

REQUEST FOR CLIMATE CHANGE ENABLING ACTIVITY

PROPOSAL FOR FUNDING UNDER THE GEF Trust Fund

PART I: PROJECT IDENTIFIERS

EA Title:	Biennial Update Report 2014 to the UNFCCC		
Country(ies):	Mexico	GEF Project ID: ¹	
GEF Agency(ies):	UNDP (select)	GEF Agency Project ID:	5237
Other Executing Partner(s):	National Institute of Ecology and Climate Change (INECC)	Submission Date:	2013-04-12
GEF Focal Area (s):	Climate Change	Project Duration (Months)	24
Check if applicable:	NCSA NAPA NAPA	Agency Fee (\$):	30,539

A. EA FRAMEWORK*

EA Objective: To assist Mexico in the preparation of its First Biennial Update Report (BUR) for the fullfilment of the obligations under the United Nations Framework Convention on Climate Change (UNFCCC)

EA Component	Grant Type	Expected Outcomes	Expected Outputs	Grant Amount (\$)	Confirmed Co-financing (\$)
1. National Circumstances Update	TA	National Circumstances have been updated 1. National	1.1 Information on National Circumstances up to 2014 reported, including national and regional development priorities and institutional	7,000	10,000
		circumstances reviewed and updated, institutional arrangements relevant to the preparation of the national communications and BUR and level of support received to enable the preparation of the BUR described.	arrangements. The information updated will include the institutional arrangments at national and subnational levels to comply with the General Law on Climate Change, the role of the Interministerial Commission on Climate Change (established on January 29, 2013), the Genaral Law on Climate Change, the National Strategy for Climate Change (ENACC, Spanish acronym)		
			and The Climate Change Special Program (PECC, Spanish acronym) which are planned to be presented in late 2013 1.2 National Circumstances report produced		
2. National	TA	National GHG	2.1 National GHG	150,000	155,000

Project ID number will be assigned by GEFSEC.

GHG Inventory	Inventory has	Inventory (INEGEI)	
Update	been	updated to 2012 (period	
	updated	2010-2012) for the	
		categories: Energy; Waste;	
		Industrial processes; and	
		Agriculture (1990-2012),	
		2.2 Analysis of information and methologies required for the category: Land use, land- use change and forestry using IPCC 2006	
		2.3 Inventory report	
		produced	

3. Reporting on	TA	Implemented	3.1 Information on the	45,000	40,000
mitigation		GHG mitigation	institutional arrangements to		
actions		policies and actions have been	enable the implementation of NAMAs including the		
		updated and	establishment of the national		
		reported for the	registry.		
		period 2012-2014	registry.		
		perioa 2012 2011	3.2 Baseline and mitigation		
			scenarios until 2030 for		
			abatement of GHG		
			emissions developed		
			(energy, agriculture,		
			transport and waste sectors).		
			3.3 Support given to the		
			mitigation related activities		
			proposed in the Fifth		
			National Communication:		
			the establishment of the		
			national NAMA registry,		
			NAMAs designed and		
			implemented up to 2014 including MRV		
			methodologies and GHG		
			mitigation potential, and the		
			training and awareness		
			raising activities on NAMAs		
			for sectors with mitigation		
			potential.		
			3.4 Progress of policies and		
			actions to mitigate GHG		
			implemented and planned		
			from 2012 to 2014, at		
			national, state and local		
			levels.		
			251.6		
			3.5 Information provided on		
			participation in international		
			market carbon mechanisms.		

4. Constraints and gaps, and related financial, technical and capacity needs, including a description of support needed and received	TA	Relevant information on financial support has been compiled and updated	4.1 Information on financial resources and technical support received for activities related to climate change. This section will include the collaboration activities related to technology transfer and capacity building and the financial support received since the publication of the Fifth National Communication 4.2 Technology, financial and capacity needs for mitigation assesed. This section will incoporporate the financial requirements for the assessment of mitigation opportunities 4.3 Financial report	25,000	25,000
5. Domestic Measurement Reporting and Verification	TA	Measurement, Reporting and Verification arrangements are supported.	5.1 Identification and analysis of different methodologies for MRV up to 2014 of the mitigation actions in different sectors. 5.2 Support given to the process of development of the national institutional arrangements and framework for MRV. 5.3 Progress of implementation of such institutional arrangements and framework described.	25,000	20,000

6. Publication	TA	Biennial Report	6.1 Biennial Report 2014	25,237	30,000
and submission		2014 has been	submitted to the UNFCCC	25,257	20,000
of the Biennial		approved by the	According to the guidelines		
Report 2014		Inter-Ministerial	cointained in Annex III of		
		Commission on	DEc.2/CP.17		
		Climate Change			
		(CICC)			
		Compilation and			
		consolidation of			
		information in			
		tabular format.			
7. Monitoring	TA	Monitoring,	7.1 Project financial and	15,000	10,000
and evaluation		reporting, and	progress reports prepared		
		preparing of	and submitted		
		financial audits			
	(select)				
	(select)				
	(select)				
Subtotal				292,237	290,000
EA Management	EA Management Cost ²			29,224	35,000
Total EA Cost				321461	325000

^a List the \$ by EA components. Please attach a detailed project budget table that supports all the EA components in this table.

B. CO-FINANCING FOR THE EA BY SOURCE AND BY NAME

Sources of Co-financing	Name of Co-financier	Type of Cofinancing	Amount (\$)
National Government	National Institute of Ecology and Climate Change	In-kind	325,000
(select)		(select)	
Total Co-financing			325,000

² This is the cost associated with the unit executing the project on the ground and could be financed out of trust fund or co-financing sources.

C. GRANT RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY

GEF	Type of	Focal Area	Country	EA	Agency Fee	Total
Agency	Trust Fund	Focal Area	Name/Global	Amount (a)	$(\mathbf{b})^2$	(c)=(a)+(b)
UNDP	GEF TF	Climate Change	Mexico	321,461	30,539	352,000
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total Gra	Total Grant Resources			321,461	30,539	352,000

D. EA MANAGEMENT COST

Cost Items	Total Estimated Person Weeks/Months	Grant Amount (\$)	Co-financing (\$)	EA Total (\$)
Local consultants*	104.00	27,000	20,000	47,000
International consultants*				0
Office facilities,		2,224	15,000	17,224
equipment, vehicles and				
communications*				
Travel*				0
Others**	Specify "Others" (1)			0
	Specify "Others" (2)			0
	Specify "Others" (3)			0
Total		29,224	35,000	64,224

^{*} Details to be provided in Annex A. **For Others, to be clearly specified by overwriting fields (1)-(3)

ADDITIONAL INFORMATION FOR TABLE D, IF APPLICABLE:

If costs for office facilities, equipment, vehicles and communications, travels are requesting for GEF financing, please provide justification here:

PART II: ENABLING ACTIVITY JUSTIFICATION

A. ENABLING ACTIVITY BACKGROUND AND CONTEXT (Provide brief information about

(Provide brief information about projects implemented since a country became party to the convention and results achieved):

The Government of Mexico believes that climate change poses a real and irreversible global threat to human and natural systems that will endanger future generations.

The impacts of climate change are already affecting Mexico's biodiversity, water resources, social and economic systems and environmental services, among others. The government has already initiated a number of projects, programs, policies and measures to monitor and reduce its GHG emissions as well as to reduce its vulnerability to the impacts of climate change.

Moreover, it has enacted a General Law on Climate Change on June 06, 2012. In this new Law, Mexico commits itself to cut the country's emissions by 30% below "business as usual levels" by 2020 and by 50% below 2000 levels by 2050. Mexico is the second developing country to set GHG emissions cuts in the letter of the law.

Among other strategies implemented by Mexico is the National Development Plan of the Federal Administration 2007-2012, which explicitly incorporates climate change issues into its agenda.

Currently, the new federal government (in charge, since Dec. 2012) is preparing the National Development Plan (PND); the PND will set the public policies on Climate Change, thru the National Strategy for Climate Change (due to mid-2013) and the Special Program of Climate Change to be followed by the national government in its term (2013-2018)

The update of the National Greenhouse Gas Emissions Inventory (INEGEI, Spanish acronyms) and reducing GHG emissions are linked to Mexican objectives, which make reference to the reduction of GHG emissions based on the inventory results. It is also linked to the Environmental Sustainability Development Policies to be set by the PND.

The First BUR 2014 to the UNFCCC will assist the country to update the National GHG Inventory (INEGEI) to 2012, depending on availability of information in the categories: Energy uses; Waste; Industrial processes; and Agriculture: (1990-2012; as well as to analyze the information and methodologies required for the category Land use, land-use change and forestry, according to the IPCC 2006 Guidelines.

The BUR also support Mexico in identifying policies and actions to mitigate GHG implemented from 2012 to 2014, at national, state and local level; as well as the NAMA designed, proposed or implemented up to 2014; including methodologies and GHG mitigation potential and the financial resources and technical support received for NAMA activities.

It will be a useful tool to support the design of environmental, social and economic policies and strategies at the national, states and local levels; and information dissemination and strengthening of institutional and technical capacity building, including education and awareness on climate change, in line with Mexico's national priorities. Also, the information to be incorporated, following the Guidelines for the preparation of BURs will assist the enhancement of reporting in national communications, as stipulated in Decision 2/CP.7 of the UNFCCC. As a whole, the project will contribute to the country's efforts in moving towards a low emission and climate resilient growth path.

The National Institute of Ecology and Climate Change (INECC) will coordinate the project. As a technical agency, the INECC coordinates, produces, promotes, integrates and disseminates knowledge and information on climate change through applied scientific research and capacity building, supports the formulation of national environmental policy and assists regional activities

and decisions that promote sustainable development.

Specifically, the INECC, through the Coordination of the Climate Change Programme, is responsible for the periodic updating of INEGEI; conducting studies aimed at reducing GHG mitigation; assessing the impacts, vulnerability and adaptation options to address climate change; for the development of climate change scenarios, and developing and conducting studies on cobenefits. More importantly, it is responsible for the coordination and preparation of Mexico's National Communications to the UNFCCC. It also supports activities to meet the National Development Plan goals, the National Climate Change Strategy of Mexico, the Special Program on Climate Change, the Sector Programme and the commitments made by the government of Mexico to the UNFCCC. In this context, the INECC will be responsible for the preparation and coordination of the Sixth NC and the corresponding BUR (the Second BUR). This will ensure the necessary synergies between the relevant planning process described and the results of the NC.

B. ENABLING
ACTIVITY
GOALS,
OBJECTIVES,
AND
ACTIVITIES (The

proposal should briefly justify and describe the project framework. Identify also key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable. Describe also how the gender dimensions are considered in project design and implementation.)

In accordance with Article 4, paragraph 1 (a), and Article 12, paragraph 1 (a) of the Convention, and on the basis of the Revised Guidelines for the preparation of national communications, Mexico is committed to: a) Develop, periodically update, publish and make available to the Conference of the Parties, a national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, b) Formulate, implement, publish and regularly update national and, where appropriate, regional programs containing measures to facilitate adequate adaptation to climate change and measures to mitigate climate change, taking into account anthropogenic emissions by sources and removal by sinks.

It is also committed to provide a description of its national and regional development priorities, objectives and circumstances, on the basis of which they will address climate change and its adverse impacts, and any other information considered relevant to the achievement of the objective of the Convention.

As already stated, as part of the new reporting requirement, Mexico is also committed to submit biennial update reports (BUR) every two years. The first BUR will be submitted to the UNFCCC in December 2014, as stipulated in particular in Annex III of Decision 2/CP.17. Funding for the first BUR will be requested to GEF through a single enabling activity project following the expedited procedures for faster approval and funding disbursement, which will allow Mexico to submit its first BUR to the UNFCCC in 2014 (this project proposal). The second BUR will be submitted as part of the Sixth NC in December 2016, a full-size project submitted to the GEF and recommended for CEO Endorsement.

Mexico considers the preparation of national communications as an instrument of great utility to set national, regional and local policies and strategies to address climate change, and as such, it has submitted four national communications to the UNFCCC. Mexico concluded and presented its Fifth National Communication, which was submitted in Doha, Qatar at the end of the year (6 December 2012).

Through the preparation of the five national communications many specialists have been trained, institutional capacity has been built and awareness on the impacts of climate change on different ecosystems and sectors has been raised all over the country. However, much work remains to be done due to Mexico's vulnerability to the impacts of climate change and variability, which will make it necessary to better understand the current and expected impacts of climate change.

This will involve using an ecosystem, multidimensional and integrated approach to prepare proposal for adaptation actions and measures, including an analysis of its feasibility and barriers. On the other hand, the results obtained from the GHG inventories presented in previous national communications have established a solid base for the updating of GHG emissions and the analysis of future emission trends.

However, it will be necessary to fill the information gaps, reduce uncertainties, and incorporate technical and statistical elements to improve even further the INEGEI. Similarly, these national communications and, in particular the Fifth NC, have identified policies and measures adopted for different national sectors which have served in the reduction of GHG emissions and in the removal of gases through carbon sinks.

However, due to Mexico's diversified economy, it is necessary to carry out continuous assessments of GHG mitigation actions, policies and measures at the national, state and local levels for different sectors of the economy; perform research and identify technology needs; invest in clean environmentally sound technologies, and promote technology access and transfer.

Stakeholder involvement

Based on the results of Mexico's First, Second, Third, Four and Fifth NCs, the preparation of the First BUR will further strengthen institutional and technical capacities related to climate change and development issues at national and sub-national level.

Inter-ministerial Commission of Climate Change (CICC), chaired by the Ministry of Environment (SEMARNAT), with the following ministries: Energy (SENER), Foreign Affairs (SRE), Economics (SE), Agriculture (SAGARPA), Interior (SEGOB), Social Development (SEDESOL), Health (SALUD), Communications & Transport (SCT), Navy (SEMAR), Public Finance (SHCP), Tourism (SECTUR) and the National Institute of Geography and Statistics (INEGI).

National Superior Education Institutions and Research Institutions, among others: South Border College (ECOSUR), UNAM's Center for Ecosystems Research (CIECO), UNAM's Institute of Ecology, UNAM's Engineering Postgraduate School, UNAM's Atmospheric Sciences Centre (CCA-UNAM), University Veracruzana; University of Guanajuato; Autonomous University of San Luis de Potosi, Center for Scientific Research and Higher Education of Ensenada (CICESE), Monterrey Institute of Technology and Higher Studies (ITESM), National Institute of Geography and Statistics (INEGI), National Institute of Forestry, Agriculture and Cattle Research (INIFAP), Institute for Electricity Research (IIE), Mexican Institute of Water Technology (IMTA),

Federal Government Institutions, among others: National Institute of Ecology and Climate Change (INECC), Mexican Petroleum Company (PEMEX), National Comission of Electricity (CFE), National Comission of Forestry (CONAFOR), Petroleum Mexican Institute (IMP), National Council of Science and Technology (CONACYT), National Meteorological Service, Center for Sustainable Transport.

Private Sector: Industry Chambers of Mexico, Mc Kinsey Private Consulting firm

NGOs such as: PRONATURA, CEMDA. Mario Molina Center for Energy and the Environment, Center of Studies on Sustainable Development for the Private Sector (CESPEDES). Mexican Entity of Acreditation (ema)

The country has initiated several projects, programs and measures to address climate change. INECC will work in collaboration with several other initiatives, such as the Low-Carbon Growth Program, the Mexican LEDS vision, and LEDS design and adoption, NAMAs preparation, and MRV systems, in addition to the 6NC, some of them coordinated by INECC.

Other initiatives include work on renewable sources, with SENER and CONACYT and collaboration with CONACYT on mitigation issues at State and Municipality level.

In addition, it will collaborate with initiatives in place to strengthen government's capacity, such as studies on Public Finance and Climate Change, support for the implementation of PECC (Special Climate Change Programme), Capacity building for legislative decision-makers which have lead to the enactment of the General Law on Climate Change last June.

Gender issues

With respect to the gender dimension, women need to be meaningfully involved, not only as beneficiaries but also in the decision-making process of climate change related activities.

Understanding how the different social roles and economic status of men and women are affected by climate change will improve actions taken to adapt to and to mitigate climate change.

In this sense, and for this specific project, the update of the national circumstances chapter of this Biennial Update Report will consider this gender dimension in order to better understand how the different roles of men and women are related to climate change and social and economic circumstances may affect Mexico's ability to deal with climate change.

C. DESCRIBE THE ENABLING ACTIVITY AND INSTITUTIONAL FRAMEWORK FOR PROJECT IMPLEMENTATI

ON (discuss the work intended to be undertaken and the output expected from each activity as outlined in Table A).

Institutional Framework

On behalf of the National Government, the Ministry of Environment and Natural Resources (SEMARNAT), through the National Institute of Ecology and Climate Change (INECC) will act as the Implementing Partner

The General Direction of Research on Climate Change of INECC will be the executing and operational unit that will coordinate and implement the project activities for the preparation of the Biennial Update Report, in the same role it has for the Sixth National Communication, and has had in the past for the previous five National Communications.

The Government will provide technical personnel specialized and in-kind support to the project through the use of office equipment, premises for conference and meetings, the provision of office space. The technical coordinator (project manager) of the project will be the Head of the General Direction of Research on Climate Change of INECC.

PNUD Mexico (UNDP Mexico) will serve as GEF Implementing Agency for the project and will assist Mexico for the entire project length to implement the activities set forth and will monitor and supervise the project on behalf of the GEF.

The UNDP country office will monitor and support the implementation of the project in line with standard procedures.

The Inter-ministerial Commission on Climate Change (CICC) promotes the development of programs and strategies of climate action regarding the fulfillment of the compromises signed for Mexico before the UNFCCC. This Commission will continue to be the framework for consultation and validation of the outcomes to be included in this Biennial Update Report.

On the other hand, the General Law of Climate Changed, approved in June 2012; establishes an Information System of Climate Change, coordinated by the National Institute of Geography and Statistics (INEGI). This System will generate, with the support of other government agencies, a set of key indicators addressed on themes, among others, like:

- GHG Inventories at National and sub-national levels.
- Registry of GHG Reduction Projects.
- Monitoring of climate variability at different time scales.

The framework designed by the General Law of Climate Change will strengthen the interinstitutional coordination and will allow deepening the integration of climate change into the national and sectorial policies through the National Strategy for Action on Climate Change (ENACC). It is considered that this framework will reinforce the preparation process of national communications and biennial update reports.

Activities:

National GHG inventory updated

The national GHG inventory of anthropogenic emissions by sources and removal by sinks of all greenhouse gases not controlled by the Montreal Protocol and greenhouse gas precursors (INEGEI) has been updated to 2010 (1990-2010) as a result of the inventory work done under the Fifth NC, for the areas of energy, transport, fugitive emissions, industrial processes and solvents, agriculture, land use, land use change and forestry, and waste.

The GHG inventory will be updated to 2012 (period 2010-2012) as an output of the first BUR, to be presented in 2014. The categories include Energy, Waste, Industrial Processes and Agriculture and the following gases: carbon dioxide, methane, nitrous oxide, HFC, PFC, SF₆. The Inventory will be estimated according the Revised 1996 IPCC Guidelines and 2000, 2003 GPG, with the latest data available.

For previous Inventories, institutional arrangements have been established, in particular with the Ministry of Energy (SENER), Ministry of Agriculture (SAGARPA), Ministry of Social Development (SEDESOL); and federal institutions as: National Petroleum Company, National Institute of Statistics and Geography (INEGI), National Commission of Water (CONAGUA) and the National Commission of Forestry (CONAFOR). The cooperation between these institutions will be formalized in order to improve the efficiency of the process of data collection. In 2013, INEGI will release the 5th Land Use Series, basic information for the LULUCF Sector.

The LULUCF category requires a special approach, in order to migrate from the IPCC 1996-2003 GPG Guidelines to the IPCC 2006. Currently, this category is a net source of GHG, because the methodologies just consider forests areas under management; but it is expected, with the IPCC 2006 Guidelines, which consider all forests lands (protected areas, biospheres reserves, natural parks), the LULUCF category of the country will become a net sink of GHG. The consequences of this shift would affect the national policy on climate change, specifically in the forests management. It is necessary an assessment of both methodologies and if there is all the information needed for LULUCF as required by the IPCC 2006 Guidelines.

The main activities to be undertaken in order to update the INEGEI up to 2012, are:

• Renew, strengthen and formalize institutional arrangements and cooperation agreements with other institutions/Ministries for specific sectors (Energy, Industrial Processes, LULUCF, Agriculture, Waste)

Preparation of working sheets and summary tables, uncertainty estimation and management,

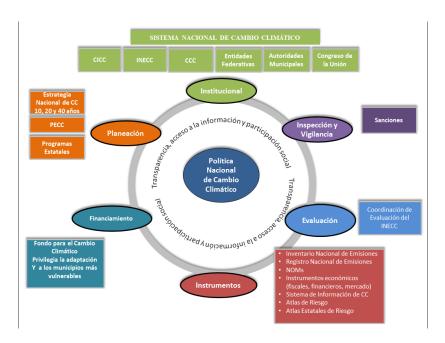
- Assessment of Quality Assurance and Quality Control of the GHG Inventory Report
- Preparation of graphics, INECC tables and analysis of results.
- Publication of 2012 Inventory report.

The INEGEI 2014 will contribute to The National System of Geographic and Statistics Information (SNIEG), coordinated by the National Institute of Statistics and Geography (INEGI) as Information of National Interest in order to support decision making.

Mitigations actions

- Compile jointly with Ministry of Environment and Natural Resources (SEMARNAT, Spanish acronym) the advances for the establishment of the National Register of NAMAs, in order to assess the progress and the institutional arrangements taken under the framework of the General Law on Climate Change (enacted on 2012), the National Strategy on Climate Change (2010-2020-2040) and its Special Program on Climate Change (2012-2018)
- Assess the baseline and mitigation scenarios developed for Mexico in the energy, agriculture, transport and waste sectors among others, in order to reach a consensus on the data that give rise to both baseline as mitigation scenarios for the Sixth National Communication under the framework of General Law on Climate Change (enacted on 2012), the National Strategy on Climate Change (2010-2020-2040) and its Special Program on Climate Change (2012-2018). This will be done through workshops or meetings with experts, policy makers and key stakeholders.

According to the following institutional arrangement:



Compile jointly with SEMARNAT the support for the NAMA registry and the design and
implementation of NAMAs, including the design of MRV methodologies according to the
nature of each NAMA. This section will include the progress of the EU-UNDP-SEMARNAT

INECC on capacity building program on LEDS for the industrial sector.

- Characterize the progress of on-going training activities toward capacity building and stakeholders' awareness.
- Integrate the information of the different sectors on mitigation strategies, policies and measures including the government, private sector, research institutions and civil society organizations, among others.

Reporting on mitigation actions

Mexico places great importance on the actions that contribute to the mitigation of GHG emissions. The publication in June 2012 of the General Law on Climate Change, a groundbreaking law at the international level, made the climate change policy legally binding, including mitigation goals such as the 30% reduction of emissions by the year 2020 in relation to a baseline and the 50% reduction by 2050 in relation to the year 2000. It also sets a goal of clean energy penetration into electricity generation, which must reach 35% of total installed capacity by 2024. LGCC also establishes provisions for mitigation in the three orders of government: federal, states and municipalities.

In Mexico's Base document for a Low Emission Development Strategy (LEDS), coordinated by INECC, mitigation and cross-cutting coordination actions were analyzed between government, society, academic and industrial sectors and vertically between the orders of government. The strategy pursued the following objectives:

• Contribute to sustainable, equitable economic growth.

Significantly reduce Mexico's carbon footprint.

- Propose and implement actions focusing on social development: poverty reduction, job generation and improved living conditions.
- Preserve Natural Capital.

The base document for the LEDS strategy offers a diagnosis of the efforts to mitigate climate change, by identifying key actions to achieve the emissions reduction goals set by Mexico, which include all the productive sectors.

The strategy has been built around three core thematic pillars: energy, sustainable cities and land use. These pillars are integrated in a cross-cutting manner within an institutional framework and complemented through inter-ministerial coordination mechanisms and links with the private sector; and vertically integrated between government levels by considering state and municipal plans, for example.

Mexico's Mitigation Portfolio 2010-2020

On the Basis of the document for a Low Emission Development Strategy (LEDS) and studies of cost-effectiveness, context, priorities and sectoral barriers for each of the actions analyzed, a portfolio of over 150 projects has been identified with a total abatement potential estimated at 130 MtCO2 eq. annually by 2020. This represents half of Mexico's goal for that year. Over 100 of these projects are currently underway and represent a mitigation potential of 70 MtCO2 eq. for 2020.

This portfolio includes several types of initiatives: standards and regulatory, development and technological substitution, social programs, best practices, capacity building, etc. The projects are at various stages of design and execution.

The greatest potential for reduction in these projects (92 MtCO2 eq., 70% of the total portfolio) is concentrated in the forestry, agriculture, oil and gas industries and energy efficiency sectors.

Local Actions

Mexico keeps on strengthening its capacities to identify and implement mitigation actions with resources coming from federal, state, municipal, and international financing sources.

At the subnational level, the energy sector stands out in the use of renewable energies, particularly the wind, solar, and biogas energies, the development of provisions to use renewable sources and sustainability, as well as energy efficiency actions.

Also, efforts are being made to modernize public transportation and promote non-motorized transportation means at the subnational level. Several subnational projects in the forestry sector are being implemented to reduce emissions from deforestation and degradation; reforestation and forest management programs.

Regarding the social development area, waste landfills and compost plants were constructed, and mitigation measures in wastewater treatment facilities were adopted. By means of sustainable household activities solar panels and water solar heaters have been installed, as well as energy saving lamps, water saving systems in toilets, showers and faucets, efficient air conditioning, and solid waste use, all of these at a subnational level.

Mexico also promotes the design of Nationally Appropriate Mitigation Actions (NAMAs) in various productive sectors. In collaboration with various sectors, in 2011-2012 twelve NAMAs were designed and promoted in the following categories: households, transportation, domestic appliances, energy efficiency, cement, chemical industry, mining, oil industry and electricity.

Constraints and gaps, and related financial, technical and capacity needs, including a description of support needed and received

Technical, training, and funding needs are largely defined by Mexico's aspiring goals on GHG emission mitigation at medium (2030) and long (2050) terms, as established in the 2009-2012 Special Program on Climate Change (PECC), in the Climate Change Act (LGCC), and at a subnational level, by the activities foreseen by states and municipalities.

To meet such goals and objectives, it is necessary to increase training to develop GHG emission inventories, increase the availability of some relevant data, Information on time series for the inventory subcategories; data to refine the inventory for higher tiers; to solve confidentiality and security problems at levels II and III. Institutionalize inventory estimation and climate change research networks, and enhancing of emission factors.

Some opportunities to overcome barriers for mitigation actions are:

- Increase incentives for technology transfers, self-generation, cogeneration, and process energy efficiency.
- Increase the participation of alternative energies and the internalization of externalities.
 - Reinforce the legal framework to improve carbon capture and storage technology.
 - Continue with the promotion of efficient household electrical appliances; enforcement of energy efficiency standards in new buildings.

Approval of a vehicle efficiency standard to homologate vehicle environmental performance standards in all Mexico; extend the renewal of vehicles; implement better traffic improvement measures in cities and driving alternatives; design technical and regulatory policies to expand the massive public transportation system networks.

- Handle waste on all the Mexican territory, increase social participation through education and sensitization campaigns, and improve the garbage collection system under homogeneous criteria
- Extension of better practices by means of information and training programs in the use of agrochemical products; cattle feeding; technified irrigation and cultivation alternatives; manure and agriculture waste management, among others; enhance the existing programs to discourage deforestation (the goal is having a zero deforestation by 2020), and develop self-regulation programs for the sustainable use of forests. Likewise, forest monitoring capacities need to be improved.

Another area of opportunity is financing the implementation of climate change action programs at the states and municipalities levels. Although activities are different in the states and municipalities, priority sectors have been identified, such as: Water, agriculture and forests, and the education and dissemination of climate change information.

The BUR which will be submitted in 2014 aims at improving the knowledge on the policies and actions to mitigate GHG implemented from 2012 to 2014, at national, state and local level; as well as the NAMA designed, proposed or implemented up to 2014; including methodologies and GHG mitigation potential and the financial resources and technical support received for NAMA activities

Domestic MRV

In this project, different methodologies for domestic MRV up to 2014 will be identified and analyzed in a number of different sectors, considering national circumstances and capabilities, as well as taking into account the different nature of the mitigation actions. Furthermore, the project intends to provide insights into the support that is being given to the process of development of the national institutional arrangements and framework for MRV. In final, the progress of the implementation of such institutional arrangements and framework will be described in a detailed report.

Other information relevant to the preparation of the BUR (including National Circumstances)

National Circumstances and national and regional development priorities to address climate change, including institutional arrangements for the implementation of the Convention as well as those related to the preparation of national communications and BURs on a continuous basis will be provided.

D. DESCRIBE, IF
POSSIBLE, THE
EXPECTED
COSTEFFECTIVENESS
OF THE
PROJECT:

This enabling activity will contribute directly in GHG emissions reductions. However it is a necessary activity in capacity building and better understanding for the implementation of climate policy at national and sub national levels. It also will contribute in a better understanding of IPCC methodologies for the GHG national inventory and its update.

E. DESCRIBE THE BUDGETED M&E PLAN:

The project monitoring and evaluation will be carried out according to UNDP programming policies and procedures.

Project start

A Project inception meeting will be held within the first two months of project start with those with assigned roles in the project organization structure, UNDP country office and other relevant stakeholders.

Quarterly

The Project Coordinator shall report progress made in the quarterly reports to be monitored in UNDP ATLAS Platform.

Annually

<u>Annual Report</u>: The Project Coordinator with the collaboration of the project team will prepare an annual report_which will be submitted to the <u>Ministry of the Environment (SEMARNAT) in</u> its capacity of national coordination institution.

This report could be jointly reviewed during the fourth quarter of the year by the National Implementing Partner (INECC) and UNDP Mexico, with the purpose of analyzing the progress into the results achievement, its relation with the expected effects, as well as the review of the Annual Work Plan for the next year.

<u>Annual Project Review/Project Implementation Reports (APR/PIR):</u> this key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1July). The APR/PIR combines both UNDP and GEF reporting requirements.

End of Project

During the last three months, the Project Coordinator with the collaboration of the project team will prepare the Project Terminal Report, to be submitted and reviewed by the national coordination institution Ministry of the Environment (SEMARNAT) and UNDP.

Audit on Project will follow UNDP Financial Regulations and Rules and applicable Audit policies.

F. EXPLAIN THE
DEVIATIONS
FROM TYPICAL
COST RANGES
(WHERE
APPLICABLE):

N/A

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the <u>country endorsement letter(s)</u> with this template).

NAME	POSITION	MINISTRY	DATE (Month, day, year)
Amb. Ernesto Cespedes	UNFCCC National Focal	FOREIGN AFFAIRS	01/29/2013
Oropeza	Point		
Margarita Perez	National Treasury and	NATIONAL	03/01/2013
Villaseñor	Public Credit Secretariat	TREASURY	

B. CONVENTION PARTICIPATION

CONVENTION	DATE OF RATIFICATION/	NATIONAL FOCAL POINT
	ACCESSION (mm/dd/yy)	
UNCBD	03/11/1993	S.E. JUAN JOSE GUERRA ABUD
UNFCCC	11/03/1993	S.E. ERNESTO CESPEDES
		OROPEZA
UNCCD	03/04/1995	ING. JORGE RESCALA PEREZ
STOCKHOLM CONVENTION	10/02/2003	AMB. ERNESTO CESPEDES
		OROPEZA

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for Climate Change Enabling Activity approval.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	E-mail Address
Adriana Dinu Office-in-Charge UNDP/GEF	inn	April, 12,2013	Yamil Bonduki Sr. Programme Manager UNDP Green- LECRDS	+1 212 906-6659	yamil.bonduki@undp.org

CONSULTANTS TO BE HIRED FOR THE ENABLING ACTIVITY

Position Titles	\$/ Parson Week	Estimated Person Weeks	Tacks to be Porformed
Position Titles	rerson week	rerson weeks	Tasks to be Performed
For EA Management			
Local			

Technical Assistant	259	104	Prepare a detailed work plan and Budget, and
	257		assist the coordinator to monitor progress
			against the approved work-plan.
			 Manage the day to day operations of
			the Project implementation unit, particularly
			with respect to the provision of technical
			services and support
			 Assist the Project Coordinator in the
			implementation of technical and operational
			activities for the preparation of the outputs of
			the BUR.
			Review technical and support
			information on climate change studies, projects
			and initiatives that may contribute to the
			Project activities.
			Prepare the terms of reference for the international and local consultants and experts.
			international and local consultants and experts
			to be hired for the implementation of the
			project
			 Assist the Project Coordinator in the
			selection process of the consultants to be hired
			by the Project according to the rules and
			procedures established by UNDP.
			• Participate in the planning,
			organization and execution of Project activities.
			Organize and coordinate seminars,
			training activities, workshops, site visits and
			other exchange and facilitation events for
			stakeholders.
			Organize and coordinate information
			exchanges internationally and between
			participating institutions.
			• Participate in the edition of the BUR
			report.
			 Compile and/or prepare the
			documentation necessary for the procurement
			of services, good and supplies under the project
			Prepare administrative, technical and
			financial reports.
			• Perform the procurement of services,
			good and supplies authorized by the Project
			Coordinator.
			• Prepare the payment's request as
			authorized by the Project Coordinator.
T			<u> </u>
International			
For Technical Assistance			
Local			
LUCAI		I	1

Climate Change policy expert (National circumstances)	400	17	Collection and analysis of institutional arrangements at national and subnational levels to comply with the General Law on Climate Change, the role of the Inter-ministerial Commission on Climate Change (established on January 29, 2013), the General Law on Climate Change, the National Strategy for Climate Change (ENACC, Spanish acronym) and The Climate Change Special Program (PECC, Spanish acronym) which are planned to be presented in late 2013
			Collection of information and description of institutional arrangements relevant to the preparation of the national communications and biennial update reports on a continuous basis
National GHG Inventory Specialist on Energy Sector	300	104	Collect and analyze activity data up to 2012 according with the Revised 1996 IPCC Guidelines and 2000 GPG. Coordinate data exchange with key data providers for specific categories (Electricity, Fuels, Transport, as others) Prepare Worksheets, summary tables, uncertainty management for 2012 GHG national inventory. Prepare the inventory report containing the description of the contribution of different categories to GHG emissions. Prepare updated summary information tables of previous inventories. Provide a report of quality control conducted by the consultant. Solve issues found on the report of quality assurance conducted by CICC. Provide an overall technical review of the draft chapter on inventories to be used in the BUR

National GHG Inventory Specialist on Industry Process and Solvent Sectors	300	104	Collect and analyze activity data up to 2012 according with the Revised 1996 IPCC Guidelines and 2000 GPG. Coordinate data exchange with key data providers for specific categories (Iron and Steel, Cement, Chemistry, as others) Prepare Worksheets, summary tables, uncertainty management for 2012 GHG national inventory. Prepare the inventory report containing the description of the contribution of different categories to GHG emissions. Provide a report of quality control conducted by the consultant. Solve issues found on the report of quality assurance conducted by CICC. Prepare updated summary information
			 tables of previous inventories. Provide an overall technical review of the draft chapter on inventories to be used in the BUR.
National GHG Inventory Specialist on Agriculture Sector	300	104	Collect and analyze activity data up to 2012 according with the Revised 1996 IPCC Guidelines and 2000 GPG. Coordinate data exchange with key data providers for specific categories (Livestock, Agricultural Crops, Consumption of synthetic fertilizers, as others) Prepare Worksheets, summary tables, uncertainty management for 2012 GHG national inventory. Prepare the inventory report containing the description of the contribution of different categories to GHG emissions. Prepare updated summary information tables of previous inventories. Provide a report of quality control conducted by the consultant. Solve issues found on the report of quality assurance conducted by CICC. Provide an overall technical review of the draft chapter on inventories to be used in the BUR.

Independent consultant for assessment of LULUCF methodologies of IPCC 1996 & 2006 Guidelines	200	104	 Analyze the Revised 1996 and 2006 IPCC Guidelines; 2000, 2003 GPG. Assess the accuracy and uncertainties of the previous LULUCF Inventories Compare and discuss critically the issues related with the migration from IPCC 1996 to IPCC 2006 methodologies Provide and discuss a critically and strategies with INECC on how we can migration from IPCC 1996 to IPCC 2006 methodologies To develop a guide with a work plan to deploy the LULUCF Inventory for the 6NC in 2016 with the IPCC 2006 Guidelines. Discuss advantage and disadvantage with INECC and other institutions of the implications of using IPCC 2006 guidelines over the IPCC 1996 guidelines and 2003 GPG.
Mitigation expert	433	104	 Collection and analysis of relevant information regarding the mitigation actions being developed in Mexico Prepare a report on the mitigation actions and NAMAs, progress of implementation and results achieved. Collection of data on participation in international carbon market mechanisms and preparation report. Prepare a report containing a description on the institutional arrangements to enable the implementation of NAMAs including the establishment of the National Registry. Analyze information and give recomendation on NAMAs and mitigations actions opportunities and needs in the framework of the UNFCCC.

MRV expert	433	52	 Collection and analysis of relevant information regarding MRV methodologies mitigation actions and NAMAs being developed in Mexico. Prepare a report on MRV methodologies mitigation actions and NAMAs, progress of implementation and results achieved. Prepare a report containing a description on the institutional arrangements to enable the implementation of MRV methologies of NAMAs. Analyze information and give recomendation on MRV for NAMAs and mitigations actions. Identify opportunities and needs. Prepare a report describing the progress of implementation of such institutional arrangements.
International			

OPERATIONAL GUIDANCE TO FOCAL AREA ENABLING ACTIVITIES

Biodiversity

- GEF/C.7/Inf.11, June 30, 1997, Revised Operational Criteria for Enabling Activities
- GEF/C.14/11, December 1999, An Interim Assessment of Biodiversity Enabling Activities
- October 2000, Revised Guidelines for Additional Funding of Biodiversity Enabling Activities (Expedited Procedures)

Climate Change

- GEF/C.9/Inf.5, February 1997, Operational Guidelines for Expedited Financing of Initial Communications from Non-Annex 1 Parties
- October 1999, Guidelines for Expedited Financing of Climate Change Enabling Activities Part II, Expedited Financing for (Interim) Measures for Capacity Building in Priority Areas
- GEF/C.15/Inf.12, April 7, 2000, Information Note on the Financing of Second National Communications to the UN Framework Convention on Climate Change
- GEF/C.22/Inf.15/Rev.1, November 30, 2007, Updated Operational Procedures for the Expedited Financing of National Communications from Non-Annex 1 Parties

Persistent Organic Pollutants

- GEF/C.17/4, April 6, 2001, *Initial Guidelines for Enabling Activities for the Stockholm Convention on Persistent Organic Pollutants*
- GEF/C.39/Inf.5, October 19, 2010, Guidelines for Reviewing and Updating the NIP under the Stockholm Convention on POPs

Land Degradation

• (ICCD/CRIC(5)/Inf.3, December 23, 2005, National Reporting Process of Affected Country Parties: Explanatory Note and Help Guide

National Capacity Self-Assessment (NCSA)

- Operational Guidelines for Expedited Funding of National Self Assessments of Capacity Building Needs, September 2001
- A Guide for Self-Assessment of Country Capacity Needs for Global Environmental Management, September 2001

National Adaptation Plan of Action (NAPA)

• GEF/C.19/Inf.7, May 8, 2002, Notes on GEF Support for National Adaptation Plan of Action,