energy for Low-Carbon Investment - Cities Advisory Facility \(FELICITY\)](#) program, implemented by the [European Investment Bank \(EIB\)](#) and the [GIZ](#), aims to bridge the gap between planning and financing low-carbon infrastructure projects.



Municipalities, national development banks, and federal ministries have continued their cooperation with FELICITY since the COVID-19 outbreak. In some cases, availability and coordination capacity has been

markedly reduced, as many of the government's efforts are directed at the pandemic.

The promoters of the Mexican projects are adapting the preparation of their project that analyzes financing options to start the procurement process and installation phase of the projects.

FELICITY supports both the processes and the digitization of project preparation courses so that public officials can continue to develop technical, financial, and technological capacities, through virtual platforms that facilitate effective communication while social distancing.

Low carbon infrastructure investment projects represent an opportunity to reduce costs and reduce GHG emissions. The permanence of urban infrastructure projects is particularly important in the current context of a health crisis to achieve a sustainable recovery; this can be achieved by reducing the pressure on government budgets and creating more jobs.

Read more:

- » [Lessons learned in the selection process of infrastructure projects in Mexico, Brazil and China](#)
- » [Expanding the technical concepts of solid urban waste in the preparation of low-carbon infrastructure projects](#)

Read more:

- » [How does the sanitary crisis impact low-carbon projects? FELICITY case](#)

Other news

Cities and Climate Change (CiClim)

- » [Valuing nature services in cities](#)

CONECC - Enhancing the coherence of climate and energy policies in Mexico

- » [Co-benefits: climate action for sustainable development in Mexico](#)
- » [Advances in the innovation hub for climate action in Querétaro](#)

ICT-based adaptation to climate change in cities

- » [Digital solutions to adapt our cities to current and future climate and health challenges](#)

Mainstreaming biodiversity into the Mexican agricultural sector IKI IBA

- » [How does the COVID-19 pandemic influence the global food system?](#)

Morgenstadt Global Smart Cities Initiative: global approach- local solutions

- » [Adaptation to climate change in the Mexican water sector](#)

Programme for Energy Efficiency in Buildings

- » [COVID-19 stimulus spending for green construction means building back better](#)

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Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Registered offices
Bonn and Eschborn, Germany

Friedrich-Ebert-Allee 32 + 36
53113 Bonn, Germany
T +49 228 44 60-0
F +49 228 44 60-17 66

Dag-Hammarskjöld-Weg 1 - 5
65760 Eschborn, Germany
T +49 61 96 79-0
F +49 61 96 79-11 15

E info@giz.de
I www.giz.de

Registered at

Local court (Amtsgericht) Bonn, Germany: HRB 18384
Local court (Amtsgericht) Frankfurt am Main, Germany: HRB 12394

VAT no. DE 113891176
Tax no. 040 250 56973

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Thorsten Schäfer-Gümbel

In charge of this newsletter:
Jasmin Fraatz, jasmin.fraatz@giz.de

Editor(s):
Mona vom Endt, mona.vomendt@giz.de

With contributions from:
Jessica Eliana Petrino

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