

LAC Perspectives on Transport NAMAs: WRI's Experiences in Mexico

*Working with Key Stakeholders to develop ambitious
NAMA proposals*



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Transport in Mexico

➤ Transport Trends in Mexico

- Transport sector is 22% of national GHG emissions (Mexico 5th National Communication, 2012)
- Transport sector is the fastest growing sector in terms of energy consumption (CTS EMARQ Mexico, 2012)
- Freight transport is 30% of emissions from the transport sector (CTS EMBARQ Mexico, 2012)
- More than 78% of Mexico's population is concentrated in urban areas (INEGI, 2010)



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Transport NAMAs in Mexico

- Energy Efficiency Program for Freight Vehicles
- Optimization of Public Transport Routes
- Integrated Urban Mobility Systems as a Crediting Mechanism: Proposal for Market Readiness
- NAMA based on the Federal Mass Transit Programme
- Enhancing Vehicle Renovation in Mexico



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Policy Context



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Programa de Eficiencia Energética para Camiones de Carga (Energy Efficiency Program for Freight Vehicles)

- **Objective:** Improve the energy efficiency of the freight vehicle fleet
- **Actions:** eco-driving training for drivers + technology :
 - ✓ Improved aerodynamics
 - ✓ Auto-inflating tires
- **Stakeholders:** Ministry of Environment (SEMARNAT)
- **Funding:** Seeking international support for a total implementation cost of \$19.76 million USD



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Optimización de Rutas de Transporte Público (Optimization of Public Transport Routes)

- **Objective:** Increase the efficiency of public transport operations in the 56 metropolitan areas to reduce related GHG emissions
- **Actions:**
 - Reduce oversupply of public transport routes and vehicle fleet;
 - Renovate the vehicle fleet (buses and light vehicles more than 12 years old)
- **Stakeholders:** Ministry of Environment (SEMARNAT)
- **Funding:** Seeking support for implementation,



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Integrated Urban Mobility Systems as a Crediting Mechanism: Proposal for Market Readiness

- **Objective:** Mitigate GHG through optimization of public transport systems building upon
 - PROTRAM (Federal Mass Transit Program) - promotes investment in mass transit through federal financial participation and loans
 - UTTP (National Urban Transport Transformation Project) - finance projects of less than 500,000 inhabitants and complementary infrastructure
- **Actions:** Use revenue from carbon credit sale to promote
 - Mass Transit Systems
 - Optimization of existing routes
 - Vehicle technology & alternative fuels
 - Non-motorized transport
 - Transport Demand Management (parking, car-sharing)
 - Intelligent Transit Systems
- **Stakeholders:** National Works and Public Services Bank (BANOBTRAS) and Ministry of Environment (SEMARNAT)
- **Funding:** Existing funding opportunities through PROTRAM and UTTP, as well as GHG credits on the crediting market



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NAMA Preparation

➤ 2008: MACC (MEDEC study “Low Carbon Development for Mexico”)

Main Criteria:

- Environmental challenges
- Economic benefits
- Social *benefits*
- Country capabilities
- Alignment to national priorities

- Strong commitment of stakeholders for collaboration
- Involvement of private sector & local governments
- Existing institutional and financial capacities of previous programs
- Selected sectors & mitigation potential aligned with national priorities
- National Scope
- Replicability in other sectors or regions
- Synergies among NAMAs



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MRV

- **MRV Methodologies have been proposed for all three NAMAs.**
- The detailed MRV process will be elaborated when a potential donor is identified

Freight NAMA	Route Optimization NAMA
Fuel consumption (liters/year)	Annual emissions (MTCO ₂ e/year)
Annual emissions (MTCO ₂ e/year)	Net emissions (KgCO ₂ e/ km)
Number of vehicles with improved technology (vehicles/year)	Annual distance traveled by the system (Km/year)
Number of trained drivers (drivers/year)	Efficiency of the vehicles (Km/L of fuel consumption)
Number of companies that have participated in driver training program (companies/year)	



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Co-Benefits

➤ **Social, Economic, and Environmental co-benefits will be derived from each NAMA.**

- Quality of Life
- Accessibility
- Reduce travel times
- Reduce congestion
- Reduce air pollution
- Reduce traffic fatalities and injuries



➤ **The air quality co-benefit will be subject to MRV.**



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Lessons Learnt

- **Ministry of Transport and Ministry of Finance are positive about the significant value of transport NAMAs.**
 - The proactive role of the sustainable transport community has resulted in political engagement.
- **Important to consider institutional framework from the early stages**
 - Assigning a role to high-level stakeholders can increase domestic buy-in
 - Domestic ownership can increase political support
- **NAMA finance needs to be leveraged**
 - Innovative financing mechanisms
 - Revolving fund
 - Credit carbon market



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Merci !

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