MEXICO'S UPDATE ON ETS DEVELOPMENT

PMR PA16, New Delhi 2017
As announced in PA15 – Hanoi:

• Mexico is launching an ETS Simulation (starting on April, 2017) to last 1 year

• Semarnat announced ETS regulation by 2018
• **CESPEDES** (member of the WBCSD) and **IETA** signed an MOU to promote a **Mexican Carbon Market** (January ‘17) in the framework of the CPLC technical event in Mexico City

• **SEMARNAT** is signing an MOU with **CESPEDES** for cooperation towards developing the **National ETS regulation** (April ‘17)
  – This as a result of intensive dialogue with the stakeholders, and an improvement in communication between the authority and the private sector.
• The MOU establishes the creation of a Public-Private Working Group
• The main goal is to draft the ETS regulation
• The WG will follow the PMR-ICAP ETS Handbook’s “10-step” process
• Together SEMARNAT and CESPEDES commit to have the ETS regulation by 2nd half of 2018
The goal is to harmonize the CC Law with the Paris Agreement, and NDC, through:

- Elaboration of a roadmap to meet the **2050 mitigation goal**, with intermediate goals
- Strengthening of the MRV mechanisms
- Development of a **mandatory ETS**

*Law amendments are in discussion in the Congress for final approval*
Before we start with the ETS designing process, we should:

- Establish environmental, economical and social goals
- Consider, national circumstances and specific needs of the country
- Consider the interaction with other policies
THANK YOU

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