

With Friday's lower chamber [passage](#) of a new national climate change law, Mexico is poised to become a pioneer in climate change policy, proving the United States and the rest of the world that environmental protection and economic growth are both critical and achievable goals.



On April 13, Mexico's 500-member Chamber of Deputies passed the "General Law on Climate Change" by an overwhelming 128-10 vote. Mexico's Senate - which passed a preliminary version of this legislation already - will vote on the new law in the coming weeks. If approved by the Senate and signed by President Felipe Calderón, Mexico may have a national climate change law by May 15.

The new legislation is similar to California's landmark AB 32 and 33% RPS, both of which led to a [large increase in clean energy investment](#) in California since 2006. The Mexico law would enable but not require passage of a cap-and-trade emissions trading system.

Mexico's natural abundance of sun and wind make it well-positioned to develop renewable energy technology. The legislation will help provide much-needed clarity and policy incentives by:

- **Targeting emission reductions of 30 percent below business-as-usual emissions by 2020 and 50 percent below 2000 levels by 2050;**
- **Requiring that 35% of Mexico's electricity will come from clean sources by 2024;**
- **Developing incentives to promote renewable energy, including phasing out fossil fuel subsidies; and**
- **Requiring mandatory emissions reporting for the largest sources of GHG pollution.**

Mexico is currently the world's 11th largest GHG emitter, and also the 11th largest economy. By 2050, it is projected to be the fifth largest economy in the world. This legislation comes at an opportune time to help promote sustainable energy development for a growing population.

Unlike the United States, this new law would also set Mexico on course to achieve national GHG reductions over subsequent Presidential Administrations, by establishing a a national "Commission on Climate Change" to oversee climate policy. The Commission would promote and approve climate change mitigation and adaptation projects, and work to establish the technical and legal framework for a Carbon Emissions Market. As we've seen, U.S. policy incentives for renewables, [like the wind Production Tax Credit](#), have varied over the years, contributing to uncertainty and timid investment in that sector. An enduring Commission might position Mexico for greater success and long-term market confidence for renewables - similar to the system seen in the European Union.

The law also includes policy measures such as the Mexican Green Fund - proposed to finance emissions mitigation and climate change adaptation efforts - as well as a National Emissions Registry that will cover emissions from power generation, transport, agriculture, industrial processes, and forestry and land uses.

In an election year in the United States, "climate" has been marked a dirty word. Rather than bury our heads in the (tar) sands, we should take a cue from our southern neighbor and develop clear, long-term national policies to increase renewable energy production reduce GHG emissions.

#### **UPDATE (4/22/2012):**

On April 19, the Mexican Senate unanimously passed the General Climate Change Law, making it the first developing country to pass a law with comprehensive long-term objectives for combating climate change.