

Mexico Biogas Update of the Global Methane Initiative (GMI) Tri-Subcommittee Meeting, Florianópolis Brazil

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Fideicomiso de Riesgo Compartido (FIRCO)

SAGARPA
SECRETARÍA DE AGRICULTURA,
GANADERÍA, DESARROLLO RURAL,
PESCA Y ALIMENTACIÓN



Mexico Biogas Update

- Mexico's GHG emissions could increase 3.4% annually up to 2030, from 727 MtCO₂e in 2010 to 1,332 MtCO₂ by 2030.
- New trends in the Mexican biogas sector (Ag):
 - Reduction of 589,772 CO₂ emissions from 2009 to 2013, under WB/GEF-funded Mexico Sustainable Rural Development Project (MSRDP)
 - 853 actions implemented: 317 bio-digestors installed, 118 EE measures, 131 solar thermal, 97 PV, 164 moto-generators and 26 miscellaneous actions.

Mexico MSRDP Update

- New Structural Energy Reform passed in early December 2013
 - 28 changes to laws and regulations under review
 - Oil and power sectors will be entirely re-structured
 - New regulations, incentives, and markets in both sectors
- Implementation of national plans/directives by late 2014 and early 2015
- Energy Reform will bring new actors from private sector in extraction, generation, distribution and dispatching

Mexico MSRDP Project Outlook

- Challenges to emission reduction projects in Mexico:
 - Strength short/medium terms goals for RE.
 - Limited incentives for RE-EE technologies, i.e. support thru payment of positive externalities, more fiscal incentives for EE programs.
 - Insufficient financing for mitigation projects.
 - Weak energy prices structure. Strong regressive and non-differentiated subsidies.
 - Incipient development of Smart Grid technologies.
 - No local carbon market in place, but now a carbon tax is in place.

Mexico MSRDP Project Outlook (2)

- Approaches to overcoming challenges
 - Set up short and medium-terms EE-RE goals
 - Strengthening of secondary legislation and regulation
 - Priority for developing policies/incentives for RE-EE, for both small and large scales.
 - Energy pricing reform and more fiscal incentives.
 - Greater promotion for implementation of smart grids programs.
 - Increased financing for program replication.
 - Promote capacity building for small producers and FIRCO officials on:
 - Technology transfer and training and workshops
- Second phase for 2015-2017

Mexico Agriculture, MSW, WW Sector Methane Action Plan

- Upcoming Reform in the Mexican agricultural sector,
- Municipal Solid Waste (MSW) and Municipal Wastewater (MWW) are moving forward under new energy reform in Mexico and strengthening of state and municipal governments.
- Summary: The program has exceeded initial goals and second phase is being designed.
- Need support from GMI for technical assistance and financing for expansion of second phase
- Potential timeline for completion: 3rd Q 2013

Contact Information and Announcements

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