



GEF-6 PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Medium-sized Project

TYPE OF TRUST FUND: Capacity Building Initiative for Transparency

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PART I: PROJECT INFORMATION

Project Title:	Transparency under the Paris Agreement: National and Subnational contribution and tracking towards Mexico's NDC		
Country(ies):	Mexico	GEF Project ID: ¹	10031
GEF Agency(ies):	IADB (select) (select)	GEF Agency Project ID:	
Other Executing Partner(s):	Ministry of Environment and Natural Resources	Submission Date:	06/05/2018
GEF Focal Area(s):	Climate Change	Project Duration (Months)	24
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/> Corporate Program: SGP <input type="checkbox"/>		
Name of parent program:	[if applicable]	Agency Fee (\$)	173,515

A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES²

Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs)	Trust Fund	(in \$)	
		GEF Project Financing	Co-financing
(select) (select) CBIT	CBIT	1,826,485	1,500,000
(select) (select) (select)	(select)		
(select) (select) (select)	(select)		
(select) (select) (select)	(select)		
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(select) (select) (select)	(select)		
(select) (select) (select)	(select)		
(select) (select) (select)	(select)		
Total Project Cost		1,826,485	1,500,000

B. INDICATIVE PROJECT DESCRIPTION SUMMARY

Objective: The project objective is to build and strengthen institutional and technical capacities to meet enhanced transparency requirements, as defined in article 13 of the Paris Agreement and in accordance to GEF's CBIT Programming Guidelines.

Project Components	Financing Type ³	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
Component 1: Consultation / diagnostic on MRV at national and subnational level (institutional, legal)	TA	1.1 Understanding variety, commonalities and capabilities of current MRV practices in Mexico at national and subnational level	1.1.1 Report on MRV practices at national and subnational level as baseline for SIAT-NDC concept development	CBIT	200,713	250,000

¹ Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submissions.

² When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCF](#) and [CBIT guidelines](#).

³ Financing type can be either investment or technical assistance.

Component 2: SIAT-NDC electronic platform development and validation	TA	2.1 SIAT-NDC developed as foundation for transparency of action under the ND 2.2 Functional SIAT- NDC platform 2.3 Trained users 2.4 Full understanding on the operation of the SIAT-NDC 2.5 SIAT-NDC platform validated by the public and the government	2.1.1 Report of SIAT- NDC concept development 2.2.1 Proposal of SIAT-NDC content in the form of variables or database fields to be incorporated 2.2.2 SIAT-NDC electronic platform and test results reports 2.3.1 Training sessions for potential users 2.4.1 SIAT-NDC Operations Manual 2.5.1 Consultation Reports	CBIT	1,094,797	950,000
Component 3: MRV Guidelines Development	TA	3.1 Standardized guideline for MRV of actions relevant to the NDC	3.1.1MRV Guidance document and training on its use	CBIT	136,850	150,000
Component 4: Knowledge exchange workshops and activities	TA	4.1 Dissemination of SIAT-NDC operation and results; exchanged transparency practices with partners and other relevant institutions with whom Mexico collaborates on transparency issues including participation in the CBIT Global Coordination Platform.	4.1.1 Dissemination materials and workshops	CBIT	228,081	150,000
	TA			CBIT		
	TA			CBIT		
	TA			CBIT		
	TA			CBIT		
	(select)			(select)		
	(select)			(select)		
				Subtotal	1,660,441	1,500,000

Project Management Cost (PMC) ⁴	CBIT	166,044	0
Total Project Cost		1,826,485	1,500,000

For multi-trust fund projects, provide the total amount of PMC in Table B, and indicate the split of PMC among the different trust funds here: ()

C. INDICATIVE SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE, IF AVAILABLE

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (\$)
Donor Agency	GIZ	Grants	200,000
Recipient Government	SEMARNAT	In-kind	200,000
GEF Agency	IADB	Grants	850,000
Others	ICAT (UNEP-DTU)	Grants	250,000
(select)		(select)	
(select)		(select)	
Total Co-financing			1,500,000

D. INDICATIVE TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES), FOCAL AREA AND THE PROGRAMMING OF FUNDS ^{a)}

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee (b) ^{b)}	Total (c)=a+b
IADB	CBIT	Mexico	Climate Change	(select as applicable)	1,826,485	173,515	2,000,000
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
Total GEF Resources					1,826,485	173,515	2,000,000

a) Refer to the [Fee Policy for GEF Partner Agencies](#).

E. PROJECT PREPARATION GRANT (PPG)⁵

Is Project Preparation Grant requested? Yes No If no, skip item E.

PPG AMOUNT REQUESTED BY AGENCY(IES), TRUST FUND, COUNTRY(IES) AND THE PROGRAMMING OF FUNDS

Project Preparation Grant amount requested: \$45,662					PPG Agency Fee: 4,338		
GEF Agency	Trust Fund	Country/ Regional/Global	Focal Area	Programming of Funds	(in \$)		
					PPG (a)	Agency Fee ⁶ (b)	Total c = a + b
IADB	CBIT	Mexico	Climate Change	(select as applicable)	45,662	4,338	50,000
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
Total PPG Amount					45,662	4,338	50,000

⁴ For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

⁵ PPG requested amount is determined by the size of the GEF Project Financing (PF) as follows: Up to \$50k for PF up to \$2m (for MSP); up to \$100k for PF up to \$3m; \$150k for PF up to \$6m; \$200k for PF up to \$10m; and \$300k for PF above \$10m. On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

⁶ PPG fee percentage follows the percentage of the Agency fee over the GEF Project Financing amount requested.

F. PROJECT’S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS⁷

Provide the expected project targets as appropriate.

Corporate Results	Replenishment Targets	Project Targets
1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	Improved management of landscapes and seascapes covering 300 million hectares	<i>Hectares</i>
2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	<i>Hectares</i>
3. Promotion of collective management of transboundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services	Water-food-ecosystems security and conjunctive management of surface and groundwater in at least 10 freshwater basins;	<i>Number of freshwater basins</i>
	20% of globally over-exploited fisheries (by volume) moved to more sustainable levels	<i>Percent of fisheries, by volume</i>
4. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO _{2e} mitigated (include both direct and indirect)	<i>metric tons</i>
5. Increase in phase-out, disposal and reduction of releases of POPs, ODS, mercury and other chemicals of global concern	Disposal of 80,000 tons of POPs (PCB, obsolete pesticides)	<i>metric tons</i>
	Reduction of 1000 tons of Mercury	<i>metric tons</i>
	Phase-out of 303.44 tons of ODP (HCFC)	<i>ODP tons</i>
6. Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks	Development and sectoral planning frameworks integrate measurable targets drawn from the MEAs in at least 10 countries	<i>Number of Countries: 1</i>
	Functional environmental information systems are established to support decision-making in at least 10 countries	<i>Number of Countries:</i>

PART II: PROJECT JUSTIFICATION

1. Project Description. Briefly describe: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed; 2) the baseline scenario or any associated baseline projects, 3) the proposed alternative scenario, GEF focal area⁸ strategies, with a brief description of expected outcomes and components of the project, 4) [incremental/additional cost reasoning](#) and expected contributions from the baseline, the GEFTF, LDCF, SCCF, CBIT and [co-financing](#); 5) [global environmental benefits](#) (GEFTF) and/or [adaptation benefits](#) (LDCF/SCCF); and 6) innovation, sustainability and potential for scaling up.

Background

The Paris Agreement aims to strengthen global response to the threat of climate change by reducing greenhouse emissions as soon as possible to hold the increase in “the global average temperature to well below 20C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.50C”. To achieve these goals, the Agreement recognizes “the importance of engaging all levels of government and various actors” not just in the “preparation, communication, maintenance, adjustment and accounting of successive nationally determined contributions” (Article 4), but on “enhancing education, training, public awareness, public participation and public access to information” (Article 12).

⁷ Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF, SCCF or CBIT.

⁸ For biodiversity projects, in addition to explaining the project’s consistency with the biodiversity focal area strategy, objectives and programs, please also describe which [Aichi Target\(s\)](#) the project will directly contribute to achieving.

Tracking the progress towards the targets under a Nationally Determined Contribution (NDC) is at the core of the Paris Agreement, as Parties “shall account for their nationally determined contributions” (Article 4) and each Party “shall regularly provide... information necessary to track progress made in implementing and achieving its nationally determined contribution” (Article 13). In that process, the countries must take the necessary provisions to “promote environmental integrity, transparency, accuracy, completeness, comparability and consistency, and ensure the avoidance of double counting” (Article 4). As set in Article 13 of the Paris Agreement, transparency of action and of support provided, received, and needed must provide a clear understanding of climate change action and help build trust and mutual confidence among Parties in the new regime established under the Paris Agreement.

In this context, Mexico is of the view that the implementation of the Paris Agreement equally relies on Party and Non-Party stakeholders at the local, national, regional and global scales. Their action and results are expected to contribute to national targets and hence may be accounted for the NDC. However, clear modalities and procedures for measurement reporting and verification (MRV) of mitigation, and monitoring and evaluation (M&E) of adaptation is a necessary step towards transparency of action as conceived in the Paris Agreement. Equally important is the adoption of provisions that avoid any double counting towards the NDC, and that the accounting is conducted in a way that promotes environmental integrity, transparency, accuracy, completeness comparability and consistency. All these elements are paramount in demonstrating progress on targets and their achievement under the NDC.

1. Global environmental problem

Mexico is highly vulnerable to the impacts of climate change. Socioeconomic and ecological trends, including the urbanization phenomena and pressures on natural resources due to economic and population growth, suggest that under a business as usual scenario the climate risk will compound other social and economic problems in the country. In fact, it is projected that the growth in carbon emissions in Mexico will be largely driven by positive growth in the carbon intensity of energy and income (Ruijven et al, 2016). Today, increased emissions from the production and use of energy account for the vast majority of the growth and today constitute two-thirds of the national total. Annual GHG emissions in Mexico have risen sharply in the last two decades, growing 33% between 1990 and 2010 (Secretaría de Medio Ambiente y Recursos Naturales [SEMARNAT], 2013). The rate of emissions growth exceeds the world average and is more than four times that observed in other Organization for Economic Cooperation and Development (OECD) countries during the same period. Demographic and economic trends have played an important role in the emissions increase. Mexico’s population grew nearly 40% from 1990 to 2010, to 112 million people, while real gross domestic product (GDP) per capita climbed 18% between 1993 and 2010 (Instituto Nacional de Estadística y Geografía [INEGI], 2014). The main sectors responsible for emissions are energy, industrial processes, transport, agriculture, LULUCF and waste. In 2013, the country emitted 665 million tons of CO₂e, ranking 12th in terms of countries contributing to global emissions (INECC and SEMARNAT, 2015). While this corresponds only to 1.7% of emissions under the Paris Agreement covered emissions (UNFCCC, 2016b), the role of Mexico in climate mitigation is key as a developing country that has set aggressive targets and committed to enhance global mitigation efforts.

Moreover, in the last 50 years, Mexico has experienced changes in temperature and precipitation. The country has become warmer, with an average temperature increase greater than 0.85°C. At the same time, Mexico has suffered an increased number of extreme weather events such as tropical cyclones, floods and droughts that have led to the loss of human lives as well as high social and economic costs. Under various climate change scenarios for Mexico, there are projections of changes in the annual temperature of up to 2°C in the North of the country in the near term (2015-2039), while in most of the territory the scenarios project a range of 1°C to 1.5°C. Annual precipitation reduction is projected to be in a range of 10 to 20 % across the country. Furthermore, impacts of hydrometeorological events have resulted in economic losses over an annual amount of 730 million pesos (around 48 million USD) between 1980-1999 and 21,950 million pesos (around 1.4 billion USD for 2000 – 2012).

According to the Special Climate Change Program (PECC) 2014–2018, there were 319 Municipalities (13% of the total number of Municipalities in Mexico) highly vulnerable to the adverse impacts of climate change including droughts, floods and landslides in 2014.

An unprecedented example of the potential of extreme weather events was experienced by Mexico in 2015. Hurricane Patricia made history when it became the strongest storm recorded in the western hemisphere; it was also one of the fastest storms ever recorded. Such rapid intensification could be explained by particular environmental conditions, namely a stable atmosphere, hot dry air intruding into the storm and a particularly warm ocean layer. The water temperature anomaly could be one of the early signals of the global warming effect directly threatening the Mexican west coast.

Therefore, climate change adaptation and mitigation are essential for Mexico, and can also constitute an opportunity to reduce inequalities (Nations, 2016).

2. Baseline

As previously mentioned, countries have agreed that transparency of action is a key element to determine the level of implementation of the Paris Agreement. However, a potential gap may exist in between pledges under the NDCs and the required reduction as signaled by science to hold the increase in global mean temperature well below the 2°C. With limited comparability of data or with significant inconsistency of results there is a greater possibility of uncertainty when assessing the achievement of the Paris Agreement goals. If not correctly addressed, lack of transparency and bias on the assessment of progress may also lead to a lack of further ambition under subsequent NDCs.

Parties to the Paris Agreement have not agreed yet on any modalities, procedures or guidelines applicable to transparency of action. Nevertheless, countries would need to engage as soon as possible on the design of own systems, platforms, modalities or procedures as way of developing any national systems or frameworks for transparency, building on the experiences and practices already adopted for MRV and for monitoring and evaluation (M&E) of climate change policies. It is through their own work that Parties may positively contribute to the international discussion on transparency.

Current efforts in Mexico have gone into the definition of measures for mitigation and adaptation and for their costing, so as to indicate the potential portfolio of actions and projects to be undertaken under the NDC and to indicate the magnitude of investment needed to achieve the national targets. Some progress has been reached with subnational authorities in enhancing their understanding on the content and targets of the NDC and on the potential role they may have on achieving the targets. There is also progress on setting up the regulatory and institutional frameworks at subnational level for climate change policy to be developed and implemented consistently in relation to the provisions of the General Climate Change Law as explained later. In addition, many subnational authorities have launched Climate Change Action Plans which incorporate mitigation or adaptation targets; some of them include MRV and M&E components for tracking progress of the plan.

Therefore, tracking and reporting capabilities under Mexico's federal government need to be assessed and strengthened correspondingly. It is also essential to homogenize methodologies to report emissions or relevant climate actions across all sectors of government and to ensure states and municipalities are obliged under legal provisions to provide the information according to those methodologies and in a timely manner.

Work remains to be done in the conceptualization, development and testing of the tools applicable to the financing, MRV and M&E of results under the NDC targets, and in the preparation of guidance for public and private entities that participate in actions related to the NDC. The development and adoption of a transparency framework, in the context of agreements reached under UNFCCC, will define how Mexico tracks progress and demonstrate compliance with national targets.

The baseline for the project comes from: i) the adoption of the NDC as the legal foundation of a set of climate actions that need to be tracked in a transparent way and ii) current efforts and initiatives for enhancing transparency of climate change actions, policy and results in Mexico. In fact, Mexico's goal to develop an electronic platform to track and report the progress towards the NDC may benefit from the current and expected interaction and participation with a range of organizations and initiatives to identify best practices, facilitating learning processes and training activities.

Particularly, the project will build on and engage with ongoing efforts to develop a platform for the tracking and reporting of actions under the PECC (known as the Sistema de Información de la Agenda de Transversalidad del Cambio Climático, SIAT-PECC). Eventually, SIAT-PECC and the platform proposed under this project (SIAT-NDC) will be fully integrated and follow the same principles in terms of transparency and the same functionalities.

For instance, the project will benefit and build on from a results-based loan (\$600 million) agreed in 2017 between the government of Mexico and the Inter-American Development Bank (IDB). This loan supports the Government of Mexico in improving land management to reduce emissions and vulnerability to climate change through three components: (i) land management in the housing sector; ii) land management in the forestry sector; and iii) interagency coordination. Under this third component, the Secretaría de Medio Ambiente y Recursos Naturales (SEMARNAT) and two other government entities will strengthen their institutional capabilities by improving the systems for monitoring and reporting on the PECC lines of action; (ii) strengthening inter-agency coordination for PECC monitoring; (iii) verifying the project outcomes; and (iv) assurance review of project financial information. This loan is the one providing technical assistance resources for the development of the SIAT-PECC (mentioned previously in this section). In this way, the tracking and reporting capabilities for enhanced transparency by Mexico's federal government will be significantly improved, in a manner that is also creating consistency between the tracking and reporting of national actions as well the similar task for those actions accounted towards the NDC⁹.

Another initiative that may be relevant for the project is the Initiative for Climate Action Transparency (ICAT). Under this, Mexico will develop and integrate the information regarding subnational actions, based on the current subnational legal and institutional frameworks. With ICAT support, consultants will work together with SEMARNAT in reviewing the “state of the art on MRV of mitigation and adaptation action at the subnational level, with the 32 states. Their work will provide a clear way forward for requesting data and information from subnational entities to feed the SIAT-NDC, in terms of what is feasible, what exists, and what needs to be developed for “capturing” progress on mitigation and adaptation at subnational level in a comprehensive way.

Similarly, Mexico's participation with the Partnership on Transparency in the Paris Agreement (previously known as the International Partnership for Mitigation and MRV) allows the country to learn from other experiences with the potential tracking and reporting on their NDC progress, and to discuss the implications of the Paris Agreement transparency framework (Article 13)¹⁰. Mexico's experience may also be shared together with others at the meetings, forum, and events of the NDC Partnership (NDCP) of which Mexico is a member¹¹. The process to be followed and the results of this project will significantly improve the potential contribution of Mexico to international initiatives such as those mentioned.

The integrated work under the Capacity Building Initiative for Transparency (CBIT) with the above-mentioned initiatives and other ones that may be useful (such as the NDC Partnership) will enable Mexico's work on transparency towards sound implementation of its NDC, and through its experience, would facilitate a positive and proactive contribution to the negotiations and implementation of the Paris Agreement Work Program.

2.1 Mexico's NDC and the challenge of tracking progress

Mexico prepared and submitted its Intended Nationally Determined Contribution (INDC) in March 2015, ahead of the COP-21 negotiations. With Mexico's ratification of the Paris Agreement on 21 September 2016, and its entry into force on 04 November 2016, Mexico's INDC has become its first NDC.

⁹ The details of the loan can be found here: <https://www.iadb.org/es/project/ME-L1268>.

¹⁰ For the national definition of a tracking system see: <http://www.transparency-partnership.net/news/mexicos-federal-states-contribute-achieving-NDC>.

¹¹ <https://ndcpartnership.org/funding-and-initiative-navigator/german-government-bilateral-technical-and-financial-assistance-27>

The NDC submitted by Mexico commits to an unconditional target of reducing national greenhouse gas (GHG) emissions by 22% and by 51% those of black carbon (short-lived climate pollutants), below the business as usual scenario by the year 2030. The targets may increase to 36% and 70% respectively subject to the existence of an international agreement that facilitates technology transfer and the provision of financial and capabilities support. Mexico's NDC also includes an adaptation component that aims to reduce the vulnerability and enhance the resilience of communities, strategic infrastructure and economic activities, and of natural resources, this latter via ecosystems-based adaptation.

Based on national estimates, Mexico considers that the unconditional target could be achieved by a set of 30 measures and actions in the main emitting sectors of transport, power generation, oil and gas, residential and commercial energy use, industrial processes, agriculture and livestock, waste management and wastewater treatment, and forestry and land use. Similarly, the adaptation component considers nearly 20 measures under the three axes of work in the NDC. Compliance with the conditional target or an increase in ambition would imply additional measures on both, mitigation and adaptation.

In principle, the implementation of mitigation and adaptation actions in Mexico would rely on plans, interventions, and investments made by public and private entities across the country. Any of these interventions and investments would need to be measurable, reportable and verifiable with regards to their projections, estimations or amounts, and their tracking of results should be made in a consistent, complete, and transparent manner. The implementation of these measures and actions would need to be monitored and its results be measured and reported so as to allow the Government of Mexico to assess progress towards the national targets under the NDC. Clear guidance on how to perform such tracking and reporting by different entities or at different levels of government, or on how to aggregate results becomes relevant to assess progress towards national targets. Equally relevant is the adoption of a system, tools and procedure that would facilitate, guide and manage the work on transparency and assessment of progress.

2.2. Legal foundation for transparency of climate change policies and actions in Mexico

The proposed project follows closely the decisions, modalities, procedures and guidelines approved under the UNFCCC negotiations on Article 13 and on Articles 4 and 6. It is also aligned with the legal and institutional framework to make use of the current statutory and organizational systems in place in the country as follows:

Mexico's General Climate Change Law (LGCC), issued in 2012, is the main legal basis for climate policy in the country. The LGCC defines planning and policy instruments, institutional arrangements, and provides general guidance for the implementation of climate policy. It also incorporates a long-term, systematic, decentralized, participatory and integrated approach into adaptation and mitigation actions. Under the LGCC, the Federal Government is mandated to formulate and guide the national climate change policy. Subnational governments role is also clearly specified, including the elaboration of State level inventories and climate programs and the definition of thematic areas under their responsibility for mitigation of and adaptation to climate change.

The LGCC establishes 3 main climate-planning instruments: a) the National Climate Change Strategy (ENCC), which provides the long-term vision on mitigation and adaptation for the country with a time horizon of 10, 20 and 40 years; b) the Special Climate Change Program (PECC), which incorporates the planning and defines de actions to be undertaken for each administration, considering specific programs, goals and resources in alignment with the National Development Plan; and c) the State Climate Change Programs which incorporate the planning of each state, considering their specific competences, resources and climate state level regulations.

The PECC is a six-year planning instrument of the Federal Government, in which the objectives, strategies, lines of action and goals established for the Federal Public Administration applying transversally for mitigation and adaptation. The evaluation of the PECC is intended to assess the country's institutional capacities to carry out actions aimed at reducing vulnerability and increase the ability to adapt to climate change, as well as progress in the decarbonization of the national economy.

The LGCC establishes the National Climate Change System (SINACC) and provides policy principles that should be followed for climate policy design. The SINACC is a key component for the implementation of the law as it is the coordination entity among government levels, (federal, state and municipal), Congress (deputies and senate), and the Climate Change Council (C3). The Federal Congress is part of the SINACC as well as the States and national associations of municipal officials, who are responsible to coordinate climate action at the sub-national level. The SINACC a) discusses and makes decisions on strategic aspects of climate change policies including, those coming from the Paris Agreement (NDC, Transparency, action at subnational level, etc.), those derived from the implementation of the LGCC, as well as those from the ENCC and the PECC that must be accomplished and b) coordinates on climate action across different sectors to ensure congruence, collaboration, and complementarity across different sectors and levels of government, including the Executive and Legislative branches of government.

The LGCC created the Interministerial Commission on Climate Change (CICC), a body composed of 13 Federal Ministries: Ministry of Environment and Natural Resources, Ministry of Foreign Affairs, Ministry of Energy, Ministry of Finance and Public Credit, Ministry of Social Development, Ministry of the Interior, Ministry of the Navy, Ministry of Economy, Ministry of Agriculture, Livestock, Rural Development, Fisheries and Food, Ministry of Communications and Transportation, Ministry of Public Education, Ministry of Health, and Ministry of Tourism. The CICC mandate includes:

- a) to formulate and implement national policies on climate change mitigation and adaptation, by mainstreaming climate action in sector level programs and actions;
- b) to develop criteria for the cross-cutting public climate change policies;
- c) to approve the ENCC; and
- d) to participate in the elaboration and implementation of the Special Climate Change Program (SCCP/PECC).

Another relevant body for climate action created by the LGCC is the National Institute of Ecology and Climate Change (INECC) as the research institute responsible for:

- a) coordinating scientific and technology research and projects on climate change, with the assistance of public or private academic and research institutions, both national and foreign;
- b) making prospective sector analysis and collaborating in the elaboration of strategies, plans, programs, and instruments related to climate change, including the estimation of future costs and benefits associated with climate issues.
- c) supporting the design policies that can help build capacity in the country for climate change adaptation and mitigation.
- d) coordinating the evaluation of climate policy, which involves the participation of civil society advisors, and may be conducted through one or several independent organizations.

The LGCC establishes transparency as one of the principles underpinning the provisions of the law. Under its Article 26, the law defines that Mexico's climate policy must be formulated in a way that ensures equal access to information considering the joint responsibility of different levels of government. As expressed in articles 27, 31, 32 and 33, climate policy must include instruments for the timely and adequate MRV and M&E of national emissions and reductions, as well as of adaptation measures, taking into consideration the provisions of multilateral agreements ratified by the country. The law also defines the responsibilities on policy development and action at the federal (Art. 7), state (Art. 8) and municipal (Art. 9) levels.

Regarding information, the LGCC mandates INECC to compile and elaborate the National Communications to be presented to the UNFCCC and elaborating the National GHG Emissions Inventory, an essential input for domestic policy design and for international reporting. To date, Mexico has submitted five National Communication to the UNFCCC and is in the process of finalizing the 6th for submission in late 2018 together with the second Biennial Update Report. Another important information instrument is the National Emissions Registry (RENE) which was created by the law, with a specific mandate for industries and other sources to report emissions on an annual basis and quantified mitigation actions. Finally, the same law established the Climate Change Information System to collect, integrate and make publicly available all information considered of "national interest", including the national GHG inventory, the emissions Registry and other information, such as the vulnerability atlas.

The General Directorate for Climate Change Policies (DGPCC) of SEMARNAT is responsible for the NDC implementation in Mexico and also acts as Technical Secretariat to the CICC, point of contact to the C3, and substitute Technical Secretariat to the SINACC. The Directorate coordinates support to subnational entities on climate change issues, and maintains regular communication with subnational authorities. In addition, the DGPCC coordinates the work under the RENE and is responsible for designing climate policy that becomes applicable to different sectors or levels of government.

Following the mandate of the LGCC, Mexico published its ENCC in 2013. Similarly, with the entry into force of the Paris Agreement and based on the ENCC, Mexico prepared and submitted its long-term low emissions development strategy (“Mid-Century Strategy”). Both the ENCC and the MCS foresee MRV as well as monitoring and evaluation (M&E) for mitigation and adaptation action as important lines of action.

The Mexico NDC states that it is imperative to consolidate different platforms for the exchange of knowledge and information related to adaptation at the three levels of government, as well as to strengthen the networks with academic institutions and civil society.

The access to information and transparency is recognized as a guiding principle to develop and strengthen adaptation capacities in the country in the 5th National Communication presented by Mexico to the UNFCCC. In addition, in its First Biannual Update Report, Mexico recognized the need to extend, strengthen and integrate MRV mechanisms to achieve a system at the national level that allows to know the mitigation achieved yearly. Without such a system, there would be no information enough to manage the gradual progress towards achievement of national goals.

2.3 Progress on transparency of action in Mexico

Progress on transparency comes from various sources, all of which have a foundation on the LGCC, but which have acted separately from each other.

Following the legal provisions of the LGCC, the RENE Regulations were enacted in 2014. The Regulations establish that any economic activity with annual emissions above 25,000 tCO₂e must report emissions to SEMARNAT and must verify the reports according to a defined calendar and thresholds. Based on the RENE, the government (through SEMARNAT) may produce and publish emissions reports that to provide an overall view of emissions per sector, region or gas, based on data reported by the emission sources themselves (bottom-up approach).

Also following the LGCC, a first evaluation on climate change policy (particularly on PECC 2014-2018) was conducted and made publicly available in 2017. This first evaluation exercise reviewed the design and implementation features of the PECC and the consistency of the budget allocated to climate change actions. Findings of this assessment included the limited coherence between the federal budget and actions, lack of a robust MRV system, and lack of definition of those responsible for the implementation of the lines of action included in the PECC. Nevertheless, it was also found that SEMARNAT has achieved to foster compliance with 43% of the lines of action as of March 2017 and 80% as of March 2018. Recommendations from this evaluation include the need for strengthened coordination and consensus among SINACC members, particularly in relation to budget allocation proposal, approval and disbursement, to improve its effectiveness, as well as to agree on relevant measures to address the actions that represent lags and achieve the best possible compliance with the goals to 2018. These recommendations are equally applicable to the new PECC that the incoming administration must prepare for the 2019-2024 period. These recommendations will be taken into consideration as an input to the proposed project.

Another initiative that shows progress on transparency in the country is the Open Government Alliance (AGA) in which Mexico participates. One of the government commitments adopted under the AGA is related to transparency and access to information on vulnerability and adaptation for sound decision-making in Mexico. The commitment is under the responsibility of the DGPCC of SEMARNAT, a circumstance that allows to better integrate the activities and results from the initiative into the proposed project for CBIT.

Moreover, Mexico is planning to submit to the UNFCCC its 6th National Communication and the 2nd Biennial Update Report (BUR) by the end of 2018. These documents are prepared according to the guidelines for National Communications and BUR, adopted by the UNFCCC, including also those by the IPCC applicable to national GHG emissions inventories. The preparation of the second BUR is built on the experience gained from the feedback given by countries to the first BUR, during the ICAT session in Bonn at COP23.

Finally, Mexico is undergoing efforts for tracking of international support on climate change. The Mexican International Cooperation Agency (AMEXCID) is legally responsible for collecting and publishing this type of information. However, some of the cooperation agencies or project implementers may not have a direct contact with the agency, a limitation that prevents them from registering all the cooperation activities on climate change they implement. A second registry within SEMARNAT exists, by the International Affairs Unit (UCAI), based on the signature of agreements, memorandums of understanding, or similar documents that indicate the type, value, objective, and activities or different cooperation projects. The information is already publicly available, but is mainly used to keep track of progress in the interaction with partners and other countries.

Despite the legal framework for transparency in place as described in 2.3 (LGCC, ENCC, PECC, State Programs, SINACC, CICC, INECC, MRV and M&E, RENE and National GHG Inventories) Mexico lacks the means to compile information related to climate action in a unified and standardized way across all government levels, specially at the sub-national level. In fact, the lack of uniform criteria and methodologies to collect data makes it difficult for different actors at the federal and subnational levels to generate and provide updated and reliable data. Moreover, given the multiplicity of isolated initiatives and projects (as described above) there is uncertainty on the country's performance and specific climate actions undertaken. Both issues clearly undermine transparency and MRV requirements under the Paris Agreement. Precisely, the systematization of information on climate action across government levels and sectors is essential for the implementation of the agreement; for informing future global stocktakes; and, in particular, for raising ambition of the NDC to lead the way towards a low carbon development. Having a system of this nature will allow Mexico to acknowledge and have a clear understanding of its own efforts for climate change action, good practices, priorities, needs and gaps. It will also improve its MRV and M&E system by strengthening clarity and tracking of progress on mitigation and adaptation actions. In addition, it will also integrate sub-national and federal climate action which can lead to better understanding climate challenges, improving knowledge, reporting capacities and decision making, based on sufficient, consistent, updated and reliable information.

2.4 Expected contribution from the CBIT project

As established in the LGCC (Art. 7-9), the subnational entities should formulate, conduct and evaluate their mitigation and adaptation climate change policy and actions, in accordance with the National Strategy and National Policy for Climate Change, incorporating criteria in the environmental policy instruments. Subnational and municipal entities must also develop and implement their program on climate change, promote social participation from all sector stakeholders and strengthen strategies for:

- The establishment of criteria, indicators, procedures for monitoring and evaluation and of compliance with national policy goals and the impact of mitigation and adaptation implemented actions.
- Find and manage local funds to support and implement local actions.
- Signing coordination agreements with the Federal Government, federal entities and municipalities for the implementation of mitigation and adaptation actions.
- Promote scientific and technological research for development for technology transfer, equipment and processes for mitigation and adaptation of climate change strategies.
- Develop strategies, programs and comprehensive projects for GHG mitigation for efficient and sustainable transportation systems.
- Undertake educational and sensitization campaigns for information and prevention about climate change adverse impacts.

Subnational entities are responsible for the design and implementation of public policies with the greatest impact aligned with the National Strategies for Climate Change, related with LULUCF authorizations, reforestation, domestic

waste management, ecosystems management, urban development, MRV, in the field, control of emissions in fixed and mobile sources of state competition (light or small industry, special handling waste and urban solids). They are also responsible for implementing comprehensive transportation improvement programs, promoting social participation, developing the state risk atlas, designing and promoting incentives.

Subnational entities represent an important laboratory for public policy innovation and their results can be adopted nationally and internationally. Local policies are the critical link in the vertical integration of climate policies and progress evaluation with national governments for NDC commitments.

Through this project Mexico will demonstrate that transparency goes beyond accounting and that it has a cross-cutting nature in technical, financial or political decisions under the Paris Agreement, but also in its implementation at the domestic level. The transparency system that will be developed (SIAT-NDC) is expected to provide a platform for:

- i) Common language in the country around tracking of progress of the NDC;
- ii) Future evaluation of mitigation and adaptation goals or policies as mandated by the LGCC;
- iii) Avoiding duplication of efforts in tracking progress; and
- iv) Enhanced accountability of the country with regards its own NDC.

3. The proposed alternative scenario

The SIAT-NDC will be built based on the experience and lessons learned from the SIAT-PECC system which is an on-line platform that allows government entities to report on their lines of action under the PECC.

As previously mentioned, the SIAT-PECC system, currently under development in collaboration with the IDB for tracking and reporting of actions under the PECC (SIAT-PECC). The SIAT-PECC is expected to contain all the information related to the PECC, its action lines, methodologies and goals of achievement. The information under the SIAT-PECC will be considered as an input for the creation of the SIAT-NDC and as pilot of the transparency systems implemented for the compliance of article 13 of the Paris Agreement.

The proposed project components will comprise the following activities:

1) Consultation / Diagnostic on MRV at national and subnational level

This component aims to research, compile and process the different existing practices for MRV of climate change actions at subnational level. Some are based on local regulatory requirements whereas others may come from technical support by consultants. The consultation will also look into the existing practices at federal level, in the form of the SIAT-PECC, the RENE, the commitments under the AGA and similar actions. The consultation process must provide a deeper characterization of MRV in Mexico.

The exercise will greatly enhance the Government understanding on the variety, commonalities and capabilities of current MRV practices in Mexico both at the national and at the subnational level. This information will be used on the design of the platform, on the development of manuals and guidelines and for setting-up training programs.

2) SIAT NDC electronic platform development and validation

Under this component the critical attributes of the platform will be developed, defining priorities, activities, components, roles of each relevant actor, institutional arrangements needed, timelines, among others. This work will also define standardized requirements for data collection and data sharing. It will also develop the variables, database fields and their interactions which will be core elements of the system. This component must ensure that the NDC will be properly tracked and will also help define the additional functionalities that may be required for further processing the data collected, for generation of reports for different audiences, and for government official to track progress on a regular basis and make decisions on that basis.

This component will also include a series of exchanges of information and consultations to be carried out with relevant public and governmental stakeholders on the SIAT-NDC proposed concept and content. Consultation will take place with a wide range of institutions, particularly with those that would become as the data providers and from whom the experiences in component one of the project were drawn from. The validation implies field visits to states, consultations with public and private entities, and a set of technical meetings and discussions that may potentially refine the SIAT-NDC concept and help further identify the documentation and training requirements.

In addition, this component will focus on transforming the validated concept and content into an electronic platform that will be used on a regular basis for tracking and reporting progress under the NDC. The programming of the platform will be based on open-source tools to allow for maximum flexibility at the lowest possible operating cost. The platform will need to draw elements and ensure smooth, consistent and secure communication with the SIAT-PECC platform under development, so data or information may be shared across them. The component also considers the testing of the platform to ensure that all the functionalities programmed in the platform are fully operational, are robust, and error-free. As the testing takes place, the component will also develop and deliver training courses or sessions with a wide array of institutions that would provide data on a regular basis, and who may be located throughout the country. The training sessions are expected to take place in different parts of the country and, in the process, to test the usability of the platform, the robustness of communications, and the security aspect on data provision.

Finally, this component includes developing a SIAT-NDC Operational Manual as a comprehensive guide for the operation of the system and instrument to reinforce the training of the users of the platform to ensure the reliability of the information provided through the SIAT-NDC.

3) MRV Guidelines development

As the SIAT-NDC is being developed, this component aims at ensuring that all the potential participants or data providers have a standardized and common understanding on how to work with the platform and what data requirements need to be followed to provide it appropriately. Hence, consistent guidelines and templates will be produced to ensure the consistency and coherence of the data, as well as adequate coordination and procedures.

4) Knowledge exchange, workshops and activities

The dissemination of information on the development and implementation of the platform and the wider transparency framework will enhance transparency practices within the Government and with stakeholders and partners, but it is expected to play a key role to promote project activities among a diverse range of audiences. The component will work with the existing climate change institutions (CICC; SINACC, and C3) as well as with other relevant stakeholders. It is assumed that an important part will be in the form of on-site meetings and workshops on transparency and on the use and functionalities of the SIAT-NDC and its implications for transparency under the NDC. It also assumes the future development of a significant variety and number of publications or materials to be shared electronically or in printed format. It also considers the preparation and hosting of regional sessions with countries from the Latin America and the Caribbean region and any other CBIT projects worldwide that have an interest on transparency work and who will also be in the process of developing their own transparency systems or procedures. Finally, it includes the potential presentation of the transparency framework and platform in international meetings including as side-event at the Conference of the Parties of the UNFCCC and participation on the CBIT Global Coordination Platform.

4. Incremental/Additional Cost Reasoning

The project objective is to build and strengthen institutional and technical capacities to meet enhanced transparency requirements, as defined in article 13 of the Paris Agreement and in accordance to GEF's CBIT Programming Directions.

The proposed project will build on and engage with ongoing initiatives (among them RENE, SEMARNAT's Emissions reports, GHG Inventories, assessments on national climate change policies performed by INECC, activities carried out by SEMARNAT's AGA and AMEXCID). It will also build up on the SIAT-PECC, which will be incorporated in the SIAT-NDC when this is finalized in order to have one consolidated system.

The systematization of information on climate action across government levels and sectors is essential for the implementation of the Paris Agreement, to inform future global stocktakes and, in particular, to improve national capacities for raising ambition of the NDC to lead the way towards a low carbon development. Having a platform as proposed under this project, will allow Mexico to acknowledge and have a clear understanding of its own efforts for climate change action, good practices, priorities, needs and gaps. In this way, its MRV and M&E systems will be strengthened and provide more clarity for tracking of progress on mitigation and adaptation actions. In addition, it will also integrate sub-national and federal climate action which can lead to better understanding climate challenges, improving knowledge, reporting capacities and decision making, based on sufficient, consistent, updated and reliable information.

Despite that co-financing is not a requirement as per GEF's policies for this type of project, there will be co-finance for all components in order to maximize the use of resources and join efforts with ongoing initiatives in the country.

5. Global Environmental Benefits and/or adaptation Benefits

The expected benefits from the implementation of the project include:

- Clear, common and solid base of trust, solidarity and collective work as essential element for objectives fulfillment
- Useful, ambitious and creative tracking mechanism that provides confidence and supports potential finance flow towards NDC implementation
- Institutional and sectoral capacity building and technology for the implementation of the NDC
- Improved institutional transparency capacities will also lead to raise ambition on mitigation and adaptation contributions, resulting in improved global climate outcomes.
- Robust, efficient and reliable MRV and M&E through a common platform for NDC goals contributions
- Consistent, comparable, no double counting and integrity elements for reporting.
- Effective participation of all sectors and subnational stakeholders.
- Clear indication of stakeholders contribution to the fulfillment of Mexico's NDC.

Economic: the project and its outcome, in terms of a SIAT-NDC, will reduce the operation costs of government and man-hours consumed in requesting, compiling, collating, processing and reporting of information on NDC actions that are taking place at federal, state and municipal level. By way of an electronic platform, pre-defined users will have differentiated access to uploading and reporting sections, based on pre-established formats and climate actions per user, as well as access to reports generation or system administration as applicable.

Technical: an electronic platform, compatible with existing systems (SIAT-PECC) will allow for consistency of reporting, simplified requests, facilitate provision and uploading of supporting material and evidence of progress, and facilitate the generation of reports and graphs on progress towards the NDC. From a technical perspective, also, the platform may automate some tasks that would require time-consuming preparation of written communications among institutions and reduce the time-consuming integration of reports into single or "master" file. The platform may sustain changes in government staff as a centralized system would maintain the records and information as collected to that point in time.

Health: the electronic platform or its design do not imply a specific improvement in health of participants. However, the reduction in potential travel associated to data acquisition from states and municipalities, or the additional consumption of energy form that, would prevent harmful emissions. But the project itself may have limited health benefits to participants.

Mitigation: the platform will simplify the way data is collected, processed and reported, reducing the need for travel or in-person sessions. It also has the potential to improve the MRV capabilities at subnational level in all those entities or government areas who are responsible for specific climate actions been accounted towards the NDC. The overall mitigation effect will come from the fact that the country would be in a better position to comply with its mitigation targets under the NDC from close, consistent and permanent tracking and reporting of progress.

A reduction of transaction costs associated with the tracking is expected as a centralized, electronic platform, based on publicly available guidance and training may support an expedite reporting of progress.

At the international level, progress evaluation of the progress may be based on the results or reports generated by the SIAT-NDC, in a manner that is consistent with Art. 13 of the Paris Agreement. Mexico's SIAT-NDC may become a reference on tracking and reporting progress of NDCs.

Given the national context and the proposed actions, the project will significantly support the country in moving from limited state-level systems, to an interconnected network or platform that will allow to track progress towards the NDC.

6. Innovation, Sustainability and potential for scaling up

Innovation

The proposed SIAT-NDC aims at consolidating and creating one system with uniform criteria to include information currently being produced by different sources and compiled in different places. The project activities will improve the quality of the GHG inventory and will establish different indicators, in an accurate and standardized way for the monitoring of actions of mitigation in the different sectors of the economy and at different government levels.

Sustainability

From the legal-mandatory perspective, the Project may be sustained over time as the country has ratified the Paris Agreement, the General Law on Climate Change has been updated to incorporate it as well as its provisions, including the concept and scope of the NDC, the transparency framework and the actions that will ensure the implementation of the Paris Agreement and its goals. The legal foundation would then oblige any incoming administration to maintain the system, in terms of the tool to track and report on progress towards the NDC. In addition, the DGPC has hired staff whose responsibilities and job description (based on internal regulation) are directed towards the transparency framework and the implementation of SIAT-PECC and SIAT-NDC. The internal regulation of SEMARNAT also allocates to the DGPC the responsibility of implementing climate policies, including those derived from the law and the Paris Agreement. The SIAT-NDC is also to be proposed as a component of the Climate Change Information System (SICC) as “information of national interest” which would create a legal mandate to maintain the system. On the other hand, by guiding federal and sub-national entities to establish the necessary institutional arrangements and knowledge management structures for data collection and reporting, the project sets into action the long-term institutional transformations required for sustaining a sound transparency and reporting system as per mandated by the Paris Agreement.

Potential for scaling up

Once the platform is developed and running, it may be used as a tool for dissemination of knowledge both in the region and globally and as a means for accessing quality data standards and sharing of lessons learned. Moreover, it will improve the understanding of opportunities and challenges and in this way allow for future more ambitious commitments under the Paris Agreement.

By first piloting the platform in selected states and municipalities (sub-national level), it will be possible to understand how data collection and reporting would work in practice. Moreover, the best practices and methodologies may be captured for (the platform's) further development and improvement and implementation and national level.

Lessons learned in Mexico from the implementation of this project can then be helpful for other countries in the region and globally who are developing their own transparency and reporting systems. In fact, by utilizing other information-sharing platforms (such as the CBIT Global Coordination Platform) countries will be able to build their own capacities and increase their knowledge, expand mutual learning opportunities and leverage existing partnerships.

2. ***Stakeholders.*** Will project design include the participation of relevant stakeholders from [civil society organizations](#) (yes /no) and [indigenous peoples](#) (yes /no)? If yes, identify key stakeholders and briefly describe how they will be engaged in project preparation.

The platform will aim at including inputs from different sectors, national and local actors. To this end and for the development and adoption of the SIAT-NDC system the following stakeholders and their role have been identified:

(a) members of the Inter-Ministerial Commission on Climate Change (CICC), representing 14 different Secretariats from the Federal Government, who will participate in the consultations on the MRV practices at federal level, the SIAT-NDC Concept development, and the testing of the platform.

(b) members of the National System on Climate Change (SINACC) including CICC representatives, representation from each of the 32 state-level governments, and two associations of municipal governments, plus members of Congress (Deputies and Senate) and the Climate Change Council (C3): given the variety or breadth of its membership, the SINACC becomes the most relevant institution for the project components. The SINACC members at state and municipal level will be the main source of input to the consultation on MRV practices at subnational level; all the SINACC participants will participate in the SIAT-NDC Concept Development, through interviews, consultations or direct engagement by the team coordinating the component. The SINACC members will also participate in the SIAT-NDC validation and public consultation. In particular, the C3 brings together the opinion of academia, private sector and civil society, who advise the CICC on climate policy development. In this case, the C3 plays an important role on dissemination of the SIAT-NDC Concept and on providing feedback about it.

(c) civil society organizations who have previously participated on policy development, workshops organized in the preparation of the INDC, or on other similar activities, will be engaged for the SIAT-NDC validation and public consultation component. They also have the potential to participate in the knowledge exchange workshops with similar organizations at subnational level or from other countries in the Latin America and the Caribbean region.

(d) multilateral and bilateral institutions have a role to play. Some of them, like GIZ, already work with federal or subnational entities on policy or regulatory development and on facilitating policy coherence across levels of government, having the LGCC as reference. Others, like the IDB, maintain technical assistance activities that support some elements of the MRV aspect of climate policy. For instance, through a Technical assistance project, the IADB supports the preparation of the SIAT-PECC, an electronic platform that will allow all the Secretariats from the CICC to track and report on their actions and results, based on what is defined by the PECC. The Mexican-Danish Cooperation Programme on Energy and Climate Change includes a component of support for the update of the National Strategy on Climate Change. In the past, the program supported public consultation activities in the preparation of the INDC. Multilateral and bilateral institutions are also a potential partner for knowledge exchange workshops and activities, as these have been supported in the past in different technical cooperation activities or programs.

3. Gender Equality and Women's Empowerment. Are issues on [gender equality](#) and women's empowerment taken into account? (yes /no). If yes, briefly describe how it will be mainstreamed into project preparation (e.g. gender analysis), taking into account the differences, needs, roles and priorities of women and men.

Mexico has made progress to translate its commitments on gender into specific tools and policies. In 2006, the General Act on Equality between Women and Men proposed guidelines for the fulfilment of substantive equality in the public and private spheres by promoting empowerment of women". The Act institutes the National System and National Programme on equality between women and men. The Federal Executive oversees implementing the National System and National Programme. The Instituto Nacional de las Mujeres (INMUJERES) acts as the central gender institution for coordinating action at the federal, state and municipal level. The National Commission of Human Rights is responsible for monitoring and evaluating the National Gender Equality Policy. Finally, the National Development Plan 2013-2018 establishes that a gender perspective in government action must be followed.

Building on past and present efforts in the country, the project will not only follow and be consistent with the legal and institutional framework in place but will also rely on GEF's Policy on Gender Mainstreaming to address gender equality and promote women's empowerment across its components and activities.

It will also attempt to empower and build the capacities of women and men across different relevant government agencies and institutions related to transparency by providing training and education; by encouraging and supporting

the collection of gender disaggregated data; by enabling full and effective consultation and participation of women and men from communities; by involving women in all MRV activities and providing the necessary tools for women to engage meaningfully.

Gender also becomes relevant in the preparation and in the participation in the validation and public consultation component of the project.

Other vulnerable groups' considerations will also be included in the project design as foreseen in the legal framework and relevant policies.

The development and adoption of the SIAT-NDC system including the electronic platform may represent an opportunity for the incorporation of new staff/ new external support to the government. Policies for equal employment opportunity -which are based on merit- will apply to create equal opportunities for men and women.

The project will also conduct a gender analysis and develop a gender responsive results based framework with the support of the Bank's Gender and Diversity Division (GDI) which will assist with strategic guidance, as well as technical assistance and training programs, in accordance with the IDB's Operational Policy on Gender Equality and the Gender Action Plan.

As Mexico was one of the main supporters of the Gender Action Plan adopted under the UNFCCC (UNFCCC GAP) in November 2017, the project represents an opportunity to channel activities as conceived under the UNFCCC GAP.

4 Risks. Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design (table format acceptable).

Risk	Likelihood	Impact	Description	Risk mitigation measure
Change in government and of public officials.	Medium	Medium	Mexico will go through presidential elections on July 2018, and a new administration will take office on December 1, 2018. In the timeframe of the project, public officials serving as points of contact or participants of the project may change, threatening the continuity or outcomes envisaged for the project.	The project relies on the public institutions that are created or that exist by law, and even though there may be changes, the likelihood of massive substitutions is relatively low. Through the engagement of a wider array of people, from the aforementioned institutions, plus the commitment made as country, reduces the potential impact arising from changes to personnel. Also, the participation and engagement of organizations or institutions outside of the sphere of the federal government reduces the possibility of a project cancellation that could come from changing officials.
Delays in project implementation due to change in government	High	Low	A change in government at federal level may delay the approval of some activities or may interrupt	The workplan for the project may take the potential risk into consideration, during the planning phase, so as to minimize the potential impact. In addition,

			the continuity of the work plan.	the project has a clear linkage with commitments made as Party to the UNFCCC and the Paris Agreement; such situation creates a sense of urgency and continuity based on the discussion and negotiations for the Paris Agreement Work Programme and the implementation.
Delays on expenditure of project funds or on those from co-financing institutions.	Low	Medium	The regular administrative processes followed by the government or the multilateral institutions may delay expenditure with respect to an optimistic work plan.	The project does not solely rely on a source of funding. The co-financing for the envisioned components of the project would reduce the potential impact of expenditure delays, as activities may be covered by different sources of funding that are complementary to each other.

5. Coordination. Outline the coordination with other relevant GEF-financed and other initiatives.

The project coordination will be implemented by SEMARNAT, through the DGPC, with the support of the IDB as the Bank has supported Mexico to consolidate its long-term climate change agenda since 2008. This support has allowed for the implementation of technical and financial products (e.g., investment and policy-based loans, and technical cooperation activities). In fact, on the climate change transparency agenda, between 2014 and 2015 the IDB provided technical and financial assistance for the design of the regulation for the mandatory National Emissions Registry, later in the process the Bank also supported the design and implementation of the National Emissions Registry Platform (RENE).

The project will share the established communication channels that may arise from its implementation with different organizations in Mexico and with other relevant partners outside of Mexico with whom a South-South cooperation scheme may be applicable. On the latter, the International Affairs Unit of SEMARNAT coordinates exchanges with other countries in the Latin America region, and acts as point of contact for the Pacific Alliance, the NDC Partnership, and other international initiatives.

As previously mentioned under Component 4 Mexico will participate in the CBIT Global Coordination Platform as part of the knowledge sharing activities under the project.

Lessons learned and experiences acquired in the project may become an important contribution to the Global Coordination Platform coordinated by CBIT / GEF.

The project will also use the results or outputs coming from existing transparency and reporting processes, such as the preparation of the 6th National Communication to the UNFCCC and the 2nd Biennial Update Report; the Accounting Rules project by GIZ/BMUB with Mexico, Colombia and Costa Rica; the Vertically Integrated Climate Protection Initiative (VICLIM), on coherence of climate policies at federal and subnational levels, by GIZ /BMUB; the development of the SIAT-PECC platform in collaboration and with the support from the IADB; or the MRV methodologies project and state-level support in progress by INECC.

The project will also seek the way to complement the activities on transparency launched with ICAT, and which are considered as part of the first component of the project.

Mexico's participation in the International Partnership for Mitigation and MRV is another opportunity to reach out to other Parties or countries under the UNFCCC, in relation to the impact of MRV on the tracking of progress towards an NDC, and on the adopting or sharing of practices around transparency.

6. Consistency with National Priorities. Is the project consistent with the National strategies and plans or reports and assessments under relevant conventions? (yes /no). If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

The proposed project is fully aligned with the mandates established in the legal frameworks and the scope, coverage and expected outcomes from the NDC. It follows closely the decisions, modalities, procedures and guidelines approved under the UNFCCC negotiations on Article 13 and 4. Accordingly, the project will be developed taking into consideration the legal and institutional provisions of the LGCC and ongoing initiatives, in particular those regarding transparency and information generation (detailed in sections 2.2 and 2.3).

It is also aligned to the 5th National Communication where access to information and transparency is recognized as a guiding principle to develop and strengthen adaptation capacities in the country. It is also in accordance with Mexico's First Biannual Update Report which states that Mexico recognizes the need to extend, strengthen and integrate MRV mechanisms to achieve a system at the national level that allows to know the mitigation achieved yearly. Moreover, it is stated in such document that without such a system, there would be no information enough to manage the gradual progress towards achievement of national goals.

The participation and engagement of SINACC members, (including those from the CICC and C3) well as other relevant stakeholders will be fundamental for the development of the project. It is also important to consider the ongoing tracking and reporting on progress towards the NDC (which include adaptation and mitigation measures implemented at federal, state and municipal levels.).

7. Knowledge Management. Outline the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

As part of the Knowledge management of the project, the activities related to workshops, training, or interviews, and their results may become a contribution to the Global Coordination Platform. The engagement and potential exchange with existing projects and initiatives by various agencies in Mexico enhances the impact the project may have not just in Mexico but in the region as well. Dissemination materials commonly prepared under different projects, in the form of electronic blogs, factsheets or briefing documents, videos, or other may already support the knowledge management component of the project.

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

A. RECORD OF ENDORSEMENT¹² OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):
 (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template. For SGP, use this [SGP OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Camila Isabel Zepeda Lizama	Directora General de Organismos Financieros Internacionales	SECRETARIAT OF FINANCE AND PUBLIC CREDIT (SHCP)	03/09/2018

¹² For regional and/or global projects in which participating countries are identified, OFP endorsement letters from these countries are required even though there may not be a STAR allocation associated with the project.

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies¹³ and procedures and meets the GEF criteria for project identification and preparation under GEF-6.

Agency Coordinator, Agency name	Signature	Date (MM/dd/yyyy)	Project Contact Person	Telephone	Email
Juan Pablo Bonilla, IDB GEF Executive Coordinator		06/05/2018	Gloria Visconti, Climate Change Lead Specialist	1 (202) 623-3360	gloriav@iadb.org

C. ADDITIONAL GEF PROJECT AGENCY CERTIFICATION (APPLICABLE ONLY TO NEWLY ACCREDITED GEF PROJECT AGENCIES)

For newly accredited GEF Project Agencies, please download and fill up the required [GEF Project Agency Certification of Ceiling Information Template](#) to be attached as an annex to the PIF.

¹³ GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, SCCF and CBIT