



SISTEMA DE
COMERCIO DE
EMISIONES

Emissions Trading System Pilot Program in Mexico

Diana Guzmán Torres

Director for Climate Change Mitigation Policy



MEDIO AMBIENTE

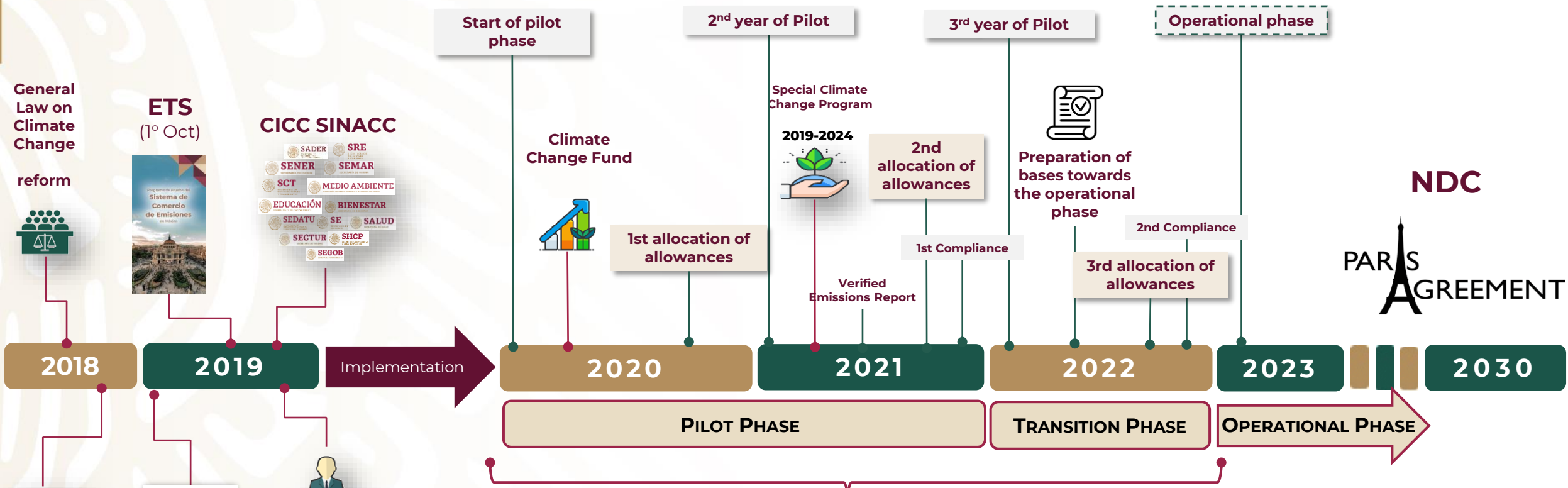
SECRETARÍA DE MEDIO AMBIENTE Y RECURSOS NATURALES



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Año de Magón

PRECURSOR DE LA REVOLUCIÓN MEXICANA

Timeline of Pilot Program



General Law on Climate Change reform



ETS
(1º Oct)



CICC SINACC



Implementation



6ª CN + BUR



National Development Plan 2019 - 2024



Sector Plans

Climate Change Fund



1st allocation of allowances

2nd year of Pilot

Special Climate Change Program 2019-2024



Verified Emissions Report

2nd allocation of allowances

1st Compliance

3rd year of Pilot



Preparation of bases towards the operational phase

3rd allocation of allowances

2nd Compliance

Operational phase

NDC
PARIS AGREEMENT

Emissions Trading System Pilot Program

SUSTAINABLE DEVELOPMENT GOAL 13
Take urgent action to combat climate change and its impacts*

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Pilot Program in Mexico



3rd

year of implementation
to move forward
operation phase in 2023

10%

of the obligation may be
covered by **offsets**



282

facilities from **industrial
and energy sector
covered** by the ETS

64 ▽

of the participants complied **their
obligation in 2021** (surrender
allowances)

ETS design and initial steps



Readiness

Analysis

- Legal framework (LGCC, RENE)
- Emission data (RENE)
- MRV strengthening (RENE)
- Verification Units (RENE)
- Technical recommendations
- Lessons learned from other ETS
- RENE regulations update
- Regulation

Development

Capacity building

- Workshops with private sector
- Public-Private working groups
- ETS simulation

Technical studies

- Cap design
- Competitiveness impacts
- Allocation methods

Consultative process

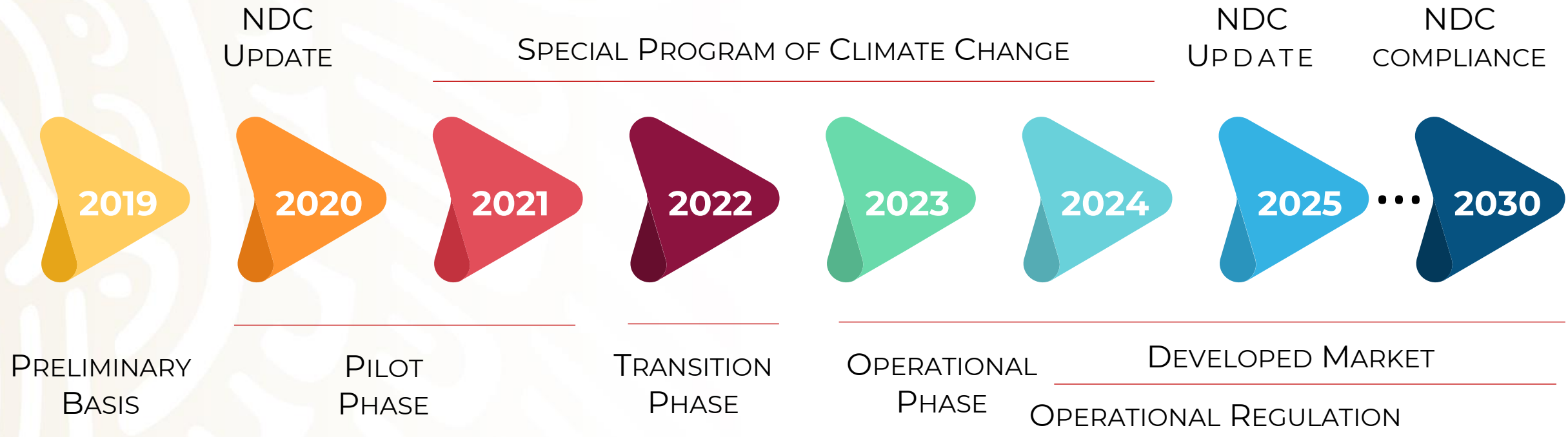
- Public consultation
- CONAMER

To implement the Pilot Program, Mexico has had **different consultancies** for built and design the components of the cap-and-trade system.



Operational Phase

Challenges and next steps



- ECONOMIC AND REGULATORY IMPACTS
- OPERATIONAL REGULATION
- INTERACTIONS WITH OTHER CPIS
- FLEXIBILITY MECHANISM OF COMPLIANCE

- DOMESTIC OFFSET PROGRAM
- AUCTIONS AND REVENUES
- CAPACITY BUILDING
- ETS MANAGEMENT OFFICE
- INTERACTIONS WITH FINANCIAL MARKETS
- ARTICLE 6





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¡Thank you!

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