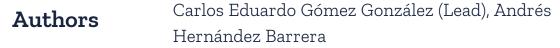
Oxford Climate Policy Monitor 2024 Survey

Jurisdiction	Mexico
Law firm	Garrigues





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3. Source material link(s): https://web.archive.org/web/20240730172622/https://www.diputados.gob.mx/LeyesBiblio/pdf/LGCCpdf
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
✓ Climate-related disclosure
✓ Transition planning
□ Public procurement
 If relevant, briefly explain how the policy tool applies or is linked to multiple domains. This law is of public order, general interest and of mandatory observance throughout the national territory, it establishes a wide variety of provisions to address the adverse effects of climate change.
6. Select the category which best describes the author/issuer of the policy tool.
✓ Head of state and/or government
☐ Independent regulatory or supervisory body
✓ Legislature
□ Judiciary
☐ Ministry/Department/Agency
☐ Other (Please describe)
7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)

9. Year of (planned) entry into force or year of publication
<u>2012</u>
10. Does the policy tool have an end date?
No No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The policy tool intends to guarantee the right to a healthy environment and establish the concurrence
of powers of the federation, federal entities and municipalities in the elaboration and application of public policies for the adaptation to climate change and the mitigation of greenhouse gas emissions.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
1. <u>Mexican Federal Government</u>
2. <u>Mexican State Local Governments</u>
3. <u>Mexican Municipal Governments</u>
o 4.
o 5.
15. To provide contextual information, rate the capacity of Mexican Federal Government to

undertake the policy tool's implementation and/or enforcement.

o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
3- High Capacity (Please explain) The Mexican Federal Government by means of the Federal Attorney General's Office for Environmental Protection (Procuraduría Federal de Protección al Ambiente) has the power to enforce this policy by the imposition of economic sanctions, which are independent from any crimminal penalties in the Mexican Federal Criminal Code.
o Prefer not to αnswer
o Not Applicable
16. To provide contextual information, rate the capacity of Mexican State Local Governments to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
o 3- High Capacity (Please explain)
o Prefer not to answer
● Not Applicable
17. To provide contextual information, rate the capacity of Mexican Municipal Governments to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
o 3- High Capacity (Please explain)
o Prefer not to answer
Not Applicable

o 0- No Capacity (Please explain)

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded	~		
entities			
2. Private companies			
3. Financial institutions	✓		
4. Small and medium-	✓		
sized enterprises			
5. State-owned	\checkmark		
companies			
6. Not-for-profit			
organizations			
7. Government			\checkmark
agencies and/or			
departments			
(supranational)			
8. Government	\checkmark		
agencies and/or			
departments (national)			
9. Government	\checkmark		
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government	✓		
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government	✓		
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

26. In cases where entities are targeted by sector, identify the sector to which the policy tool applies.

	Mandatory	Voluntary	Not applicable
All sectors			
Agriculture, forestry, and fishing	\checkmark		
Mining and quarrying			
Manufacturing			
Electricity, gas, steam, and air conditioning supply	✓		
Water supply; sewerage; waste management and remediation activities			
Construction			
Wholesale and retail trade: repair of motor vehicles and motorcycles			
Transportation and storage	Y		
Accommodation and food service activities			
Information and communication			
Financial and insurance activities			
Real estate activities			
Professional, scientific and technical activities			
Administrative and support service activities			
Public administration and defense; compulsory social security			
Education	✓		
Human health and social work activities			
Arts, entertainment and recreation			
Other service activities			
Activities of households as employers; undifferentiated goods-and services-			
producing activities of			

households for own		
use		
Activities of extraterritorial organizations and bodies		

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Pub licly - trad ed enti ties	Priva te comp anies	Finan cial instit ution s	Small and medi um- sized enter prise s	State - own ed comp anies	Not- for- profit organi zation s	Gover nment agenc ies and/or depar tment s (natio nal)	Gover nment agenc ies and/or depar tment s (regio nal - e.g. state, provin ce, region	Gover nment agenc ies and/or depar tment s (local - e.g. count y, distric t, munici	Gover nment agenc ies and/or depar tment s (unsp ecified)	Secto ral actor s (e.g. healt hcare , defen se, utiliti es, educ ation)
Minimu m numbe r of								metro polita n region	pality, city)		
employ ees (Enter min numbe r of full- time employ ees - FTEs)											
Minimu m revenu e (Enter minimu m revenu e)											
m assets											

/ E							1				
(Enter											
minimu											
m											
assets)											
Minimu											
m											
contrac											
t value											
(Enter											
minimu											
m											
contrac											
t value)											
Entity	Yes										
is											
headqu											
artered											
in the											
jurisdic											
tion											
Entities											
are											
subject											
ed to											
disclos											
ure or											
reporti											
ng											
require											
ments											
			l								

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

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30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

- Operations within jurisdiction only
- o Operations beyond the jurisdiction
- o Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
$ \hline \textbf{M} \textbf{M} \textbf{O} \textbf{M} \textbf{O} \textbf{O} \textbf{O} \textbf{O} \textbf{O} \textbf{O} \textbf{O} O$
Restriction on business activities temporary or total restriction
□ Voiding or setting aside of contract
□ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
Criminal penalties <u>fraudulent non-compliance with disclosure</u> , <u>reporting or maintaining information</u> regarding disclosure obligations, may result in criminal liability in accordance with article 420 Quarter <u>of the Federal Criminal Code</u> (Código Penal Federal)
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other precautionary securing of polluting materials
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
Average
o Above average
o Not applicable
o Unknown or prefer not to answer

34. Provide supplemental explanation of your assessment of the associated costs of compliance. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Monetary sanctions and security measures are consistent with sanctions applicable to other subject maters

41. Does the policy tool recommend or require periodic impact assessments?
∘ No
○ Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
● 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
 Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
No
∘ Recommended
∘ Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
○ No
Yes

Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
One of the main purposes of this policy is to establish coordination mechanisms and grant specific powers to state and municipal, governments and entities rather than creating concrete programs for other climate stakeholders. Some examples of coordination mechanisms are: the creation of the National System of Climate Change (Sistema Nacional de Cambio Climático) (Articles 38 to 44) and the Intersecretatial Commission of Climate Change (Comisión Intersecretarial de Cambio Climático) (Articles 45 to 50).
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No No
∘ Yes

46. Describe the mechanisms for enhancing regulatory coordination with subnational governments.

Domain-Specific Question	ns: Disclosure Questi	ions	
What is being disclosed?	?		

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended
1. Greenhouse gas		~	nor required
(GHG) emissions			
2. GHG emissions			
offsets or removals			
3. GHG emissions			
reduction targets 4. Other climate-			
related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan			
54. Which GHG emission	s must be disclosed? S	elect all that apply.	
Carbon dioxide (CO2)			
✓ Methane (CH₄)			
☑ Nitrous oxide (N2O)			
✓ Hydrofluorocarbons (⊢	IFCs)		
Perfluorocarbons (PFC	s)		
Sulphur hexafluoride (S	SF6)		
Nitrogen trifluoride (NF	- 3)		
Carbon dioxide equiva	lent (CO2e)		
55. Are entities recomme	nded or required to dis	close gross emission	is?
o No			
 Recommended 			
Required			

56. Are entities recommended or required to disclose net emissions?
No No
○ Recommended
○ Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
○ No
○ Recommended
○ Required
60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG)

emissions disclosure.

The different sectors shall mandatorily report their direct and indirect emissions of greenhouse gases
or compounds from all their installations when they exceed 25,000 t CO2e (tonnes of CO2) per year.
Third party verification is required every three years in terms of the Rules of the General Law on
Climate Change with regard to the National Registry of Emissions (Reglamento de la Ley General de
Cambio Climático en materia del Registro Nacional de Emisiones) – Art 16.
https://web.archive.org/web/20240812010828/https://www.diputados.gob.mx/LeyesBiblio/regley/Re
g_LGCC_MRNE_281014.pdf
Other disclosures
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
Climate-related opportunities			₩ .
2. Remuneration			✓
based on achieving			
climate-related goals 3. Taxonomies			✓
4. Capital allocation			✓
and/or expenditure			
plans (in the context of			
climate change) 5. Due diligence			✓
6. Assumptions and			✓
Dependencies			
7. Data limitations of			
scenario analyses 8. Financial			✓
implications of			
climate-related			
matters (e.g., integration of climate-			
related disclosures			
into financial			
accounting standards) 9. Stewardship (e.g.,			✓
whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings, etc.)			
10. ESG			V
methodologies and			
criteria (in the case of service providers)			
11. Asset planning or			\checkmark
ownership in the			
context of climate change			
12. Sectoral			✓
investment policies			
13. Climate-related			
lobbying and/or policy engagement			
14. Locked-in			✓
emissions or			
information on			

emissive assets with			
long lifespans			
15. Dirty asset			\checkmark
divestiture			
16. Nature-related			\checkmark
impacts			
17. Just transition			
indicators			
		<u></u>	
Standards, Frameworks	, and Guidelines		

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			\checkmark
2. IFRS S2			\checkmark
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			~
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			✓

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Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero
alignment not captured in the above questions. If referencing new sources (i.e. not referenced in
Question 3), provide a web-archived link to the source material.
The Policy's main disclosure tool is encompassed in its secondary regulation, which has been also
taken into account for answering this section. This secondary tool is the Rules For The General Law
On Climate Change With Regard To The National Registry Of Emissions.
https://web.archive.org/web/20240812010828/https://www.diputados.gob.mx/LeyesBiblio/regley/Re
g_LGCC_MRNE_281014.pdf
Furthermore, the Secretary of the Environment and Natural resources has issued the following
guidelines for measuring GHG emissions that are subject to be reported:
https://www.semarnat.gob.mx/sites/default/files/documentos/cicc/acuerdo_que_establece_las_partic
ularidades_tecnicas_y_las_formulas_para_la_aplicacion_de_metodologias.pdf

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
∘ Recommended
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
∘ No
∘ Recommended
Required
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
∘ No
○ Recommended
Required

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to monitoring progress in achieving targets.
Article 15 section VI of the policy requires that the National Institute for Ecology and Climate Change (Instituto Nacional de Ecología y Cambio Climático) reviews the compliance of adaptation and mitigation objectives established in the policy, as well as goals and actions contained in the National Strategy for Climate Change (Estrategia Nacional de Cambio Climático), the Special Program for Climate Change (Programa Especial de Cambio Climático) and the State programs referred in the Policy.
138. Does the policy tool recommend or require targeted entities to publicly report on progress in achieving their targets?
∘ No
o Recommended
Required
139. What is the recommended or required frequency of progress reports related to the achievement of targets?
o Yearly
o Every two years
o Every three years
o Every four years
o Every five years
o Every ten years or more
• Other <u>Depending on the target, the policy requires different reporting frequencies.</u> For example, the <u>National Strategy for Climate Change (Estrategia Nacional de Cambio Climático) requires a review every ten years for mitigation matters and every six years for adaptation matters.</u>
No prescribed frequency

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions			
reduction target			
An intensity-based			\checkmark
emissions reduction			
target			
A net zero target			✓
Interim targets (e.g.			
2030, 2050)			
Targets covering non-			
carbon GHG emissions			
A Scope 3 emissions			
target			
A target derived using		\checkmark	
a sectoral			
decarbonization			
approach			
A level of ambition for		\checkmark	
emissions reductions			
(e.g. 80% reduction)			
A baseline year from		✓	
which progress is			
measured			
A target timeframe		✓	
(e.g. by 2040)			
Targets for renewable			
energy procurement			
Targets for fossil fuel			
phase down/phase up	_	_	
Separate targets for			
GHG offsets and/or			
removals			
Targets or goals			
related to climate			
adaptation			✓
Targets or goals related to nature and			
Other terrets related	✓		
Other targets related			
to sustainability			

141. What is the recommended or required scope of emissions for absolute emissions reduction targets? Select all that apply.

Scope 1 emissions

☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
☐ Scope 3 emissions, a specified proportion of coverage (Please describe)
☐ Scope 3 emissions, all
□ Not specified
145. What is the recommended or required year for interim targets?
o 2031-2040
o 2041-2050
o Other
 Not specified
1.4C \A/h at in the annual and an annuive discussion for interior towards 2
146. What is the recommended or required level of ambition for interim targets?
● Reduction between 1-25%
• Reduction between 26-50%
• Reduction between 51-75%
 Reduction of over 76%
o Other
 Not specified
148. For which of the following sectors are entities recommended or required to develop targets derived using a sectoral decarbonization approach? Select all that apply.
Power generation
✓ Industry
✓ Transport Services

Services/Commercial buildings
Other <u>Agriculture and Waste</u>
□ None specified
149. Does the policy tool recommend or require targets derived using a sectoral decarbonization approach be validated by a third-party?
No No
○ Recommended
○ Required
150. What is the recommended or required level of ambition for GHG emissions reductions targets?
○ Reduction between 26-50%
○ Reduction between 51-75%
○ Reduction between 75-85%
○ Reduction between 85-100%
o Reduction of more than 100%
○ Other
151. What is the recommended or required baseline year from which progress is to be measured?
o 2001-2005
o 2006-2010
o 2011-2015
o 2016-2020
○ Other

152. Are entities recommended or required to disclose the methodologies by which they select baseline years?
No No
∘ Yes
450 M/L + 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?
Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
○ Other
○ Not specified
161. Describe and reference the section/subsection/paragraph of the policy tool related to just transition targets or goals.
Article 35: With the aim of promoting the transition from fossil fuel-based power generation models to lower-emission technologies, the Secretary of Energy shall establish policies and incentives to promote the use of low-emission technologies, considering the fuel to be used.
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
○ No

○ Recommended
Required

165. Does the policy tool recommend or require any of the following elements or criteria for transition plans? Select all that apply.

	Recommended	Required	Neither recommended nor required
A timeframe for the transition plan (e.g. 10 year plan, 20 year plan, etc.)			
Key Performance Indicators (KPIs) for monitoring transition plan implementation	⋄		
Updates to the transition plan		\checkmark	
Third-party verification and/or audited accuracy of the transition plan			
Identified methodology for scenario analysis			

166. Describe the recommended or required timefr	rame for the transition plan.
--	-------------------------------

relevant section/subsection/paragraph of the policy tool.

- 1-10 years
- o 11-20 years
- o 21-30 years
- o 31-40 years
- o 41-50 years
- o Other

167. Describe the recommended or required Key Performance Indicators (KPIs) and reference the

The 2021-2024 Especial Program for Climate Change (Programa Especial de Cambio Climático) establishes a series of goals and indicators in relation to the national policy for climate change. See section 8. Goals for wellness and parameters (Metas para el Bienestar y Parámetros) https://web.archive.org/web/20230926163338/https://www.gob.mx/cms/uploads/attachment/file/681 172/PECC-2021-2024.pdf

168. Select the option that best describes the recommended or required frequency of updates to transition plans.
o 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
o Not specified
Other Every ten years for mitigation matters and every six years for adaptation matters regarding the National Strategy for Climate Change. (Estrategia Nacional de Cambio Climático)
169. Describe the recommended or required updates to transition plans and reference the relevant section/subsection/paragraph of the policy tool.
Periodic updates to the 2021-2024 Especial Program for Climate Change (Program Especial de Cambio Climático) are not established In the General Law for Climate Change. Furthermore, for the National Strategy for Climate Change (Estrategia Nacional de Cambio Climático) this sub policy must be updated every ten years for mitigation matters and every six years for adaptation matters in terms of Article 61 of the General Law for Climate Change.
Monitoring, Oversight, and Implementation

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in			
implementing their			
transition plan			
Develop financial			
plans for the			
implementation of			
their transition plan			✓
Integrate climate-			
related matters into			
their financial			
accounting			✓
Incorporate climate			
change considerations into their investment			
decision making and/or asset planning			
Incorporate climate			✓
change considerations			
into their capital			
allocation and/or			
expenditure plans			
Any other mechanisms	П		✓
for enhancing the			
achievement of			
targets and/or the			
implementation of			
transition plans			

177. Describe the obligation to monitor progress in implementing transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

Article 60 and 61:

The National Strategy constitutes the guiding instrument of national policy in the medium and long terms to confront the effects of climate change and move towards an economy competitive, sustainable and low in carbon emissions. The Secretariat, with the participation of the Commission, must review the National Strategy, at least every ten years for mitigation and every six years for adaptation

Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the following	ng
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No
Value chain			\checkmark
engagement			
Investor engagement			✓
Consumer			\checkmark
engagement			
Policy engagement			\checkmark
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			
financial incentives for			
employees and board members			
members			
185. Does the policy tool recommend or require targeted entities to disclose how they have used due			
diligence and/or stewardship to achieve their targets and/or implement their transition plans?			
No			
● 110			
o Recommended			
Required			
Standards, Frameworks, and Guidelines			

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
IFRS S1			referenced
IFRS S2			V
Task Force on Climate-related Financial Disclosures (TCFD)			
CDP (formerly known as Climate Disclosure Project) Technical Note: Reporting on Climate Transition Plans			
International Integrated Reporting Framework			
Global Reporting Initiative (GRI)			\checkmark
Sustainability Accounting Standards Board (SASB)			✓
Science Based Targets initiative (SBTi)			\checkmark
Science Based Targets initiative (SBTi) Net Zero Standard			2
European Sustainability Reporting Standards (ESRS)			
Other			✓

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

Policy Tool Name: General Law on Ecological Balance and Environmental Protection (Ley General del Equilibrio Ecológico y la Protección al Ambiente)

htt	Source material link(s): ps://web.archive.org/web/20240806232655/https://www.diputados.gob.mx/LeyesBiblio/pdf/LGEE .pdf
4.	Which of the following governance domains does this policy tool relate to? Select all that apply.
✓	Climate-related disclosure
□ -	Transition planning
	Public procurement
6.	Select the category which best describes the author/issuer of the policy tool.
	Head of state and/or government
	ndependent regulatory or supervisory body
✓	Legislature
	ludiciary
	Ministry/Department/Agency
	Other (Please describe)
7.	Status of the policy tool
• /	Approved, in force
o A	Approved, not yet in force
o C	Other (Please describe)
0 '	
	Year of (planned) entry into force or year of publication
<u> 19</u>	<u>oo</u>

10. Does the policy tool have an end date?
No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the
recommendations of the Task Force for Climate Related Financial Disclosure or to explain the
absence of such disclosures.
The General Law on Ecological Balance and Environmental Protection (Ley General del Equilibrio
Ecológico y la Protección al Ambiente) is a federal law that regulates human activities that affect or
may affect the environment, in order to preserve and restore the ecological balance, protect natural
resources, prevent and control pollution, promote sustainable development and guarantee the right to a healthy environment.
This policy establishes the principles, objectives, competences, instruments, procedures and sanctions
for national environmental policy, as well as the bases for coordination between the different levels of
government, social participation and international cooperation in the matter.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not
applicable, leave blank.
• 1. Mexican Federal Government by means of the Secretary of Environment and Natural Resources
(Secretaría de Medio Ambiente y Recursos Naturales)
o 2.
o 3.
o 4 .
o 5.

- 15. To provide contextual information, rate the capacity of Mexican Federal Government by means of the Secretary of Environment and Natural Resources (Secretaría de Medio Ambiente y Recursos Naturales) to undertake the policy tool's implementation and/or enforcement.
- o 0- No Capacity (Please explain)
- o 1- Low Capacity (Please explain)
- o 2- Medium Capacity (Please explain)
- 3- High Capacity (Please explain) The Secretary of the Environment and Natural Resources (Secretaría de Medio Ambiente y Recursos Naturales) by means of the Federal Attorney General's Office for Environmental Protection (Procuraduría Federal de Protección al Ambiente) has the following enforcing capacities: acts of inspection and surveillance, enforcement of security measures and determination of administrative infringements and penalties.

o Prefer not to answ	ver		
o Not Applicable			

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

1. Publicly-traded entities 2. Private companies 3. Financial institutions 4. Small and medium-sized enterprises 5. State-owned companies 6. Not-for-profit organizations 7. Government agencies and/or departments (national) 9. Government agencies and/or departments (regional e.g., state, province, region, metropolitan region) 10. Government agencies and/or departments (local e.g., county, district, municipality, city) 11. Government agencies and/or departments (local e.g., county, district, municipality, city) 12. Sectoral actors (e.g., healthcare, defense, utilities, education) 13. Other		Mandatory	Voluntary	Not targeted
2. Private companies	1. Publicly-traded	✓		
3. Financial institutions 4. Small and medium-sized enterprises 5. State-owned companies 6. Not-for-profit organizations 7. Government agencies and/or departments (regional e.g., state, province, region, metropolitan regan) 10. Government agencies and/or departments (local e.g., state, province, region, metropolitan regan) 11. Government agencies and/or departments (local e.g., county, district, municipality, city) 11. Government agencies and/or departments (local e.g., county, district, municipality, city) 12. Sectoral actors (e.g., healthcare, defense, utilities, education)	entities			
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sized enterprises 5. State-owned companies 6. Not-for-profit organizations 7. Government agencies and/or departments (supranotional) 8. Government agencies and/or departments (regional e.g., state, province, region, metropolitan region) 10. Government agencies and/or departments (regional e.g., county, district, municipality, city) 11. Government agencies and/or departments (local e.g., county, district, municipality, city) 12. Sectoral actors (e.g., healthcare, defense, utilities, education)	3. Financial institutions			
5. State-owned companies 6. Not-for-profit organizations 7. Government agencies and/or departments (supranational) 8. Government agencies and/or departments (national) 9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region) 10. Government agencies and/or departments (local - e.g., county, district, municipality, city) 11. Government agencies and/or departments (local - e.g., county, district, municipality, city) 12. Sectoral actors (e.g., healthcare, defense, utilities, education)	4. Small and medium-	✓		
companies 6. Not-for-profit organizations 7. Government agencies and/or departments (supranational) 8. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region) 10. Government agencies and/or departments (local - e.g., county, district, municipality, city) 11. Sovernment agencies and/or departments (local - e.g., county, district, municipality, city) 12. Sectoral actors (e.g., healthcare, defense, utilities, education)	sized enterprises			
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12. Sectoral actors (e.g., healthcare, defense, utilities, education)				
(e.g., healthcare, defense, utilities, education)		✓	П	П
defense, utilities, education)				
education)				
	•			
	,			

26. In cases where entities are targeted by sector, identify the sector to which the policy tool applies.

	Mandatory	Voluntary	Not applicable
All sectors			
Agriculture, forestry, and fishing	⊘		
Mining and quarrying	✓		
Manufacturing	✓		
Electricity, gas, steam, and air conditioning supply	✓		
Water supply; sewerage; waste management and remediation activities			
Construction			
Wholesale and retail trade: repair of motor vehicles and motorcycles			
Transportation and storage	~		
Accommodation and food service activities			
Information and communication			
Financial and insurance activities			
Real estate activities			
Professional, scientific and technical activities			
Administrative and support service activities			
Public administration and defense; compulsory social security			
Education			
Human health and social work activities			
Arts, entertainment and recreation			
Other service activities			
Activities of households as employers; undifferentiated goods-and services- producing activities of			

households for own		
use		
Activities of extraterritorial organizations and bodies		

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Pub licly - trad ed enti ties	Priva te comp anies	Finan cial instit ution s	Small and medi um- sized enter prise s	State - own ed comp anies	Not- for- profit organi zation s	Gover nment agenc ies and/or depar tment s (natio nal)	Gover nment agenc ies and/or depar tment s (regio nal - e.g. state, provin ce, region	Gover nment agenc ies and/or depar tment s (local - e.g. count y, distric t, munici	Gover nment agenc ies and/or depar tment s (unsp ecified)	Secto ral actor s (e.g. healt hcare , defen se, utiliti es, educ ation)
Minimu m numbe r of								metro polita n region	pality, city)		
employ ees (Enter min numbe r of full- time employ ees - FTEs)											
Minimu m revenu e (Enter minimu m revenu e)											
m assets											

		ı	П	ı	ı	ı	1	ı	ı	1	
(Enter											
minimu											
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assets)											
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m											
contrac											
t value											
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minimu											
m											
contrac											
t value)											
Entity	Yes										
is											
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tion											
Entities											
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ure or											
reporti											
ng											
require											
ments											
-											

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

No		
∘ Yes		

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

- Operations within jurisdiction only
- o Operations beyond the jurisdiction
- o Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
✓ Monetary fine Ranging from \$160 USD to -\$270,000 USD at the time of completing this survey
Restriction on business activities total or partial
Voiding or setting aside of contract revocation of licenses, permits and authorizations
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
Criminal penalties <u>fraudulent non-compliance with disclosure</u> , reporting or maintaining information regarding disclosure obligations, may result in criminal liability in accordance with article 420 Quarter of the Federal Criminal Code (Código Penal Federal)
□ Not specified
☐ Not applicable (e.g. in cases of voluntary tools)
Other <u>administrative detention and precautionary securing of instruments and products related to infractions on forestry and other natural resources.</u>
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
Above average
o Not applicable
o Unknown or prefer not to answer

34. Provide supplemental explanation of your assessment of the associated costs of compliance. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Fines and sanctions are above average compared to other environmental policies and regulations in
Mexico such as the General Law on Climate Change. Also criminal penalties are other factor to
consider sanctions in this policy above average.
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
∘ Average
o Above average
o Not applicable
● Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The Federal Attorney General's Office for Environmental Protection (Procuraduría Federal de Protección al Ambiente) regularly publishes examples of enforcement of this law. An example of the
enforcing of climate related disclosure obligations was the closure of a metal mechanics company. https://web.archive.org/web/20240814162529/https://www.eleconomista.com.mx/empresas/Profepa-clausura-empresa-metal-mecanica-en-Edomex-20150207-0002.html
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
o No
Yes

40. Describe the monitoring systems in place. Please reference the relevant
section/subsection/paragraph of the policy tool where monitoring systems are set.
This policy establishes various monitoring systems to evaluate the state and evolution of natural
resources, environmental quality, compliance with regulations and the effectiveness of public policies
on environmental matters. Some of these systems are:
The National System of Environmental and Natural Resources Information (Sistema Nacional de
Información Ambiental), which integrates information generated by federal, state and municipal
authorities, on the environmental and natural resources aspects established by law. Article 159 Bis The National System of Natural Protected Areas (Sistema Nacional de Áreas Naturales Protegidas),
which registers, administers and evaluates the natural protected areas decreed. Article 76 and 77.
41. Does the policy tool recommend or require periodic impact assessments?
o No
o Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended
or required by the policy tool.
● 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
No

o Recommended
o Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
○ No
● Yes
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
The coordination systems in this policy are mechanisms of collaboration between Federal, State and municipal authorities that aim to harmonize and strengthen policies, programs and actions in environmental matters, as well as to prevent and solve conflicts of competence. One of the main purposes of this policy is to establish coordination mechanisms and grant specific powers to subnational governments and entities.
One example of a coordination mechanism is the National Council for Natural Protected Areas (Consejo Nacional de Áreas Naturales Protegidas) which main purpose is to serve as a consultative organ in support to the Secretary of the Environment and Natural Resources (Secretaría del Medio Ambiente y Recursos Naturales) (Article 56 bis). See also the distribution of powers and coordination in Chapter II of the policy (Articles 4 to 14 bis).
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
o No
Yes

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where

In terms of article 39 of the policy, competent authorities are obliged to promote education programs
that cover sustainable development, mitigation, adaptation, environmental protection, and the
reduction to the vulnerability due to climate change.

capacity-building initiatives are established. If referencing new sources (i.e. not referenced in

Question 3), provide a web-archived link to the source material.

Domain-Specific Question	ns: Disclosure Questi	ions	
What is being disclosed?	?		

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended	
1. Greenhouse gas (GHG) emissions	✓		nor required	
2. GHG emissions offsets or removals				
3. GHG emissions reduction targets				
4. Other climate- related targets	\checkmark			
5. Physical climate risk				
6. Transition risk				
7. Transition plan				
54. Which GHG emissions Carbon dioxide (CO2)	s must be disclosed? S	Select all that apply.		
☑ Methane (CH4)				
☑ Nitrous oxide (N₂O)				
✓ Hydrofluorocarbons (⊢				
_	Perfluorocarbons (PFCs)			
Sulphur hexafluoride (SF6)				
□ Nitrogen trifluoride (NF3)				
□ Carbon dioxide equival	ent (CO ₂ e)			
55. Are entities recomme	nded or required to dis	sclose gross emissions	?	
o No				
o Recommended				
Required				

FC Annualities are considered an annual include displace and considering 2
56. Are entities recommended or required to disclose net emissions?
● No
○ Recommended
○ Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
No No
○ Recommended
o Required
60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG) emissions disclosure.

The Pollutant Release and Transfer Registry (Registro de Emisiones y Transferencia de Contaminantes) is an environmental policy instrument that aims to collect, systematize and disseminate information on the sources, types and quantities of pollutants emitted or transferred into the air, water and soil by industrial and service activities subject to federal regulation. The following industries are targeted: chemical, petroleum and petrochemical, paint and ink, automotive, pulp and paper, metallurgy, glass, power generation, asbestos, cement, hazardous waste treatment industries, generators of dangerous waste and industries that discharge polluted water. There is a list of the thresholds and substances that require to be disclosed that include some GHG. The list is published by means of the following Official Mexican Standard (Norma Oficial Mexicana) NOM-165-SEMARNART-2013: https://web.archive.org/web/20240814183836/https://www.dof.gob.mx/nota_detalle.php?codigo=53 30750&fecha=24/01/2014#qsc.tab=0 Disclosure of other climate-related targets 84. Which of the following other climate-related targets does the policy tool recommend or require entities disclose? Select all that apply. ☐ Targets for renewable energy procurement (Please reference the section/subsection/paragraph of the policy tool relevant to renewable energy procurement targets) ☐ Targets for fossil fuel phase down/phase out (Please reference the section/subsection/paragraph of the policy tool relevant to fossil fuel phase down/phase out) ☐ Targets or goals related to climate adaptation (Please reference the section/subsection/paragraph of the policy tool relevant to climate adaptation) ☐ Targets or goals related to nature and/or biodiversity (Please reference the section/subsection/paragraph of the policy tool relevant to nature and/or biodiversity) ☐ Targets or goals related to just transition (Please reference the section/subsection/paragraph of the policy tool relevant to just transition) Mother targets (Please reference the section/subsection/paragraph of the policy tool relevant to other targets) The policy requires that entities disclose emissions of other substances that are not GHG. See Section 6: https://web.archive.org/web/20240814183836/https://www.dof.gob.mx/nota_detalle.php?codigo=53 30750&fecha=24/01/2014#qsc.tab=0

Other disclosures		

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			✓ V
opportunities			
2. Remuneration			
based on achieving			
climate-related goals			
3. Taxonomies			V
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change) 5. Due diligence			✓
			✓
6. Assumptions and Dependencies			
7. Data limitations of			✓
scenario analyses			
8. Financial			✓
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			✓
9. Stewardship (e.g., whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			✓
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			~
ownership in the			
context of climate			
change 12. Sectoral			✓
investment policies			
13. Climate-related			✓
lobbying and/or policy			
engagement			
14. Locked-in			✓
emissions or			
information on			

emissive assets with long lifespans			
15. Dirty asset			
divestiture			
16. Nature-related impacts	✓		
17. Just transition indicators			~
122. Describe and referer of nature-related impacts The policy requires that e 6: https://web.archive.org/w 30750&fecha=24/01/201	ntities disclose emissions eb/20240814183836/http	of other substances that	are not GHG. See Section
Standards, Frameworks,	and Guidelines		

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			\checkmark
2. IFRS S2			\checkmark
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			~
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			✓

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Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero
alignment not captured in the above questions. If referencing new sources (i.e. not referenced in
Question 3), provide a web-archived link to the source material.
The policy's main disclosure tool is encompassed in its secondary regulation, which was considered
for answering this section. These secondary tools are the Rules of the General Law of General
Ecological Balance and Protection of the Environment with regard to the Registry of Emissions and
Pollutants Transfer (Reglamento de la Ley General del Equilibrio Ecológico y la Protección al
Ambiente en materia de Registro de Emisiones y Transferencia de Contaminantes)
https://web.archive.org/web/20240814185845/https://www.diputados.gob.mx/LeyesBiblio/regley/Re
g_LGEEPA_MRETC_311014.pdf
and Mexican Official Standard NOM-165-SEMARNAT-2013
https://web.archive.org/web/20240814183836/https://www.dof.gob.mx/nota_detalle.php?codigo=53
30750&fecha=24/01/2014#gsc.tab=0
Additional Important Information
197. Note any additional important information about the contribution of the policy tool to net zero
alignment not captured in the above questions. If referencing new sources (i.e. not referenced in
Question 3), provide a web-archived link to the source material.
<u>None</u>

Policy Tool Name: General Law for Sustainable Forest Development (Ley General de Desarrollo Forestal Sustentable)

 Source material link(s): https://web.archive.org/web/20240812230528/https://www.diputados.gob.mx/LeyesBiblio/pdf/LGDF S.pdf
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
□ Climate-related disclosure
✓ Transition planning
□ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
□ Head of state and/or government
□ Independent regulatory or supervisory body
✓ Legislature
□ Ministry/Department/Agency
□ Other (Please describe)
7. Status of the policy tool
Approved, in force
Approved, not yet in force
Other (Please describe)
outier (Fleuse describe)
9. Year of (planned) entry into force or year of publication
<u>2018</u>

10. Does the policy tool have an end date?
No No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The policy tool aims to regulate and promote the integrated and sustainable management of forest lands, conservation, protection, restoration, production, management, cultivation and use of the country's forest ecosystems and their resources, as well as to distribute the competences corresponding to the Federation, the State Governments, and Municipalities in forestry matters.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
• 1. Mexican Federal Government by means of the Secretary of the Environment and Natural
Resources (Secretaría del Medio Ambiente y Recursos Naturales).
o 2.
∘ 3.
o 4.
○ 5.
15. To provide contextual information, rate the capacity of Mexican Federal Government by means of the Secretary of the Environment and Natural Resources (Secretaría del Medio Ambiente y Recursos Naturales). to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)

● 3- High Capacity (Please explain) The Secretary of the Environment and Natural Resources
(Secretaría del Medio Ambiente y Recursos Naturales) by means of the Federal Attorney General's
Office for Environmental Protection (Procuraduría Federal de Protección al Ambiente) has the
following enforcing powers: impose security measures, investigate, inspect, monitor, verify and
sanction those
violators in forestry matters, as well as making known and, where appropriate, reporting the crimes
in this matter before the competent authorities.
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded entities	\checkmark		
2. Private companies	✓		
3. Financial institutions	✓		
4. Small and medium-	✓		
sized enterprises			
5. State-owned	✓		
companies			
6. Not-for-profit	✓		
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government	✓		
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan region)			
10. Government	✓		
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government	✓		
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors	✓		
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

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26. In cases where entities are targeted by sector, identify the sector to which the policy tool applies.

	Mandatory	Voluntary	Not applicable
All sectors			
Agriculture, forestry, and fishing	\checkmark		
Mining and quarrying			
Manufacturing			
Electricity, gas, steam, and air conditioning supply			
Water supply; sewerage; waste management and remediation activities			
Construction			
Wholesale and retail trade: repair of motor vehicles and motorcycles			
Transportation and storage			
Accommodation and food service activities			
Information and communication			
Financial and insurance activities			
Real estate activities			
Professional, scientific and technical activities			
Administrative and support service activities			
Public administration and defense; compulsory social security			
Education			
Human health and social work activities			
Arts, entertainment and recreation			
Other service activities			
Activities of households as employers; undifferentiated goods-and services- producing activities of			

households for own		
use		
Activities of extraterritorial organizations and bodies		

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Pub licly - trad ed enti ties	Priva te comp anies	Finan cial instit ution s	Small and medi um- sized enter prise s	State - own ed comp anies	Not- for- profit organi zation s	Gover nment agenc ies and/or depar tment s (natio nal)	Gover nment agenc ies and/or depar tment s (regio nal - e.g. state, provin ce, region , metro polita n region	Gover nment agenc ies and/or depar tment s (local - e.g. count y, distric t, munici pality, city)	Gover nment agenc ies and/or depar tment s (unsp ecified)	Secto ral actor s (e.g. healt hcare , defen se, utiliti es, educ ation)
Minimu m numbe r of employ ees (Enter min numbe r of full-time employ ees - FTEs)											
Minimu m revenu e (Enter minimu m revenu e)											
Minimu m assets											

		ı	П	ı	ı	ı	1	ı	ı	1	
(Enter											
minimu											
m											
assets)											
Minimu											
m											
contrac											
t value											
(Enter											
minimu											
m											
contrac											
t value)											
Entity	Yes										
is											
headqu											
artered											
in the											
jurisdic											
tion											
Entities											
are											
subject											
ed to											
disclos											
ure or											
reporti											
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28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

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30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

- Operations within jurisdiction only
- o Operations beyond the jurisdiction
- o Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
✓ Monetary fine ranging from \$215 USD to \$163,000 USD at the time of completing this survey
Restriction on business activities total or partial
Voiding or setting aside of contract setting aside of environmental authorizations
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
Criminal penalties <u>certain criminal activities typified as such, may result in criminal liability under</u> <u>Title 25 of the Federal Criminal Code (Código Penal Federal)</u>
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other <u>precautionary securing of forestry material and other equipment used to commit the infraction.</u>
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
Average
o Above average
o Not applicable
o Unknown or prefer not to answer
34. Provide supplemental explanation of your assessment of the associated costs of compliance. If

Monetary sanctions and security measures are consistent with sanctions applicable to other subject maters.

referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
o Above average
o Not applicable
• Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
One example is the forestry operation in Ajusco, Tlalpan, in follow-up to the fight against illegal logging in the southern area of Mexico City.
https://web.archive.org/web/20240814004240/https://www.gob.mx/profepa/prensa/profepa-realiza-
operativo-forestal-en-ajusco-tlalpan-en-seguimiento-al-combate-contra-la-tala-ilegal-en-la-zona- sur-de-la-cdmx
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes

section/subsection/paragraph of the policy tool where monitoring systems are set.
Chapter III (Articles 21 to 27) establishes the mechanism for the Secretary of the Environment and Natural Resources (Secretaría del Medio Ambiente y Recursos Naturales) and the National Forestry Commission (Comisión Forestal Nacional) to evaluate and monitor the compliance of the commitments of the coordination agreements that the State and Municipal governments undertake in terms of the policy.
41. Does the policy tool recommend or require periodic impact assessments?
○ No
o Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
● 2-5 years
o 5-10 years
○ 10 or more years
○ Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
No No
∘ Recommended
o Required

40. Describe the monitoring systems in place. Please reference the relevant

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
∘ No
Yes
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
One of the main purposes of this policy is to establish coordination mechanisms and grant specific
powers to State and Municipal governments. Some examples of coordination mechanisms are the
Fire Management Program (Programa de Manejo del Fuego) (Article 7, section XLIII and Article 119) and the National Inventory for Forestry and Land (Inventario Nacional Forestal y de Suelos) (Articles 46 to 48.)
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No No
∘ Yes

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
No No
∘ Recommended
o Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
○ No
∘ Recommended
Required
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
∘ No
∘ Recommended
Required

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to monitoring progress in achieving targets. The National Inventory for Forestry and Land (Inventario Nacional Forestal y de Suelos) is one of the instruments of the national forestry policy, this instrument must relate in an organized and systematic way the statistical and accounting data of the environmental goods and services and will be the basis for generating information on the state of the forest resources including the criteria for sustainability and degradation of forests. This subpolicy is regulated in articles 46 to 48, one of the monitor areas that this policy covers is the reduction of emissions from actions to prevent and combat deforestation and forest degradation. 138. Does the policy tool recommend or require targeted entities to publicly report on progress in achieving their targets? o No o Recommended Required 139. What is the recommended or required frequency of progress reports related to the achievement of targets? Yearly o Every two years o Every three years o Every four years Every five years o Every ten years or more Other No prescribed frequency

140. Which of the following targets, or data related to targets, does the policy tool recommend of
require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions			
reduction target			
An intensity-based			
emissions reduction			
target			
A net zero target		✓	
Interim targets (e.g. 2030, 2050)			
Targets covering non- carbon GHG emissions			
A Scope 3 emissions target			
A target derived using a sectoral decarbonization approach			
A level of ambition for emissions reductions (e.g. 80% reduction)			
A baseline year from which progress is measured			
A target timeframe (e.g. by 2040)			
Targets for renewable energy procurement			
Targets for fossil fuel phase down/phase up			
Separate targets for GHG offsets and/or removals			
Targets or goals related to climate adaptation			
Targets or goals related to nature and biodiversity			
Other targets related to sustainability			

143. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.

 \square Scope 1 emissions

☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
✓ Not specified
144. What is the recommended or required year for the net zero target (e.g. net zero by)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
• Other <u>The target is "transitioning for zero percent rate of carbon loss in the original ecosystems" in terms of article 3, section XLI</u>
 Not specified
148. For which of the following sectors are entities recommended or required to develop targets derived using a sectoral decarbonization approach? Select all that apply.
☐ Power generation
□ Industry
☐ Transport Services
☐ Services/Commercial buildings
✓ Other <u>Agriculture and Forestry</u>
□ None specified

approach be validated by a third-party?
No No
o Recommended
o Required
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plans
○ No
o Recommended
Required

149. Does the policy tool recommend or require targets derived using a sectoral decarbonization

165. Does the policy tool recommend or require any of the following elements or criteria for transit	tion
plans? Select all that apply.	

	Recommended	Required	Neither recommended	
A 11 C C 11			nor required	
A timeframe for the				
transition plan (e.g. 10				
year plan, 20 year				
plan, etc.)	✓			
Key Performance				
Indicators (KPIs) for				
monitoring transition				
plan implementation				
Updates to the				
transition plan				
Third-party				
verification and/or				
audited accuracy of				
the transition plan				
Identified methodology			\checkmark	
for scenario analysis				
167. Describe the recommended or required Key Performance Indicators (KPIs) and reference the relevant section/subsection/paragraph of the policy tool. As per Article 3 section XLI, the policy aims to design strategies, policies, measures and actions to move towards a zero percent rate of carbon loss in the original ecosystems, in terms of the General Law on Climate Change and the National Climate Change Strategy, for their incorporation into forest policy planning instruments, taking into consideration the sustainable economic development of forest regions and community forest management.				
Monitoring, Oversight, and Implementation				

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in			
implementing their			
transition plan			
Develop financial			
plans for the			
implementation of			
their transition plan			
Integrate climate-			\checkmark
related matters into			
their financial			
accounting			
Incorporate climate			✓
change considerations			
into their investment			
decision making			
and/or asset planning			
Incorporate climate			
change considerations			
into their capital			
allocation and/or			
expenditure plans			
Any other mechanisms			
for enhancing the			
achievement of			
targets and/or the			
implementation of			
transition plans			

177. Describe the obligation to monitor progress in implementing transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

The National Forestry Commission (Comisión Nacional Forestal) has the duty to design and implement the National System of Forestry Monitoring (Sistema Nacional de Monitoreo Forestal) in terms of article fourth transitory and 34 section VII. In terms of article 28 and 29 of the Rules for the General Law on Sustainable Forest Development (Reglamento de la Ley General de Desarrollo Forestal Sustentable) the National System of Forestry Monitoring may generate information related to the quantification of greenhouse gas emissions and carbon absorption in forests. https://web.archive.org/web/20230908044202/https://www.diputados.gob.mx/LeyesBiblio/regley/Reg_LGDFS_091220.pdf

Engagement, Lobbying, and Governance						

184. Does the policy tool recommend or require targeted entities align any of the follow	'ing
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No		
Value chain					
engagement					
Investor engagement			✓		
Consumer			$ \checkmark $		
engagement					
Policy engagement					
and lobbying practices					
Corporate governance			\mathbf{C}		
structure for transition					
and verification					
Climate-related					
financial incentives for					
employees and board members					
members					
185. Does the policy tool recommend or require targeted entities to disclose how they have used due diligence and/or stewardship to achieve their targets and/or implement their transition plans?					
No					
o Recommended					
o Required					
Standards, Frameworks, and Guidelines					

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			
IFRS S2			✓
Task Force on			✓
Climate-related			
Financial Disclosures			
(TCFD)			
CDP (formerly known			
as Climate Disclosure			
Project) Technical			
Note: Reporting on			
Climate Transition			
Plans			
International			✓
Integrated Reporting			
Framework			
Global Reporting			$\mathbf{\mathcal{C}}$
Initiative (GRI)			
Sustainability			✓
Accounting Standards			
Board (SASB)	_		
Science Based Targets			\checkmark
initiative (SBTi)			✓
Science Based Targets			
initiative (SBTi) Net			
Zero Standard			✓
European			
Sustainability			
Reporting Standards (ESRS)			
Other			
Other	Ц		
A 1 Per - 11 - 1 - 1 - 1	,.		
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

Policy Tool Name: Public Procurement, Leases and Public Services Law (Ley de Adquisiciones, Arrendamientos y Servicios del Sector Público)

9. Year of (planned) entry into force or year of publication 2000	
 Approved, in force Approved, not yet in force Other (Please describe) 	
7. Status of the policy tool	
□ Other (Please describe)	
☐ Ministry/Department/Agency	
□ Judiciary	
✓ Legislature	
□ Independent regulatory or supervisory body	
☐ Head of state and/or government	
6. Select the category which best describes the author/issuer of the policy tool.	
✓ Public procurement	
☐ Transition planning	
☐ Climate-related disclosure	
4. Which of the following governance domains does this policy tool relate to? Select all that apply.	
3. Source material link(s): https://web.archive.org/web/20240531180715/https://www.diputados.gob.mx/LeyesBiblio/pdf/14_0521.pdf	20

10. Does the policy tool have an end date?
No No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
This policy tool establishes the rules for public procurement, real state leases and provision of services of any nature that is contracted by Federal, State and Municipal entities by means of federal resources.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
• 1. <u>Secretary for Public Service (Secretaría de la Función Pública)</u>
∘ 2.
∘ 3.
o 4.
o 5.
15. To provide contextual information, rate the capacity of Secretary for Public Service (Secretaría de la Función Pública) to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) <u>The Secretary of Public Service (Secretaría de la Función Pública)</u> has the power to verify and sanction cases of non-compliance with this policy.

o Prefer not to answer

 Not Applicable 			
	_		

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-	\checkmark		
sized enterprises			
5. State-owned	✓		
companies			
6. Not-for-profit	✓		
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government	•		
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)	✓		
11. Government			
agencies and/or			
departments			
(unspecified) 12. Sectoral actors			✓
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			✓
13. Other		<u> </u>	

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27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Publ icly- trad ed entit ies	Privat e comp anies	Finan cial institu tions	Small and mediu m- sized enter prises	State - owne d comp anies	Not- for- profit organiz ations	Govern ment agenci es and/or depart ments (nation al)	Govern ment agenci es and/or depart ments (region al - e.g. state, provin ce, region, metrop olitan region)	Govern ment agenci es and/or depart ments (local - e.g. county, district, munici pality, city)	Govern ment agenci es and/or depart ments (unspe cified)
Minimu m number of employe es (Enter min number of full-time employe es - FTEs)										
Minimu m revenue (Enter minimu m revenue										
Minimu m assets (Enter minimu m assets) Minimu m										

contract value (Enter minimu m										
contract value)										
Entity is headqu artered in the jurisdicti on	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Entities are subjecte d to disclosu re or reportin g require ments										
28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)? No Yes										
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?										
		-	-							
	Operations within jurisdiction only									
o Operations beyond the jurisdiction										
Not applicable										

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.

Monetary fine Ranging from \$1,650 USD to \$165,000 USD

o Below average
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
Monetary sanctions are consistent with sanctions applicable to other subject maters.
34. Provide supplemental explanation of your assessment of the associated costs of compliance. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
o Unknown or prefer not to answer
o Not applicable
 Above average
Average
o Below average
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
□ Other
□ Not applicable (e.g. in cases of voluntary tools)
□ Not specified
Criminal penalties <u>Certain criminal activities typified as such, may result in criminal liability under</u> the Federal Criminal Code (Código Penal Federal)
☐ Penalty for senior managers
Award of damages or compensation Considering damages caused by the infractor
Exclusion from government contracts Ranging from three months to five years.
☑ Voiding or setting aside of contract <u>Set aside of government contract</u>
□ Restriction on business activities

∘ Average
o Above average
o Not applicable
Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The Secretary of Public Services (Secretaría de la Función Pública) regularly publishes statistics regarding enforcement of this policy. The 2023 newsletter on this matter can be found in the following link:
https://web.archive.org/web/20240817005059/https://www.gob.mx/sfp/prensa/impone-multas-por-un-monto-de-mas-de-mil-mdp-a-licitantes-proveedores-y-contratistas
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

The Secretary of Public Service (Secretaría de la Función Pública) has in place some systems in order to detect non compliance with this policy, such as the Citizens Reporting System(sistema Integral de Denuncias Ciudadanas, and the Reporting Citizens (Ciudadanos Alertadores) programs, which are whistleblower programs.

41. Does the policy tool recommend or require periodic impact assessments?
No No
∘ Recommended
o Required
43. Does the policy tool recommend or require periodic reviews?
No No
∘ Recommended
o Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No No
o Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No No
o Yes
Additional Important Information

alignment not captured in the above questions. If referencing new sources (i.e. not referenced in	
Question 3), provide a web-archived link to the source material.	
<u>None</u>	

197. Note any additional important information about the contribution of the policy tool to net zero

Domain-Specific Questions: Public Procurement Questions
200. Does the policy tool allow, recommend, or require the alignment of public procurement spending with national and/or subnational climate targets?
∘ No
Allowed and/or recommended
○ Required
201. Describe the obligation to align public procurement spending with national and/or subnational climate targets, referencing the relevant section/subsection/paragraph of the policy tool.
In terms of Article 22 Section III of the policy, government targeted entities shall establish in their policies, bases and guidelines, the aspects of environmental sustainability, including the evaluation of technologies that allow the reduction of greenhouse gas emissions and energy efficiency, which shall be observed in acquisitions, leases and services, with the aim of optimizing and using sustainable resources to reduce financial and environmental costs.

202. Does the policy tool set targets in relation to climate-aligned procurement? Select all that apply.

	Allowed/recommended	Required	Not applicable
A minimum percentage of tenders/contracts which must include climate-related criteria			•
A minimum number of climate-related criteria to be included in purchases/tenders			
A minimum value of procurement spend which must include climate-related criteria			
A maximum amount of greenhouse gas emissions associated with tenders/contracts (i.e. a carbon ceiling/envelope)			
Targets for the reduction of fossil fuel energy consumption associated with tenders/contracts			
Targets for the procurement of products which have a third-party sustainability certification/ ecolabel/ voluntary sustainability standard			
Other (Please describe and reference the section/subsection/paragraph of the policy tool relevant to other climate-aligned procurement targets)			
Other Text:In terms of Article 26	of the policy with regard	to public procurement	of articles made of
wood, targeted entities must rec			
<u>Environment and Natural Resou</u>			
<u>guarantee the origin and sustair</u>	•	•	•
paper for office use, this should			
derived from wood which should	d also have the third-party	<u>/ certificate aforement</u>	tioned.
Procurement Cycle			

204. Does the policy tool make recommendations or allowances or set requirements related to climate change mitigation at the procurement planning stage? Select all that apply.

е

208. Is there a central publication point?
○ No
Yes (Describe) As with all laws, regulations federal policies, they should be published in the Federal Official Gazette (Diario Oficial de la Federación)
Life-cycle or Whole-life Costing
217. Does the policy tool recommend or require the use of life-cycle costing or whole-life costing to capture climate-related impacts (e.g. energy or fuel consumption, monetized emissions or other environmental costs, end-of-life costs, etc)?
No
o Allow and/or recommend
o Require
Tendering or Solicitation Stage

222. Does the policy tool make allowances, recommendations or set requirements at the tendering or solicitation stage? Select all that apply.

	Allowed/recommended	Required	Not applicable
Exclusion or debarment grounds based on compliance with climate obligations			
Qualification or selection criteria related to climate change			
Including climate or environmental considerations when calculating value for money, including through the use of lifecycle or whole-life costing			
Technical specifications (e.g. setting minimum levels of energy efficiency or maximum product carbon emissions)			
Contract award criteria or value for money evaluation frameworks (e.g. minimum scores/performance levels under climate- related criteria, preferences for climate or sustainable products)			
Other procurement stage allowances, recommendations or requirements			
Technical specifications			

Contract Performance
249. Does the policy tool make allowances, recommendations or set requirements at the contract performance stage (e.g. contract clauses, key performance indicators or conditions which must be included to monitor and report on emissions or other metrics)?
No No
o Allowed and/or recommended
∘ Required
Monitoring and Reporting
252. Does the policy tool include allowances, recommendations or requirements to monitor and/or report upon climate-aligned procurement?
No No
Allowed and/or recommended
○ Required
Standards, Frameworks, and Guidelines

262. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. Paris Agreement			✓
2. The jurisdiction's			✓
Nationally Determined			
Contribution (NDC)			
3. IFRS S1			>
4. IFRS S2			✓
5. Task Force on Climate-			✓
related Financial Disclosures			
(TCFD)			
6. GHG Protocol Corporate			
Accounting and Reporting			
Standard			
7. GHG Protocol Corporate			
Value Chain (Scope 3)			
Accounting and Reporting Standard			
8. CDP (formerly known as			✓
Climate Disclosure Project)			
reporting framework			
9. Science Based Targets			✓
initiative (SBTi)			
10. Science Based Targets			✓
initiative (SBTi) Net Zero			
Standard			
11. United Nations			
Sustainable Development			
Goals (SDGs)			
12. ISO 20400 Sustainable			
Procurement			
13. EU Green Public			
Procurement criteria and			
guidance 14. UNEP Sustainable Public			✓
Procurement			
Implementation Guidelines			
15. OECD MAPS -			✓
Supplementary Module on			
Sustainable Public			
Procurement			
16. Asian Development			✓
Bank Guidelines for			
Sustainable Procurement			
17. African Development			
Bank Sustainable Public			
Procurement Guidance Note			

18. Inter-American				
Development Bank Green				
Procurement Guidelines				
19. EDBR Project				
Requirements/Environmental				
and Social Action Plan				
20. World Bank				
Environmental and Social				
Framework				
21. Other			\checkmark	
Additional Important Information				

265. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

In terms of the obligation described in Article 22 Section III of the policy, the Secretary of the Environment and Natural Resources (Secretaría del Medio Ambiente y Recursos Naturales) has issued the following General Guidelines related to Sustainability Aspects for Public Procurement, Leases and Services of the Public Sector (Lineamientos Generales relativos a los Aspectos de Sustentabilidad Ambiental para las Adquisiciones, Arrendamientos y Servicios del Sector Público) https://web.archive.org/web/20240817020916/https://dof.gob.mx/nota_detalle.php?codigo=5005131 &fecha=31/10/2007#qsc.tab=0

Policy Tool Name: Energy Transition Law (Ley de Transición Energética)
3. Source material link(s): https://web.archive.org/web/20240618222640/https://www.diputados.gob.mx/LeyesBiblio/pdf/LTE.p df
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
✓ Transition planning
□ Public procurement
5. If relevant, briefly explain how the policy tool applies or is linked to multiple domains.
The Energy Transition Law (Ley de Transición Energética) aims to regulate towards clean energy transitioning by mechanisms such as the Information System of Energy Transition (Sistema de Información de Transición Energética) as a climate related disclosure and the Transition Strategy for the Promotion of the use of Cleaner Technologies and Fuels (Estrategia de Transición para Promover el Uso de Tecnologías y Combustibles más Limpios).
6. Select the category which best describes the author/issuer of the policy tool.
□ Head of state and/or government
□ Independent regulatory or supervisory body
✓ Legislature
□ Judiciary
□ Ministry/Department/Agency
□ Other (Please describe)
7. Status of the policy tool
Approved, in force
Approved, not yet in force

o Other (Please describe)

9. Year of (planned) entry into force or year of publication 2015
10. Does the policy tool have an end date? No
Yes
12. Briefly describe the policy tool's goal and/or purpose: For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
This policy aims to regulate the sustainable use of energy, the obligation to generate clean energy, as well as to establish planning, coordination, evaluation and participation instruments for energy transition.
 13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. 1. The National Commission for the Efficient Use of Energy (Comisión Nacional para el Uso)
Eficiente de la Energía) ② 2. The Energy Regulatory Commission (Comisión Reguladora de Energía)
3. <u>The Federal Attorney General's Office for Environmental Protection (Procuraduría Federal de Protección al Ambiente)</u>
4.5.

15. To provide contextual information, rate the capacity of The National Commission for the Efficient Use of Energy (Comisión Nacional para el Uso Eficiente de la Energía) to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) <u>The National Commission for the Efficient Use of Energy</u> (Comisión Nacional para el Uso Eficiente de la Energía) has powers to supervise the implementation of voluntary processes developed by individuals to improve their energy efficiency, order verification visits and impose sanctions.
o Prefer not to answer
o Not Applicable
16. To provide contextual information, rate the capacity of The Energy Regulatory Commission (Comisión Reguladora de Energía) to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
© 3- High Capacity (Please explain) <u>The Energy Regulatory Commission (Comisión Reguladora de Energía)</u> has inspection and surveillance faculties for the electric industry stakeholders including <u>monetary sanction powers.</u>
o Prefer not to answer
o Not Applicable
17. To provide contextual information, rate the capacity of The Federal Attorney General's Office for Environmental Protection (Procuraduría Federal de Protección al Ambiente) to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)

corrective measures and actions to remedy and rectify irregularities originating in the generation and
transmission facilities of the electric industry.
o Prefer not to answer
o Not Applicable

Protection (Procuraduría Federal de Protección al Ambiente) has the power to determine and impose

• 3- High Capacity (Please explain) The Federal Attorney General's Office for Environmental

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded	✓		
entities			
2. Private companies	\checkmark		
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned	✓		
companies			
6. Not-for-profit	\checkmark		
organizations			
7. Government			~
agencies and/or			
departments			
(supranational)			
8. Government	✓		
agencies and/or			
departments (national)	✓		_
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province, region, metropolitan			
region)			
10. Government	✓		
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government	✓		
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors	✓		
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

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26. In cases where entities are targeted by sector, identify the sector to which the policy tool applies.

	Mandatory	Voluntary	Not applicable
All sectors			
Agriculture, forestry, and fishing			
Mining and quarrying			
Manufacturing			
Electricity, gas, steam, and air conditioning supply	>		
Water supply; sewerage; waste management and remediation activities			
Construction			
Wholesale and retail trade: repair of motor vehicles and motorcycles			
Transportation and storage			
Accommodation and food service activities			
Information and communication			
Financial and insurance activities			
Real estate activities			
Professional, scientific and technical activities			
Administrative and support service activities			
Public administration and defense; compulsory social security			
Education			
Human health and social work activities			
Arts, entertainment and recreation			
Other service activities			
Activities of households as employers; undifferentiated goods-and services- producing activities of			

households for own		
use		
Activities of extraterritorial organizations and bodies		

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Pub licly - trad ed enti ties	Priva te comp anies	Finan cial instit ution s	Small and medi um- sized enter prise s	State - own ed comp anies	Not- for- profit organi zation s	Gover nment agenc ies and/or depar tment s (natio nal)	Gover nment agenc ies and/or depar tment s (regio nal - e.g. state, provin ce, region , metro	Gover nment agenc ies and/or depar tment s (local - e.g. count y, distric t, munici pality, city)	Gover nment agenc ies and/or depar tment s (unsp ecified)	Secto ral actor s (e.g. healt hcare , defen se, utiliti es, educ ation)
Minimu m	non e	none	none	none	none	none	none	polita n region) none	none	none	none
numbe r of employ ees (Enter min numbe r of full- time employ ees - FTEs)											
Minimu m revenu e (Enter minimu m revenu e)	non e	none	none	none	none	none	none	none	none	none	none
Minimu m assets	non e	none	none	none	none	none	none	none	none	none	none

(Enter minimu m assets)											
Minimu m contrac t value (Enter minimu m contrac t value)	non e	none									
Entity is headqu artered in the jurisdic tion	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Entities are subject ed to disclos ure or reporti ng require ments	non e	none									

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

● No	
∘ Yes	

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

- Operations within jurisdiction only
- \circ Operations beyond the jurisdiction
- o Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
Monetary fine Approximately \$ 150 USD to \$540,0000 USD at the time of completing this survey.
☐ Restriction on business activities
□ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
Criminal penalties <u>fraudulent non-compliance with disclosure</u> , reporting or maintaining information regarding disclosure obligations, may result in criminal liability in accordance with the Federal <u>Criminal Code</u> (Código Penal Federal)
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other <u>Administrative sanctions for government officials in terms of the Federal Law on Administrative Responsibility for Government Officials (Ley Federal de Responsabilidades Administrativas de los Servidores Públicos)</u>
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
○ Average
Above average
o Not applicable
o Unknown or prefer not to answer

34. Provide supplemental explanation of your assessment of the associated costs of compliance. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Monetary sanctions are higher than sanctions applicable to other subject maters.
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
∘ Average
○ Above average
o Not applicable
Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The National Commission for the Efficient Use of Energy (Comisión Nacional para el Uso Eficiente de la Energía) regularly publishes the results of surveillance activities in connection with the implementation of the Information System of Energy Transition (Sistema de Información de
<u>Transición Energética).</u> https://web.archive.org/web/20240817214753/https://www.gob.mx/conuee/es/articulos/continuan-
las-auditorias-a-la-implementacion-del-sistema-de-gestion-de-la-energia?idiom=es
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
The monitoring systems are carried out by the authorities in charge or enforcing this policy including surveillance from the Energy Regulatory Commission (Comisión Reguladora de Energía) and The Federal Attorney General's Office for Environmental Protection (Procuraduría Federal de Protección al Ambiente) in terms of article 117. Additionally in terms of the transition planning instruments described in Articles 21 to 26 a periodic review is mandatory on a yearly basis.
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
o Recommended
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
● 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
No
∘ Recommended
o Required

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
o No
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
In terms of Article 14 section XII the Secretary of Energy (Secretaría de Energía) has powers to enter
into coordination agreements with state and municipal governments for implementing the policy.
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No No
∘ Yes

Domain-Specific Questions: Disclos	sure Questions	
What is being disclosed?		

52. Are targeted entities recommended or	required to c	disclose any	of the following	climate-related
information? Select all that apply.				

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions offsets or removals			
3. GHG emissions reduction targets			
4. Other climate- related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan			
84. Which of the following entities disclose? Select a	-	targets does the po	olicy tool recommend or require
	energy procurement (P		section/subsection/paragraph of
□ Targets for fossil fuel p the policy tool relevant to	·		e section/subsection/paragraph of
□ Targets or goals related of the policy tool relevant	· ·		the section/subsection/paragraph
□ Targets or goals related section/subsection/parag		• •	
the policy tool relevant to	just transition) <u>Article</u>	100 section I and II:	ection/subsection/paragraph of targeted entities must disclose ed on energy conservation
□ Other targets (Please roother targets)	eference the section/su	bsection/paragraph	n of the policy tool relevant to

Other disclo	sures	

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			
opportunities 2. Remuneration			
based on achieving			
climate-related goals			
3. Taxonomies			
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change)			
5. Due diligence			
6. Assumptions and			
Dependencies			
7. Data limitations of			
scenario analyses			
8. Financial			
implications of			
climate-related			
matters (e.g.,			
integration of climate- related disclosures			
into financial			
accounting standards)			
9. Stewardship (e.g.,			
whether stewardship			_
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			
methodologies and			
criteria (in the case of			
service providers) 11. Asset planning or			
ownership in the			
context of climate			
change			
12. Sectoral			
investment policies			
13. Climate-related			
lobbying and/or policy			
engagement			
14. Locked-in			
emissions or			
information on			

emissive assets with			
long lifespans			
15. Dirty asset			
divestiture			
16. Nature-related			
impacts			
17. Just transition			
indicators			
	nce the section/subsection	n/paragraph of the policy t	ool relevant to disclosure
of just transition indicator	S.		
In terms of the nolicy and	articles 27 to 35 of the Ru	ules for the Energy Transit	tion Law (Realamento de
• •	gética) federal public entit	•	
•	the immediately preceding	•	
•	• •	•	~ ~
	ption in the immediately p		
·	alent must report to the No		
•	<u>el Uso Eficiente de la Ener</u>		
•	goods or services, as wel	•	•
measures and the econor	<u>nic and energy results of t</u>	these measures. The infor	mation report
corresponds to the previo	ous fiscal year and must be	<u>e filed from March to 30 Ju</u>	<u>ıne.</u>
https://web.archive.org/w	eb/20240817224936/http	os://www.diputados.gob.r	nx/LeyesBiblio/regley/Re
<u>g_LTE_040517.pdf</u>			
Standards, Frameworks,	and Guidelines		

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			✓
2. IFRS S2			✓
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			✓
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			\checkmark

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128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
None.

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
∘ Recommended
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
∘ No
∘ Recommended
Required
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
∘ No
○ Recommended
Required

monitoring progress in achieving targets.
In terms or article 4 and 5 of the policy, the Transition Strategy for the Promotion for the use of Cleaner Technologies and Fuels (Estrategia de Transición para Promover el Uso de Tecnologías y Combustibles más Limpios) should set targets in order that electricity consumption is met by a portfolio of alternatives that include energy efficiency and a growing proportion of clean energy to reach the levels established in terms of the General Law on Climate Change (Ley General de Cambio Climático) This public policy instrument should be reviewed on a yearly basis as required by article 26
of the policy and updated every three years in terms of article 29 of the policy.
138. Does the policy tool recommend or require targeted entities to publicly report on progress in
achieving their targets?
∘ No
o Recommended
Required
139. What is the recommended or required frequency of progress reports related to the achievement of targets?
o Yearly
o Every two years
• Every three years
o Every four years
o Every five years
o Every ten years or more
o Other
o No prescribed frequency

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions			
reduction target			
An intensity-based			
emissions reduction			
target			
A net zero target			
Interim targets (e.g.			
2030, 2050)			
Targets covering non-			
carbon GHG emissions			
A Scope 3 emissions			
target			
A target derived using	\checkmark		
a sectoral			
decarbonization			
approach			
A level of ambition for			
emissions reductions			
(e.g. 80% reduction)			
A baseline year from			
which progress is			
measured			
A target timeframe			
(e.g. by 2040)		_	
Targets for renewable			
energy procurement			
Targets for fossil fuel			
phase down/phase up			
Separate targets for GHG offsets and/or			
removals			
Targets or goals related to climate			
adaptation			
Targets or goals			
related to nature and			
biodiversity			
Other targets related	✓		
to sustainability			
to sustainability	L	l	<u> </u>

148. For which of the following sectors are entities recommended or required to develop targets derived using a sectoral decarbonization approach? Select all that apply.

V P	ower	gener	ation
------------	------	-------	-------

□ Industry
☐ Transport Services
☐ Services/Commercial buildings
□ Other
□ None specified
149. Does the policy tool recommend or require targets derived using a sectoral decarbonization approach be validated by a third-party?
∘ No
Recommended
o Required
150. What is the recommended or required level of ambition for GHG emissions reductions targets?
• Reduction between 1-25%
○ Reduction between 51-75%
o Reduction between 75-85%
o Reduction between 85-100%
o Reduction of more than 100%
o Other

161. Describe and reference the section/subsection/paragraph of the policy tool related to just transition targets or goals.

In terms of article 27 of the policy, the Transition Strategy for the Promotion for the use of Cleaner Technologies and Fuels (Estrategia de Transición para Promover el Uso de Tecnologías y Combustibles más Limpios) should set transition goals for reducing emissions originated by the electric industry and reduce the dependency of the country of fossil fuels as a primary source of energy.

Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plans
∘ No
o Recommended
Required

165. Does the policy tool recommend or require any of the following elements or criteria for	or transition
plans? Select all that apply.	

	Recommended	Required	Neither recommended nor required	
A timeframe for the transition plan (e.g. 10 year plan, 20 year plan, etc.)				
Key Performance Indicators (KPIs) for monitoring transition plan implementation		✓		
Updates to the transition plan				
Third-party verification and/or audited accuracy of the transition plan				
Identified methodology for scenario analysis			\checkmark	
166. Describe the recommended or required timeframe for the transition plan.				
● 1-10 years				
o 11-20 years				
o 21-30 years				
o 31-40 years				
o 41-50 years				
○ Other				
167. Describe the recommended or required Key Performance Indicators (KPIs) and reference the relevant section/subsection/paragraph of the policy tool.				
The main performance indicator in terms of the Transition Strategy for the Promotion for the use of Cleaner Technologies and Fuels (Estrategia de Transición para Promover el Uso de Tecnologías y Combustibles más Limpios) and the General Law on Climate Change is the sectorial reduction of 31% of GHG emissions form the electric sector.				

transition plans.
o 0-2 years
© 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
169. Describe the recommended or required updates to transition plans and reference the relevant section/subsection/paragraph of the policy tool.
The Transition Strategy for the Promotion for the use of Cleaner Technologies and Fuels (Estrategia
de Transición para Promover el Uso de Tecnologías y Combustibles más Limpios) should be updated every three years in terms of article 29 of the policy.
Monitoring, Oversight, and Implementation

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their transition plan			
Develop financial plans for the implementation of their transition plan			
Integrate climate- related matters into their financial accounting			
Incorporate climate change considerations into their investment decision making and/or asset planning			
Incorporate climate change considerations into their capital allocation and/or expenditure plans			
Any other mechanisms for enhancing the achievement of targets and/or the implementation of transition plans			

177. Describe the obligation to monitor progress in implementing transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

The Transition Strategy for the Promotion for the use of Cleaner Technologies and Fuels (Estrategia
de Transición para Promover el Uso de Tecnologías y Combustibles más Limpios) should be reviewed
on a yearly basis as required by article 26 of the policy.

178. Describe the obligation to develop financial plans for the implementation of transition plans, referencing the section/subsection/paragraph of the policy tool.

In terms of article 24 of the policy, the Secretary of Finance and Public Credit (Secretaría de Hacienda y Crédito Público) should consolidate in the federal budget plan, the allocation of resources necessary for reaching the goals set in the Transition Strategy for the Promotion for the use of Cleaner

<u>Technologies and Fuels (Estrategia de Transición para Promover el Uso de Tecnologías y</u>
<u>Combustibles más Limpios).</u>
Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the follow	ing
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No			
Value chain						
engagement						
Investor engagement						
Consumer						
engagement						
Policy engagement						
and lobbying practices						
Corporate governance						
structure for transition						
and verification						
Climate-related						
financial incentives for						
employees and board						
members						
• •	· ·	geted entities to disclose				
diligence and/or stewards	ship to achieve their targe	ets and/or implement their	transition plans?			
♠ No						
No No						
o Recommended						
o Required						
Standards, Frameworks, and Guidelines						
enancial, camericance, and canadings						

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor			
			referenced			
IFRS S1						
IFRS S2			✓			
Task Force on			✓			
Climate-related						
Financial Disclosures						
(TCFD)						
CDP (formerly known						
as Climate Disclosure						
Project) Technical						
Note: Reporting on						
Climate Transition						
Plans						
International			✓			
Integrated Reporting						
Framework						
Global Reporting			✓			
Initiative (GRI)						
Sustainability			✓			
Accounting Standards						
Board (SASB)						
Science Based Targets			✓			
initiative (SBTi)						
Science Based Targets						
initiative (SBTi) Net						
Zero Standard						
European			✓			
Sustainability						
Reporting Standards						
(ESRS)		_				
Other			⊘			
Additional Important Information						

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

None.