

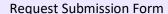
Submission of FTA

- This Request Submission Form should be completed by the organization requesting technical assistance from the Climate Technology Centre & Network (CTCN) in collaboration with the National Designated Entity (NDE) of the country in question.
- The Form must be signed by the NDE. Please see updated contact list of NDEs here: http://unfccc.int/ttclear/support/national-designated-entity.html
- The Form can be submitted as a Word file containing a digital signature or as a signed and scanned PDF file in combination with an un-signed Word file.

Requesting country:	Mexico
Request title:	Technical assistance for the analysis and technical review of the existing legal framework for implementation of a circular economy policy in Mexico.
NDE	National Institute of Ecology and Climate Change, INECC
Request Applicant:	General Coordination of Climate-Change Mitigation. Contacts: Dr Claudia Alejandra Octaviano and Dr Juana Itzchel Nieto Ruiz; position: Director of Research into Low-carbon Development Strategies
	Email: direccion.general@inecc.gob.mx claudia.octaviano@inecc.gob.mx itzchel.nieto@inecc.gob.mx Address for correspondence: Boulevard Adolfo Ruiz Cortines núm. 4209, col. Jardines en la montaña, Alcaldía Tlalpan. C.P.14210, CDMX, Mexico

Climate objective:
Adaptation to climate change
Mitigation of climate change
Combination of adaptation and mitigation of climate change

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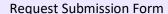
Geographical scope:					
Community level					
Sub-national					
▼ National					
If the request is at a sub-national level, please describe specific geographical areas (provinces, states, countries, regions, etc.).					
Sectors:					
Please indicate the main sectors related to the request:					
Coastal zones	Early Warning and Environmental Assessment	Human Health	☐ Infrastructure and Urban planning		
Marine and Fisheries	X Water	Agriculture	Carbon fixation		
Energy Efficiency	Forestry	X Industry	Renewable energy		
X Transport	X Waste				
	management				

CONTEXT OF THE ASSIGMENT (up to half page):

As part of the work carried out for the project, Assessment of the current status of the circular economy for developing a roadmap for Brazil, Chile, Mexico and Uruguay RFP/ONUDI/7000003530, work was done in the case of Mexico on ascertaining the degree of adoption of the circular economy; this work took account of key stakeholders in the main economic sectors with the greatest involvement in greenhouse gases (GHG)-mitigation and Nationally Determined Contributions under the Paris Agreement.

The sectors considered key to the project include industries with the greatest socio-environmental, economic development and job creation impacts, such as steel, cement, chemicals, paper production, processing and waste management. The main initiatives by these sectors are targeted at energy efficiency and materials from some waste products whose properties have become too degraded for use in their first life cycle; in the re-use of materials potentially able to be reincorporated into new economic cycles; and opportunities for industrial symbiosis between different production processes and even some high-impact urban and local community-development projects.

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Similarly, initiatives were identified aimed at capacity building and knowledge transfer at the industrial and research & innovation levels; further proposals were put forward for the processing process in the national beverage industry.

Apart from the projects mentioned above, an area of opportunity was identified to boost the transition towards a circular-economy model, which derives from a series of regulatory changes that the country has been making in, for example, the regulation of local governments such as the State of Quintana Roo and the State of Querétaro, where proposals have been made in this area and the General Circular Economy Bill, presented by representatives of the Senate of the Republic in December 2019.

It is important and necessary that the Institute should have this analysis, which will help to develop and Improve policy instruments and support decision making on environmental issues.

The work being done is aimed at having a diagnosis of progress towards an economic model in Mexico and other countries of Latin America. This has made it possible to identify the following analysis of weaknesses and strengths: "One barrier currently limiting the fluid interchange of materials that could be re-used for new production cycles and processes is the lack of mechanisms underpinned by law and regulation to guarantee new transactions and ensure that the parties to them meet their responsibilities."

Recommendations to make progress on the circular economy also identified:

- Conducting a detailed technical review of the existing and necessary legal framework for the implementation of a circular-economy policy in Mexico, including a review of regulation both existing and under development, which is key to integrating the principles of the circular economy in a manner appropriate to the Mexican context and making it possible to establish guidelines for implementation of a national roadmap closely linked to fulfilment of the national target for climate-change mitigation under the Paris Agreement.
- Forming technical working groups that, together with specialists from industrial chambers, analyse areas of opportunity in technical regulations, standards and specifications which, viewed through the lens of the circular economy, would promote the creation of markets for the second use or revalorization of energy flows, materials and exploitable natural resources.
- Having inputs to strengthen the regulatory framework linked to the circular economy, in order to specify the guidelines to be followed by decision makers in the various sectors of the country (government, economic sectors, academia, research & innovation, and civil society). The exercise should consider the powers of the three branches of government and, where appropriate, make recommendations to improve intergovernmental coordination in this regard. This approach will serve as a guide for those local contexts that have already shown progress in the development of state laws on the circular economy, for example, under the process already initiated by the State of Quintana Roo (published 18 June 2019 in the Official Journal of the State of Quintana Roo) and the State of Querétaro, in addition to the Federative Entities that join this process, so that they have public policy instruments to support fulfilment and future implementation of their stated objectives.



As part of the analysis of this application, we attach the following documents, which are considered to be relevant and useful to the CTCN:

- i. National Development Plan and Environment Sectoral Programme 2019-2024 (Official Journal of The Federation (DOF), 12 July 2019)
- ii. General Law for the Safety and Integrated Management of Waste (LGPGIR), which took as a reference the standards and regulatory framework of the European Community, one of the pioneering regions in the principles of the circular economy
- iii. General Circular Economy Bill, Proposed by The Senate of The Republic
- iv. Official Mexican Standard NOM-161-SEMARNAT-2011 -Standards for classifying Waste Requiring Special Handling and determining which waste requires the development and implementation of a Management Plan; the list of the same, procedure for inclusion or exclusion from the list; and the components and procedures for the formulation of management plans. 2013-01-11.
- v. Perspectives and opinion on the draft Circular Economy Law (LEC) by Dr Cristina Cortinas; see https://cristinacortinas.org/sustentabilidad/download/iniciativa-de-ley-de-economia-circular-en-perspectiva

Alignment with national priorities:

The technical assistance is aligned with national climate priorities: in Mexico, climate change has focused on construction of a regulatory framework and the design of a strategy to achieve the GHG reduction target previously set in the General Law on Climate Change, for which measures have been implemented both to reduce GHG emissions and to adapt to the impact of climate events. In addition to the progress made to achieve the targets set in the Paris Agreement, there is a need to "move towards a low-carbon economy and, consequent implementation of reduction measures that contribute not only to reducing GHG emissions, but also to the growth and sustainable development of the economic sectors of the country and fulfilment of the goals set in the 2030 Agenda for Sustainable Development."

With regard to Agenda 2030 and Nationally Determined Contributions (NDCs), the connections between the committed targets and the indicators for Sustainable Development Goals 7, 8, 9, 12 and 13.

Reference document	Extract (please include chapter, page number, etc.).	
(please include date of		
document)		
National Development	"We advocate a development model that is respectful of people and	
Plan (PND)	habitat, that is equitable, geared towards rectifying and not exacerbating	
	inequality, that defends cultural diversity and the natural environment,	
(DOF, 12 July 2019)	that is sensitive to regional and local economic arrangements and	
	particularities and is aware of the needs of the future inhabitants of the	
	country, to whom we cannot leave a legacy of a country in ruins."	
Objectives of PND 2019-	"The Government of Mexico is committed to the promotion of sustainable	
2024	development which, at the present time, has become evident as an	
PND Strategies	indispensable factor of well-being. It is defined as meeting the needs of	
SDGs	the current generation without compromising the ability of future	
	generations to meet their own needs."	
	SDG 9: Industry, innovation and infrastructure, the main example for the	
	project	

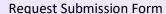


	Target 9.2. Sustainable industrialization, boosting the generation of quality employment and economic growth
	Target 9.3. Access to finance for SMEs and new markets
	Target 9.4. Infrastructure modernization, sustainability and efficiency in
	the use of resources and access to new technologies
	SDG 12: Sustainable Production and Responsible Consumption: Sustainable management and efficient use of natural resources, reducing food waste, achieving environmentally-sound management of chemicals and all waste products throughout their life cycles.
Technology Needs Assessment (TNA)	Technical support by a specialist for the analysis and technical review of the existing legal framework for implementation of a circular economy policy in Mexico.
	Mexico does not receive GEF support for development of the TNA, for which reason TNAs are defined nationally, based on each sector's requirements.
National Adaptation Plans	Not applicable
Nationally Appropriate Mitigation Actions	Mitigation indicators in the intensive industry sector
Add others here as	National Strategy for Climate Change. Vision 10-20-40
relevant	Results and recommendations of the strategic assessment of subnational progress of the National Climate-Change Policy - INECC. DOF, 5 February 2019
	Mexico's NDCs under the Paris Agreement

OBJECTIVE OF THE FTA (up to 5,000 characters):

- To conduct a detailed review of environmental and economic regulation and other legal instruments required for implementation of a national policy in respect of the circular economy.
- Conduct a detailed review of the different proposals linked to the circular economy model for Mexico.
- o Identify barriers to be overcome and the possibility of implementing improvements to legislation proposed in the country in respect of the circular economy.
- Analyse the existing and necessary legal framework in order to identify the requirements for addressing the issue of plastic waste and other flows of valorizable waste, of re-using byproducts and moving towards a circular economy model.
- Make proposals for improvement that are useful to the various stakeholders and sectors applying them or that are interested in their implementation as new business models and innovation in the design of products and services based on international experience and best practice, within the framework of the circular economy.

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SCOPE AND ACTIVITIES OF THE PROPOSED FTA (up to one page):

The focus of the FTA is to support the development of public policy instruments in respect of mitigation of climate change, as described below:

When progress was made on construction of a diagnosis for a roadmap for a circular economy in Mexico, focused on identifying business opportunities, generating quality employment and combating climate change, it was identified that the main barriers to implementation include the absence of a normative instrument that clearly includes the principles of the circular economy and has provisions based thereon.

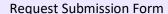
Upon evaluating the state of progress of implementation of the circular economy in industry, it has been identified that Mexico is a country in which opportunities for the valorization of materials and energy flows are still starting to develop, as are opportunities for the re-use of resources as an instrument of competitiveness and productivity, to a considerable extent due to a lack of investment in technology transfer or conversion to enable this shift, and also due to a lack of mechanisms that would permit the interchange of inputs between sectors on a proper legal footing.

Based on existing regulations governing integrated waste management (LGPGIR), there is a need to lay the foundations for supporting the transition to a regulatory framework that incorporates a conceptualization of key elements and principles for implementation of the circular economy.

To strengthen this regulatory framework (which already has circular economy initiatives at local and federal levels), a detailed analysis is needed that focuses the participation of experts and specialists from industrial sectors as an advisory group to the legislative teams throughout the formulation, review and issuance of draft legislation, regulatory frameworks and technical specifications to be duly regulated with the technical and economic support to facilitate and strengthen implementation of the country's development model and to boost the competitiveness of the productive sectors. This is the model that should be followed by the Federative Entities that have already presented draft legislation covering the circular economy, as is the case for the State of Quintana Roo and the State of Querétaro.

The description of the FTA should be structured into the following:

- Analysis of the reference document and documents issued as part of or as counterproposals to this initiative
- The deliverable should include the following:
 - Analysis of the legal framework and legal instruments needed for implementation of a policy in respect of the circular economy
 - Identification of national legal provisions that address, fulfil or improve existing mechanisms for the implementation of a policy in respect of the circular economy
 - Current context of existing regulatory initiatives at national level in respect of the circular economy
 - Clarity on the issue to be resolved and the operational and technical implications arising from implementation of existing initiatives
 - The sufficiency of the initiative to solve the problem of plastic waste and the development of mechanisms for the re-use of by-products and momentum towards a circular economy model
 - Conceptual integration and key principles for implementation of the circular economy





- Proposed technical and legal arguments to strengthen the initiative in line with international experience and practice and with the conclusions about the findings made
- Once the analysis report is available, it will be reviewed, in order to conclude with a final version agreed with the INECC technical team.

It should be noted that CTCN facilitates technical assistance and is not a project financing mechanism. All FTAs include a mandatory "Evaluation and communication" activity.

Activity: Evaluation and communication

The CTCN FTA Closure Report will be completed when the FTA has ended (a template will be provided).

Deliverable: Final analysis report and technical review of the existing legal framework for implementation of a policy in respect of the circular economy in Mexico (FTA Closure Report).

GENERAL TIME SCHEDULE OF EXPERT AND ACTIVITY/DELIVERY PLAN:

The activities subject to this contract shall be completed within 33 calendar days. Note that the maximum period allocated for this task is 2 months. **See timescale annexed.**

Monitoring and impact of the assistance:

By signing this request, I affirm that processes are in place in the country to monitor and evaluate the technical assistance provided by the CTCN. I understand that these processes will be explicitly identified in the CTCN Response Plan and that they will be used in the country to monitor the implementation of the technical assistance following standard CTCN procedures.

Signature:

NDE name: National Institute of Ecology and Climate Change

Date: 25 May 2020

Signature: Dr María Amparo Martínez Arroyo

THE COMPLETED FORM SHALL BE SENT TO THE CTCN@UN.ORG