

Mexico approves groundbreaking climate bill

Lisa Friedman, Environment and Energy Publishing, 4-20-12

Mexico's Senate unanimously approved landmark climate change legislation yesterday that sets the country on a pioneering path to drastically reduce its domestic greenhouse gas emissions.

The measure calls for Mexico to cut carbon 30 percent below business-as-usual growth by 2030 and 50 percent by midcentury. It now goes to President Felipe Calderón, who has championed action to control climate change and is expected to sign it.

Once the legislation is finalized, Mexico will be only the second country after the United Kingdom to have domestic global warming legislation in place, activists said. It also will be a leader among developing nations taking concrete steps to rein in explosive carbon growth.

"No developing country in the world has a climate law, let alone a climate law that has this vision and this ambition, that integrates all of the sectors at the national level in a system for climate change," said Vanessa Perez-Cirera, head of climate and energy programs for WWF Mexico.

Mexico is the world's 11th-largest economy, as well as the 11th-largest greenhouse gas emitter. But under the rules of the U.N. climate change regime, it is not yet obligated to curb carbon. Activists said yesterday that Mexico has a long way to go -- the new bill, which passed 78-0 just a week after overwhelming House passage, does not put a price on carbon, nor does it mandate that the country meet the emission reduction goals.

But by putting the targets into law and mandating a set of regulations -- including requiring 35 percent of the country's electricity to come from clean sources by 2024; establishing a voluntary carbon market; developing incentives to promote renewable energy; phasing out fossil fuel subsidies; and forcing companies in the largest carbon polluting sectors to report their emissions -- they said the results could be groundbreaking.

"It's a major thing. We're making these targets legally binding, so we're actually putting our actions where our mouth is," Perez-Cirera said.

"No longer in the future will the business community, or even a large number of members from Pemex [Mexico's state-owned petroleum company] or local governments be able to say, 'I'm not obliged to do anything.' We've heard that so often," said Adrian Fernandez, environmental and climate adviser to the dean of Metropolitan University in Mexico City.

Particularly critical, Fernandez said, are provisions that establish a high-level climate change commission and a national emissions registry, as well as give the National Institute of Ecology -- sort of an in-house think tank to the environment ministry -- expanded powers. The agency also gets a new name, the National Institute of Ecology and Climate Change.

"This is not a small thing. Now, for the very first time, the various ministries and many others will be able to allocate explicitly financial resources devoted to both mitigation and adaptation," he said. "This will help Mexico in going to the next stage in climate policies, which is tackling the challenge of implementation. Now it's about time to be really moving forward in very serious implementation."

Mexico's iron and steel trade association, CANACERO (Cámara Nacional de la Industria del Hierro y del Acero) did not respond yesterday to a request for comment. The industry group over the past several months has warned that the measure could lead to job losses and hurt the industry's competitiveness.

Analysts said they believe the measure will help shift dynamics in the international climate change talks, where developing and industrialized countries continue to struggle over taking legally binding commitments to cut carbon emissions.

"We see it is in Mexico's interest to achieve these goals, and I would hope Mexico is giving an interesting signal to other countries that this is possible," said Andres Avila, Mexico representative for the Washington, D.C.-based Center for Clean Air Policy.

"This is important, as it shows that Mexico is serious about addressing climate change even if there is a change in leadership," agreed Jake Schmidt, international climate change policy director for the Natural Resources Defense Council. "This is another sign of how times have changed. Developing countries are acting, and questions linger about the U.S.'s actions."

The bill's passage comes on the heels of Mexico's worst drought in more than 70 years, which advocates said played no small part in the debate. The bill focuses heavily on the likely impacts of climate change in Mexico and points to concerns over the increase in extreme weather events.

But with the legislative session ending this week, activists said they were not sure it would actually pass. Avila noted that the bill wasn't even on the Senate calendar yesterday. Its reading and subsequent Senate passage caught even close followers of the legislation by surprise.

"It took us two years to have this law," he said. "Like most things in Mexico, we did it at the last minute. But we managed to accomplish it."