

Enabling Conditions for Blue Carbon Projects Mexico

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Enabling Conditions Tool

Fair Carbon has crafted an assessment to simplify navigating the complex legal and political landscape around blue carbon. This evaluation focuses on **core legal requirements** essential for developing blue carbon projects. Fair Carbon offers further analyses of **supporting policies** in the [Appendix](#), providing a comprehensive understanding of the country's institutions, climate change strategies, and political environment relevant to blue carbon project development.

The **core legal requirements** are divided into four categories:

1. Precedents of nature-based (NB) carbon projects
2. Carbon markets legality and carbon rights
3. Land tenure
4. Article 6

Answers to various questions in these categories are assessed and scored. Based on the results, the enabling conditions in the given country for developing blue carbon projects are then showcased using a traffic light system:

	Precedence	Carbon Market & Carbon Rights	Land Tenure	Article Six
Unfavorable enabling conditions	Absence of experience with blue carbon, mangroves, or nature-based carbon projects.	Strong restrictions or prohibitions to participate in the Voluntary Carbon Market (VCM) and carbon rights are not defined or implied.	Land tenure in mangroves does not exist, and a community nature-based governance framework for nature-based carbon projects is lacking.	Article 6 framework that prohibits VCM projects.
Ambiguous enabling conditions	Absence of experience with blue carbon, mangroves, or nature-based carbon projects.	Difficulty in accessing permissions for project participation in the VCM, including some restrictive conditions, permissions to sell credits on the VCM, lack of clarity, or difficulty in accessing carbon rights.	Mangrove land tenure conditions are unclear or underdeveloped, and there is a lack of clarity on a community nature-based governance framework for nature-based carbon projects.	Article 6 framework that restricts VCM projects.
Favorable enabling conditions	Precedence for nature-based carbon projects or experience with mangroves, or nature-based carbon projects.	Participation in the VCM is allowed for projects, there is an explicit legal framework that enables sales of nature-based carbon credits on the VCM, there is a clear carbon rights framework, and accessible permissions to trade on the VCM.	Land tenure is clearly defined and secure, and there is a recognized community nature-based governance framework.	There are no restrictions about Article 6 participation, or there is a framework that permits VCM participation.

Any information provided is not a criticism of national-level policies.

Due to high rates of political and legal turnover in countries, we invite users to contribute updates about on-the-ground conditions, corrections, or further information by submitting a review [here](#).



Core Legal Requirements: Results

Mexico

	Areas for development	Review date
Ambiguous enabling conditions	- Develop specific regulation about carbon rights or carbon ownership. It is currently implied through land ownership. - Approve and develop regulations and protocols about authorization procedures for projects participating in the Voluntary Carbon Market (VCM). - Improve land transaction registry in rural areas.	June, 2024

ENABLING CONDITIONS COUNTRY PROFILE DOCUMENT VERSION

Version N°	Sections updated	Date (MM/YEAR)
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Executive Summary

Mexico has established itself as a prominent participant in the Voluntary Carbon Market (VCM), featuring over 200 nature-based projects, including 12 mangrove carbon credit initiatives certified under standards like Verra and Plan Vivo. Notably, the Scolel'te project, under the Plan Vivo standard, is the longest running in the VCM and facilitated the trade of the world's first voluntary carbon credits. This project played a pivotal role in establishing the Plan Vivo system. The country also leads Latin America with its Emissions Trading System (ETS), launched in 2020, targeting significant industrial and power sector emissions.

Carbon rights are not explicitly defined by law but are implied by various national laws, giving landowners the right to manage, protect, and commercially utilize natural resources. The country currently lacks precise protocols both for defining and transferring carbon rights. Additionally, while no explicit permission is required to trade on the VCM, Mexico is working towards establishing a more regulated framework through the establishment of a proposed national voluntary carbon registry. This registry will standardize and monitor VCM transactions, include a price index, and maintain a blacklist to uphold project integrity, all aimed at enhancing transparency and alignment with international standards.

Land ownership in Mexico is well defined under the constitution. Land can either be public, private, or communal (ejidos). Provisions for sustainable use and conservation are included in the General Wildlife Law, especially in mangrove-rich areas. However, challenges with land registration and transfer of ownership persist, especially in rural areas where transactions often go unrecorded. Both private and communal landholdings can commercially exploit mangroves, with the possibility of obtaining up to 50-year renewable concessions. The country also supports community-based governance for nature projects through structures like the Assembly of Ejidatarios and the Ejidal Board of Directors.

Mexico currently does not have an Article 6 regulatory framework. However, in the draft regulations for the Voluntary Carbon Market (VCM), the country is incorporating Article 6.2 provisions for transferring Internationally Transferred Mitigation Outcomes (ITMO) and applying corresponding adjustments.

Overall, Mexico has ambiguous enabling conditions for blue carbon projects. There are implicit regulations regarding carbon rights, but explicit definitions and procedures for their transfer are lacking. While there are clear land tenure regulations, challenges regarding land registration and transfer persist in rural areas. The country is working towards developing a regulatory framework for carbon trading on the VCM and Article 6 of the Paris Agreement.



Core Legal Requirements

Precedents of nature-based (NB) carbon projects

In this section, we assess if the country has any past or ongoing involvement with mangrove projects or other nature-based carbon initiatives registered on the Voluntary Carbon Market. While it is not necessary to have experience in nature-based projects to work on blue carbon, ongoing projects can be helpful because they give a point of reference regarding regulations or policies.

Question	Answer	References
Are there any mangrove projects already registered on the voluntary carbon market?	Yes Mexico hosts 12 mangrove carbon credit projects certified under three standards: Verra, Climate Action Reserve (CAR), and Plan Vivo.	Veracruz Mangrove For Life Project Tlawan kiwi nak chuchit Blue Carbon Mangrove Conservation Project, Conserving Coastal Ecosystems in Veracruz to Support Life Aztlan Blue Carbon Mangrove CONSERVATION project - Conserving the Marismas NACIONALES of Nayarit U' Balam'moo A'kalché ó Blue Carbon Mangrove Conservation Project, Conserving Coastal Ecosystems in Campeche to Support Life Uh lu'umil Zazil-ha Blue Carbon Mangrove Conservation Project, Conserving Coastal Ecosystems in Quintana Roo to Support Life Carbon sequestration in mangroves of the south – central coastal zone of the state of Sinaloa, México Restoring Mangroves in Mexico's Blue Carbon Ecosystems Bonos del Jaguar Azul Manglares San Crisanto



		Manglares Ursulo Galvan Restoration and Protection of Mangroves and Blue Carbon Ecosystems in North Yucatan Taab Ché: Regional Blue Carbon strategy in the Yucatan Peninsula
Are there other nature-based carbon projects on the voluntary carbon market (i.e., peat, forest, agriculture)?	Yes Mexico hosts over 200 diverse nature-based carbon credit projects on the Voluntary Carbon Market (VCM). Scolel'te, operated under Plan Vivo, stands as the VCM's longest-running nature-based project that facilitated the trading of the world's inaugural voluntary carbon credits. This project was instrumental in shaping the Plan Vivo system. Additionally, Mexico has 11 projects adhering to Verra's Standard and 255 projects following the Climate Action Reserve (CAR) standard for forestry projects.	Scolel'te Fresh Breeze Afforestation Project Sustainable Climate-Friendly Coffee (CO2 Coffee) Reforestation with Teak CO2e TEAKMEX Boomitra Grassland Restoration in Northern Mexico Bonos Laguna Sijil Noh-Há NATURE GENERATOR ONE Northern Mexico Sustainable Grazing Carbon Capture Project Bonos de la ruta Sian Ka'an TabasCO2 Afforestation Project XiCO2e: Mexican Reforestation Project XiCO2e: Mexican Peninsula Forest Project Sustainable coffee landscapes in indigenous rural communities of Oaxaca, Mexico Climate Action Reserve Projects



Legality of carbon markets and carbon rights

In this part, we examine details about carbon market policies and regulations to understand if it is legal in the selected country to own carbon rights and sell nature-based carbon credits on the Voluntary Carbon Market (VCM). Carbon rights are crucial, as blue carbon projects must prove they hold the right to operate legally. If carbon rights are not yet secured for a project, working with the relevant government agencies is necessary until a solution is found.

Question	Answer	References
Is there an internal or national carbon market?	Yes Since 2020, Mexico has operated Latin America's first Emissions Trading System (ETS), encompassing the Industry and Power sectors. It targets entities emitting a minimum of 100,000 tCO ₂ annually. The ETS does not impact the trading of nature-based credits on the VCM.	ICAP, Mexican Emissions Trading System
Is it legal to sell nature-based credits on the voluntary carbon market?	Yes Trading carbon credits in international markets is legal under the Climate Change Law. This law includes an article stating that participants in the emissions trading system can conduct operations and transactions linked to emissions trading with other countries or in international carbon markets (Article 95).	General Law on Climate Change (2012)
Is there a clear pathway to establish carbon rights in mangroves?	Yes In Mexico, carbon rights are not defined by a specific law. Carbon rights are implicitly established through national forestry laws, the Constitution, the General Law of National Resources, and the Agrarian Law. These regulations grant landowners—including communities, individuals, and the state—the right to commercially manage, protect, and restore all natural resources on their land. Consequently, carbon rights in Mexico inherently belong to landowners, but there is a lack of specific protocols related to definition of carbon rights and transfer procedures.	Political Constitution of the United States of Mexico (Updated 2015) General Law for Sustainable Forest Development (2018) Agrarian Law (1992) General Law of National Assets (2004)



Is permission required to trade on the voluntary carbon market?

Under Development

There are no approved laws that specify permission requirements for trading on the VCM. However, the Mexican government has drafted regulations regarding a national voluntary carbon registry. The registry aims to establish a centralized record of VCM transactions that aligns with international standards. Additionally, the regulations aim to create a publicly available national VCM price index and will require the recording of sales of Internationally Transferred Mitigation Outcomes (ITMOs) on the VCM registry to prevent double counting and ensure integrity. The draft also includes provisions for creating a blacklist to sanction projects that do not align with the guidelines of the Ministry of Environment and Natural Resources.

Generally, all permissions concerning forest management must be documented in the National Forest Register (*Registro Forestal Nacional*). The Secretary of Environment and Natural Resources (*Secretaría de Medio Ambiente y Recursos Naturales* – SEMARNAT) grants authorizations related to forest activities.

[Mexico's Strategic Leap in Carbon Market Regulation, 2024](#)

[Carbon Pulse, Mexican government circulates draft regulation for national voluntary carbon registry, price index with Article 6 provisions, 2024](#)

[USAID Land Links: Mexico](#)

[¿Qué encontrarás en el Registro Forestal Nacional?](#)



Land Tenure

In this section, we gather details to evaluate how secure the land tenure is in the country and whether permission is required to use the project area for commercial purposes. Clear land ownership significantly reduces the risks associated with the project and enhances the likelihood of securing project funding.

Question	Answer	References
Is there a clear legislative pathway or process to establish land tenure in mangroves?	Yes There is a clear pathway to establish land tenure. The Mexican Constitution defines three forms of land ownership: public, private, and social (communal through ejidos). Landowners in areas with wild flora and fauna have the right to use these resources for economic activities sustainably, but they also have an obligation to contribute to habitat conservation. According to Mexican legislation, sustainable use of wild fauna and flora means landowners must ensure controlled reproduction or development in captivity or semi-captivity, or that the exploitation rate is lower than the natural renewal rate of the populations. Specifically, regarding mangroves, landowners where species such as red mangrove (<i>Rhizophora mangle</i>), black (<i>Avicennia germinans</i>), white (<i>Laguncularia racemosa</i>), and grey mangrove (<i>Conocarpus erectus</i>) are present, are entitled to sustainable usage and are mandated to contribute to their conservation under the General Wildlife Law. In rural areas challenges are often encountered with land registration and transfer of ownership. For instance, when land transactions are not recorded in a registry, it can pose challenges to communities and projects.	Análisis Jurídico sobre el Régimen de Propiedad y Aprovechamiento de Manglares, Pastos Marinos y Macroalgas en México, en Relación con su Capacidad de Generar Bonos de Carbono Azul, 2022 Political Constitution of the United Mexican States General Wildlife Law (Ley General de Vida Silvestre – LGVS), 2000 USAID country profile, Mexico
Is private ownership for the commercial use of mangroves permitted?	Yes Private ownership of mangrove areas is allowed in Mexico. Extractive usage of mangroves, which refers to removal, cutting, or transplanting, is only permitted for the	Análisis Jurídico sobre el Régimen de Propiedad y Aprovechamiento de Manglares, Pastos



	purposes to protect, restore, research, or conserve mangroves. In instances where mangrove usage occur, the land must be registered as <i>Unidades de Manejo para la Conservación de Vida Silvestre</i> (Wildlife Management Units for Conservation) (UMA) at the Secretariat of Environment and Natural Resources (SEMARNAT). UMAs can have specific objectives for restoration, protection, maintenance, recovery, reproduction, restocking, reintroduction, research, rescue, sheltering, rehabilitation, exhibition, recreation, environmental education, and sustainable use.	Marinos y Macroalgas en México, en Relación con su Capacidad de Generar Bonos de Carbono Azul, 2022 Political Constitution of the United Mexican States General Wildlife Law (Ley General de Vida Silvestre – LGVS), 2000
Is community ownership of mangroves for commercial use permitted?	Yes In Mexico, ejidos (communal lands) can own mangroves. The Agrarian Law grants ejidos the right to collectively exploit these lands when the ejidos assembly decides to do so.	Agrarian Law (1992) Naturaleza del ejido de la propiedad ejidal. Características y limitaciones, 2010.
Are private leaseholds/concessions for commercial use of mangroves permitted?	Yes Commercial use of federal property, including mangrove areas, allows for private concessions. Concessions last a maximum of 50 years and are renewable one or more times.	General Law of National Assets (Ley General de Bienes Nacionales – LGBN., 2004 Concesión de zona federal marítimo terrestre
Are community leaseholds/concessions for the management of government/publicly owned mangroves permitted?	Yes As legal entities, Ejidos have the right to seek concessions for federal assets, including mangrove areas. Concessions are valid for up to 50 years and are renewable multiple times.	General Law of National Assets (Ley General de Bienes Nacionales – LGBN., 2004 Agrarian Law (1992) Naturaleza del ejido de la propiedad ejidal. Características y limitaciones, 2010.



Is there a clear, legally recognized governance framework for nature-based community-owned projects?	Yes Ejidos, as legal entities formed by <i>ejidatarios</i> (community members), can own land for residential and commercial purposes. The Agrarian Law establishes three governance bodies for ejidos: a) The Assembly of Ejidatarios, b) The Ejidal Board of Directors, and c) The Surveillance Council.	Agrarian Law (1992)
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Article 6

In this section, we gather information about the rules and regulations related to Article 6. Where an Article 6 framework exists or is under development, projects must ensure their country's policies permit credit sales on the voluntary carbon markets and closely follow any requirements that may impact project design and implementation. Countries with uncertainties surrounding Article 6 development and its rules may pose a higher risk to potential projects as projects may not be able to sell credits if policy conditions change.

Question	Answer	References
Is there an Article 6 Framework?	Under development Mexico presently does not have an Article 6 framework. However, the government has drafted regulations for the national voluntary carbon market. These regulations aim to establish a centralized record of VCM data, create a national price index, and set up authorization procedures for international carbon trading under Article 6.2 of the Paris Agreement. Additionally, Mexico has expressed interest in leveraging international cooperation under Article 6 in its 2022 Nationally Determined Contributions (NDC). The new regulation mandates project developers to reveal buyers' identities, quantities purchased, and credit sale prices, facilitating the creation of a national VCM price index. Furthermore, it establishes a blacklist for projects neglecting environmental and social safeguards. This blacklist will be shared among Indigenous, Afro-Mexican, and other local and marginalized communities.	Mexico 2022 NDC Carbon Pulse, Mexican government circulates draft regulation for national voluntary carbon registry, price index with Article 6 provisions, 2024



Additional information

The details below are not used to assess the conditions for developing blue carbon projects. Instead, they offer extra information to grasp the country's experience in Article 6 and find any Blue Carbon and Nature-Based carbon projects on the Voluntary Carbon Market.

Question	Answer	References
Are there any Internationally Transferred Mitigation Outcome (ITMO) agreements in place?	Yes Mexico and Japan signed a Memorandum of Understanding (MoU) under Article 6.2. In the agreement, Japan will use the emissions reductions to achieve their NDC targets.	Mexico – Japan bilateral agreement
Are Corresponding Adjustments Required for Voluntary Carbon Market Projects?	No Mexico does not have a specific regulation requiring corresponding adjustments for VCM projects. Nonetheless, the government has drafted regulations for a national voluntary carbon registry and price index that integrate Article 6 provisions. These regulations incorporate requirements for corresponding adjustments to prevent double counting.	Carbon Pulse, Mexican government circulates draft regulation for national voluntary carbon registry, price index with Article 6 provisions, 2024



Voluntary Carbon Market Projects

For details of projects using the Climate Action Reserve standard, [visit their website](#).

[Veracruz Mangrove For Life Project](#)

Standard: Verra VCS

Proponent: Livelihoods Fund SICAV SIF

Type: *Afforestation, Reforestation and Revegetation (ARR)*

Methodology: AR-AM0014

Size: 2101 Hectares

Status: Rejected by Administrator

[Tlawan kiwi nak chuchit Blue Carbon Mangrove Conservation Project, Conserving Coastal Ecosystems in Veracruz to Support Life](#)

Standard: Verra VCS

Proponent: BlueMX Mangrove A.C.

Type: *Reduced Emissions from Deforestation and Degradation (REDD); Wetlands Restoration and Conservation (WRC)*

Methodology: VM0007

Size: 4903 Hectares

Status: Under development

[Aztlan Blue Carbon Mangrove CONSERVATION project - Conserving the Marismas NACIONALES of Nayarit](#)

Standard: Verra VCS

Proponent: BlueMX Mangrove A.C.

Type: *Reduced Emissions from Deforestation and Degradation (REDD); Wetlands Restoration and Conservation (WRC)*

Methodology: VM0007

Size: 45639 Hectares

Status: Under development

[U' Balam'moo A'kalché ó Blue Carbon Mangrove Conservation Project, Conserving Coastal Ecosystems in Campeche to Support Life](#)

Standard: Verra VCS

Proponent: BlueMX Mangrove A.C.

Type: *Reduced Emissions from Deforestation and Degradation (REDD); Wetlands Restoration and Conservation (WRC)*

Methodology: VM0007

Size: 32425 Hectares

Status: Under development



Uh lu'umil Zazil-ha Blue Carbon Mangrove Conservation Project, Conserving Coastal Ecosystems in Quintana Roo to Support Life	Standard: Verra VCS Proponent: BlueMX Mangrove A.C. Type: <i>Reduced Emissions from Deforestation and Degradation (REDD); Wetlands Restoration and Conservation (WRC)</i> Methodology: VM0007 Size: 4860 Hectares Status: Inactive
Carbon sequestration in mangroves of the south – central coastal zone of the state of Sinaloa, México	Standard: Verra VCS Proponent: ALLCOT AG Type: <i>Reduced Emissions from Deforestation and Degradation (REDD)</i> Methodology: VM0007 Size: 49387 Hectares Status: Under development
Restoring Mangroves in Mexico's Blue Carbon Ecosystems	Standard: Verra VCS Proponent: BlueMX Mangrove A.C. Type: <i>Afforestation, Reforestation, and Revegetation (ARR); Wetlands Restoration and Conservation (WRC)</i> Methodology: VM0033 Size: 32914 Hectares Status: Under development
Bonos del Jaguar Azul	Standard: Verra VCS Proponent: Ban.CO2 de Carbono Mestizo Type (AFOLU activity): <i>Afforestation, Reforestation, and Revegetation (ARR); Wetlands Restoration and Conservation (WRC)</i> Methodology: VM0033 Size: 5060 Hectares Status: Under development



Manglares San Crisanto	Standard: Climate Action Reserve (CAR) Proponent: Ejido San Crisanto Type: Forestry MX Methodology: Mx Forest Protocol Size: 850 Hectares Status: Registered
Manglares Ursulo Galvan	Standard: Climate Action Reserve (CAR) Proponent: Ejido Ursulo Galvan Type: Forestry MX Methodology: Mx Forest Protocol Size: 1200 Hectares Status: Registered
Restoration and Protection of Mangroves and Blue Carbon Ecosystems in North Yucatan	Standard: Plan Vivo Proponent: CINVESTAV, Sociedad Cooperativa Tulum Sostenible Type: Afforestation and Reforestation Methodology: N/A Size: 1542 Hectares Status: Under Development
Taab Ché: Regional Blue Carbon strategy in the Yucatan Peninsula	Standard: Plan Vivo Proponent: Resiliencia Azul Type: Prevention of ecosystem conversion; Restoration Methodology: N/A Size: 10079 Hectares Status: Under Development
Scolel'te	Standard: Plan Vivo Proponent: Ambio Type: Afforestation/Reforestation, Agroforestry, Improved land management Methodology: N/A Size: 10425 Hectares Status: Verified



<u>Fresh Breeze Afforestation Project</u>	Standard: Verra VCS Proponent: Proteak UNO S.A.B de C.V Type: Afforestation, Reforestation and Revegetation (ARR) Methodology: AR-ACM0003 Size: 5344 Hectares Status: Registered
<u>Sustainable Climate-Friendly Coffee (CO2 Coffee)</u>	Standard: Verra VCS Proponent: Multiple Proponents Type: Afforestation, Reforestation and Revegetation (ARR) Methodology: AR-AM0007 Size: 292 Hectares Status: Registered
<u>Reforestation with Teak CO2e TEAKMEX</u>	Standard: Verra VCS Proponent: Agropecuaria Santa Genoveva S.A.P.I. de C.V. Type: Afforestation, Reforestation and Revegetation (ARR) Methodology: AR-ACM0003 Size: 7500 Hectares Status: Verification approval requested
<u>Boomitra Grassland Restoration in Northern Mexico</u>	Standard: Verra VCS Proponent: Boomitra Inc Type: Agricultural Land Management (ALM) Methodology: VM0042 Size: 800000 Acres Status: Registration requested
<u>Bonos Laguna Sijil Noh-Há</u>	Standard: Verra VCS Proponent: Ban.CO2 de Carbono Mestizo Type: Improved Forest Management (IFM) Methodology: VM0003 Size: 47175 Hectares Status: Withdrawn



NATURE GENERATOR ONE Northern Mexico Sustainable Grazing Carbon Capture Project	Standard: Verra VCS Proponent: Multiple Proponents Type: Afforestation, Reforestation and Revegetation (ARR), Agricultural Land Management (ALM) Methodology: VM0026 Size: 22436 Hectares Status: Under development
Bonos de la ruta Sian Ka'an	Standard: Verra VCS Proponent: Ban.CO2 de Carbono Mestizo Type: Improved Forest Management (IFM) Methodology: VM0003 Size: 67781 Hectares Status: Withdrawn
TabasCO2 Afforestation Project	Standard: Verra VCS Proponent: Forestaciones Operativas de México S.A. de C.V. Type: Afforestation, Reforestation and Revegetation (ARR) Methodology: AR-ACM0003 Size: 3762 Hectares Status: Under validation
XiCO2e: Mexican Reforestation Project – Tabasco and Tamaulipas	Standard: Verra VCS Proponent: Multiple Proponents Type: Afforestation, Reforestation and Revegetation (ARR) Methodology: AR-ACM0003 Size: 1219 Hectares Status: Registration and verification approval requested
XiCO2e: Mexican Peninsula Forest Project – Yucatán Península	Standard: Verra VCS Proponent: FORLIANCE GmbH Type: Improved Forest Management (IFM) Methodology: VM0003 Size: 130420 Hectares Status: Withdrawn



[Sustainable coffee landscapes
in indigenous rural
communities of Oaxaca,
Mexico](#)

Standard: Verra VCS

Proponent: Livelihoods Fund SICAV SIF

Type: Afforestation, Reforestation and Revegetation (ARR)

Methodology: AR-ACM0003

Size: 6493 Hectares

Status: Under validation



Appendix

Supporting Policy Analysis

In this section, additional information can be found about policies supporting the development of blue carbon projects.

The content is organized into seven sections:

1. Economic and Political Environment
2. Environmental Conditions
3. Climate Change, Carbon Registries, and Monitoring and Evaluation
4. Nationally Determined Contribution (NDC)
5. REDD+ Precedence
6. Relevant Ministries and Agencies
7. Additional Applicable Laws and Policies



1. Economic and Political Environment

Mexico's Gross Domestic Product (GDP) in 2022 was USD 1.47 trillion¹, with the Services sector contributing 57.6% to the GDP, followed by Industry (33.55%) and Agriculture (4.03%)². Regarding employment, the Services sector holds 62.02% of the workforce, followed by Industry (25.64%) and Agriculture (12.33%)³. Mexico's primary exports include machinery and transport equipment, steel, electrical equipment, chemicals, food products, and petroleum⁴.

The World Bank's Ease of Doing Business score (where 0 represents the lowest and 100 represents the best performance) for Mexico in 2020 was 72.4, with scores of 60.2 for registering property and 67 for enforcing contracts. The Latin America and Caribbean region had an Ease of Doing Business score of 59.1, positioning Mexico above the region's average.⁵ The Freedom House considers Mexico partly free due to the rule of law deficits that limit citizen enjoyment, violence perpetrated by organized criminals, and corruption issues among government officials⁶.

2. Environmental Conditions

a. Land Use, Degradation, and Ecosystem Characteristics

Mexico is known for its rich biodiversity, ranking among the world's most biodiverse nations, hosting 10-12% of global species in its territory⁷. It has the third-highest diversity of mammals, with over 564 species, and the second-highest diversity in terms of reptiles⁸. The country serves as a center for plant domestication and the origin of cultivated plants⁹, hosting over 5,000 flora species and 3,000 medicinal plants¹⁰. Mexico ranks 12th globally in marine coastal resources and ecosystems, featuring 775,555 hectares of mangroves, 400,000 hectares of seagrasses, and 133,000 hectares of marshes¹¹. The country is the third country with the most extensive global mangrove coverage, following Indonesia and Brazil. Moreover, it is the second country with the highest carbon sequestration potential from restored mangroves, capable of sequestering 57 million tons of CO₂¹².

The country faces multiple drivers of biodiversity loss, including ecosystem degradation and loss, species overexploitation, the introduction of invasive alien species, pollution, urbanization, and climate change¹³. The country has a low vulnerability to climate change and a low readiness score, according to the ND-GAIN, a climate vulnerability index¹⁴. This implies that, compared to other

¹ World Bank, [GDP \(current US\\$\) - Mexico](#)

² Statista, [Mexico: Distribution of the gross domestic product \(GDP\) across economic sectors from 2012 to 2022](#)

³ Statista, [Mexico: Distribution of the workforce across economic sectors from 2011 to 2021](#)

⁴ Britannica, [Trade of Mexico](#)

⁵ World Bank, [Ease of Doing Business Archive Mexico](#)

⁶ Freedom House, [Freedom in the World 2024 Mexico](#)

⁷ The Biodiversity Finance Initiative, [Mexico](#)

⁸ Ibid

⁹ Convention on Biological Diversity, [Mexico country profile](#)

¹⁰ The Biodiversity Finance Initiative, [Mexico](#)

¹¹ [Mexico 2022 NDC](#)

¹² Earth Security, [Financing the Earth's Assets. The case of mangroves as nature-based climate solution, 2020](#)

¹³ Convention on Biological Diversity, [Mexico country profile](#)

¹⁴ [Notre Dame Global Adaptation Initiative, Mexico 2021](#)



countries, the current vulnerabilities are manageable, but improvements will be required to adapt better to climate change in the future.

b. Emissions Data

Mexico is the world's 15th largest emitter of greenhouse gases¹⁵. According to the Mexico CO₂ Country Profile from Our World in Data, Mexico emitted 511.97 million tons of CO₂ in 2022, excluding land use¹⁶, which accounts for only 1.38% of global CO₂ emissions¹⁷. When including land-use change, the CO₂ emissions are 862.69 million t, where fossil fuels contributed 511.97 million t, and land use change with 350.71 million t¹⁸.

3. Climate Change, Carbon Registries, and Monitoring and Evaluation

This section contains information about requirements related to climate change policies, carbon registries (if they exist), participatory processes, fees, and requirements for monitoring and evaluation. These aspects do not prevent a blue carbon project but are relevant when designing and implementing them.

Question	Answer	References
Is there a national climate change policy?	Yes In 2012, Mexico approved its National Climate Change Law. Subsequently, in 2013, the government approved the National Climate Change Strategy Vision 10-20-40, followed by the approval of the Special Program of Climate Change 2021-2024 in 2021.	General Law on Climate Change (2012) National Climate Change Strategy, Vision 10-20-40 Programa Especial de Cambio Climático 2021-2024
Is there a national carbon registry?	No Mexico currently lacks a national carbon registry. However, the draft regulations for the voluntary carbon market include provisions for establishing a national voluntary carbon registry.	Carbon Pulse, Mexican government circulates draft regulation for national voluntary carbon registry, price index with Article 6 provisions, 2024
Is there a carbon pricing mechanism?	Yes Mexico currently implements a carbon tax and operates an Emission Trading System (ETS). Additionally, it is actively developing a national price index as part of the draft regulations for the voluntary carbon market.	Carbon Pulse, Mexican government circulates draft regulation for national voluntary carbon registry, price index with Article 6 provisions, 2024

¹⁵ Climate Watch, [Mexico Country Profile](#)

¹⁶ Our World in Data, [Mexico: CO₂ Country Profile](#)

¹⁷ Our World in Data, [Share of global CO₂ emissions](#)

¹⁸ Our World in Data, [CO₂ emissions from fossil fuels and land-use change, Mexico](#)



		Mexico's well Established Carbon Tax and Pilot Emissions Trading System with California and Quebec, 2020
		Mexican Emissions Trading System
Is there a national requirement for Measuring, Reporting, and Verification (MRV)?	No Projects participating in the voluntary carbon market in Mexico currently have no MRV requirements. The draft regulations for the voluntary carbon market will include provisions to establish monitoring requirements.	Carbon Pulse, Mexican government circulates draft regulation for national voluntary carbon registry, price index with Article 6 provisions, 2024
Are there requirements for benefit-sharing mechanisms?	No	
Are there fees that must be paid to the national government?	No It is unclear whether project developers must pay special fees to the government for developing nature-based carbon credit projects.	
Is there a requirement for a Free, Prior, Informed Consent (FPIC) process?	No The General Law on Climate Change does not explicitly mention FPIC (Free, Prior, and Informed Consent) requirements for carbon projects. However, the Agrarian Law specifies that on ejido land, neither the assembly nor the ejidal commissioner can dispose of or decide on the collective exploitation of parceled lands without the prior written consent of the landholders. In addition, the REDD+ strategy mentions that it will guarantee FPIC processes when required for REDD+ projects.	Agrarian Law (1992) Estrategia Nacional REDD+ 2017-2030, ENAREDD+



4. Nationally Determined Contribution (NDC)

a. Climate Pledges and Targets

In its 2022 NDC, Mexico made an unconditional commitment (utilizing domestic resources) to reduce its GHG emissions by 35% (397 MtCO₂e) and its black carbon¹⁹ (BC) emissions by 51% by 2030, compared to the Business-As-Usual (BAU) scenario. Mexico's conditional commitments, which rely on securing international financing support, are 40% for GHG and 70% for BC.

b. Blue Carbon in NDC

Question	Answer	Reference
What is the NDC target year?	2030	Mexico 2022 NDC
Are mangroves specifically mentioned? (anywhere in the document)	Yes	
Is blue carbon specifically mentioned? (anywhere in the document)	Yes	
If blue carbon is mentioned, which ecosystems are included?	Mangroves, Seagrasses, Marshes	
What other ecosystems or language is used about blue carbon?	Marine-coastal resources, Forests, National blue carbon strategy	
Are mangroves and blue carbon counted towards mitigation targets?	Yes	
Do mangrove carbon offsetting projects have the potential to contribute to Mitigation targets?	Yes	
What are the direct actions mentioned to meet mitigation targets?	Conservation and restoration of blue carbon ecosystems; Biodiversity conservation and restoration in marine, coastal, and freshwater ecosystems, as well	

¹⁹ Black Carbon refers to fine particulate matter consisting primarily of carbon that is emitted during incomplete combustion of fossil fuels, biofuels, and biomass.



	as promote the increase and permanence of carbon reservoirs with an emphasis on blue carbon; Development of a Blue Carbon National Strategy to protect, conserve and restore blue carbon ecosystems.
What are the direct actions mentioned to meet adaptation targets?	Ecosystem-based adaptation and nature-based solutions, conservation and restoration of blue carbon ecosystems.
Are mangroves and blue carbon counted towards adaptation targets?	Yes
Do mangrove carbon offsetting projects have the potential to contribute to Adaptation targets?	Yes
What is the cost of adaptation?	Unknown
What is the cost of mitigation?	Unknown
What are the total costs of Mitigation and Adaptation?	More than \$185 Billion
What are the direct costs to meet mangrove and blue carbon mitigation targets?	Unknown
What are the direct costs to meet mangrove and blue carbon adaptation targets?	Unknown
Is mangrove and blue carbon financing a conditional target?	Unknown

Submission Date: November 17, 2022



5. REDD+ Precedence

'REDD' stands for 'Reducing Emissions from Deforestation and Forest Degradation in Developing Countries. The '+' stands for additional forest-related activities that protect the climate, namely sustainable management of forests and the conservation and enhancement of forest carbon stocks. Countries established the 'REDD+' framework to protect forests as part of the Paris Agreement. This section highlights the country's experience with the framework, emphasizing its expertise in forest management, carbon, and ecosystem services valuation, and implementing financial incentives to reduce deforestation.

Question	Answer	References
Is there a National Forest Strategy?	Yes Mexico developed the National Strategy for Sustainable Forest Management to Increase Production and Productivity 2013-2018 and the Strategic Forestry Program for Mexico 2025.	National Strategy for Sustainable Forest Management to Increase Production and Productivity (ENAIPROS) 2013-2018 Strategic Forestry Program for Mexico 2025
Is there a National REDD+ Strategy?	Yes Mexico launched the National REDD+ strategy (ENAREDD+) in 2017.	Estrategia Nacional REDD+ 2017-2030. ENAREDD+
If yes, what is the implementation Status of the REDD+ Strategy?	The REDD+ strategy is currently being implemented by the National Forest Commission (<i>Comisión Nacional Forestal</i>) – CONAFOR. There is significant progress in integrating the Safeguards Care Plan Tool, strengthening the National Safeguards System, and promoting gender equality within the strategy.	2021, 13th Consolidated Annual Progress Report of the UN-REDD Programme Fund
Are mangroves included in the REDD/REDD+ strategy?	No	Estrategia Nacional REDD+ 2017-2030. ENAREDD+
Is there a National Forest Monitoring System?	Yes	Sistema Nacional de Información Forestal



Is there a Safeguard Information System (SIS)?	Yes Mexico launched the first world operation REDD+ Safeguards Information System in 2017.	Mexico launches world's first operational REDD+ Safeguards Information System
Is there a Cancun Safeguards report:	Submitted	First Summary of information on how all the Safeguards referred to in Decision 1/CP.16, appendix I, are being addressed and respected in Mexico
Is there a monitoring system implemented for REDD+?	Yes Mexico designed and implemented the REDD+ monitoring system (<i>Sistema Nacional de Monitoreo, Reporte y Verificación</i> -SNMRV-) from 2012 to 2016.	Sistema Nacional de Monitoreo, Reporte y Verificación
Is there a Forest Reference Emission Level (FREL) submitted to the UNFCCC?	Yes Mexico's proposed FREL is 20,245,016 tons CO ₂ e	Nivel de Referencia de Emisiones Forestales de México, 2007-2016 (modified)
Are mangroves considered trees in the submitted Forest Reference Emission Level submission?	Yes	Nivel de Referencia de Emisiones Forestales de México, 2007-2016 (modified)
Is the country a Forest Carbon Partnership Facility (FCPF) member?	Yes Mexico is a member of the FCPF	Forest Carbon Partnership Facility, Mexico



6. Relevant Ministries and Agencies

This section lists national government institutions in charge of climate change policy and natural resource management.

Ministry/Agency	Scope	Duties and responsibilities
Secretariat of Foreign Affairs	Foreign affairs	Focal agency to the UNFCCC. Conducts Mexico's foreign policy through dialogue, cooperation, promotion of the country, and assistance to Mexicans abroad.
Intersecretarial Commission on Climate Change (CICC)	Climate change	Coordinates all national policies related to climate change and oversees their implementation. It is the Designated National Authority (DNA) for climate change, specifically for the Clean Development Mechanism (CDM).
Climate Change Council (C3)	Climate change	Permanent advisory body comprising social, private, and academic members. These members have recognized expertise and experience in the field of climate change.
National Institute of Ecology and Climate Change (INECC)	Climate change	Research institute within the Ministry of Social Development that coordinates and carries out studies and projects related to climate change. It also contributes to developing and evaluating the national policy on climate change, green growth, and sustainability.
National Forestry Commission (CONAFOR)	Forestry, natural resource management	Decentralized public body of the Federal Government within the Ministry of the Environment and Natural Resources (SEMARNAT) that develops, promotes, and drives productive, conservation, and restoration activities in forestry, as well as participates in the formulation of plans, programs, and the implementation of sustainable forestry development policy.
Secretariat of Environment and Natural Resources (SEMARNAT)	Natural resources, environmental protection	Responsible for formulating, implementing, and evaluating state policy on ecological conservation, biodiversity, and environmental protection for sustainable development.



Ministry of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA)	Rural development, agriculture	Responsible for the design, coordination, and implementation of policies for land use planning, rural and agricultural development, and urban and adequate housing development
Secretariat of Agrarian, Land, and Urban Development (SEDATU)	Land tenure, community, development	Manages rural and urban development, the ejido or communal land management system, and the national land registry.
National Commission of Natural Protected Areas (CONANP)	Protected Areas	Ensures the care and conservation of the natural heritage of Mexico and the Natural Protected Areas (ANP)

7. *Additional Applicable Laws and Policies*

This section lists the regulatory framework and policies related to climate change, natural resources management, land tenure, carbon trading, and carbon rights.

Policies/Laws	Scope	Executing Agencies and the main objective
<u>Political Constitution of the United States of Mexico</u>	Civil liberties, land tenure, communities	Grants constitutional rights to all Mexican citizens, such as the right to private property and the rights of indigenous peoples to use and manage natural resources.
<u>General Law on Climate Change (2012)</u>	Climate change	States Mexico's strategies for climate mitigation and adaptation and created the National Institute of Ecology and Climate Change. Other institutions created by this Law include the Intersecretarial Commission on Climate Change (CICC) and the Climate Change Council.
<u>National Climate Change Strategy (2013)</u>	Climate change	Guides Mexico's actions to combat climate change over the next 40 years.
<u>General Law for Sustainable Forest Development (2018)</u>	Forestry, natural resources	Establishes the legal framework that regulates the sustainable management of forest territories, the conservation, protection, restoration, production, planning, cultivation, management, and utilization of the country's forest ecosystems and resources. Additionally, it defines the competencies in forestry matters assigned to the Federation, the Federal Entities, Municipalities, and Territorial Demarcations of Mexico City.



<u>National Sustainable Forest Management Strategy (2013)</u>	Forestry, natural resources	Establishes a national strategy for the technical implementation, monitoring, and management of sustainable forestry to increase production and productivity.
<u>Law of General Ecological Balance and Protection of the Environment (2018)</u>	Environmental protection	Provides the powers to prevent and control air pollution; to participate in the prevention and control of water pollution; to prevent and control pollution from noise, thermal energy, vibrations, odors, and lights; to create ecological reserve zones of state or municipal interest; to establish environmental impact assessment systems; and to establish and apply sanctions within their jurisdiction be decentralized to the federal entities and municipalities.
<u>Special Tax Law on Production and Services (1980)</u>	Carbon trading, carbon tax	Establishes taxes for fuel sales based on the emissions generated. Also requires carbon projects to pay taxes to the government based on a set carbon price. The 2013 amendments also introduced carbon credits.
<u>Agrarian Law (1992)</u>	Land tenure, rural development	Grants legal status to communities and establishes communal land for common use, including forests. Provides a framework for the <i>ejido</i> system, under which the government gives communities land ownership and management rights.
<u>The General Law on Ecological Equilibrium and Environmental Protection (1988)</u>	Environmental protection	Provides for the decentralization of powers to the federal entities and municipalities to prevent and control air pollution; to participate in the prevention and control of water pollution; to prevent and control pollution from noise, thermal energy, vibrations, odors, and lights; to create ecological reserve zones of state or municipal interest; to establish environmental impact assessment systems; and to establish and enforce sanctions within their jurisdiction.
<u>Wildlife General Law (2000)</u>	Wild species and ecosystems	Governs the use of plants and wildlife found in the forests. However, the sustainable use of timber forest resources and species whose total livelihood depends on water are excluded from the application of this Law and will continue to be subject to forestry and fishing laws, respectively, unless they involve species or populations at risk.



<u>General Law of National Assets (2004)</u>	National assets	Established the assets that constitute the nation's heritage and promote the adoption of uniform criteria for the acquisition, use, exploitation, administration, conservation, maintenance, assurance, control, surveillance, valuation, and, where applicable, recovery and disposal of assets.
<u>Official Mexican Standard NOM-059-SEMARNAT-2010</u>	Wild species and ecosystems	Identifies the species or populations of wild flora and fauna at risk in Mexico. Additionally, it establishes the criteria for inclusion, exclusion, or change of risk category for species or populations by evaluating their risk of extinction.
<u>General Law on Sustainable Rural Development (2001)</u>	Rural development	Regulates activities aimed at protecting and restoring forests within the framework of rural development programs.
<u>Federal Law of the Sea (1985)</u>	Coastal management	Establishes provisions about resources and economic development of the sea, protection, and preservation of the marine environment, scientific research of the sea, Mexican maritime zones, and Exclusive Economic Zone.





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