MEXICO:
CLIMATE CHANGE FACT SHEET

OVERVIEW

Mexico is the second-largest greenhouse gas (GHG) emitter in Latin America and the Caribbean, with the energy sector accounting for more than 70 percent and the agriculture and livestock sectors accounting for an additional 14 percent of total emissions. With nearly half of Mexico covered by forest, its forest sector is a critical "net carbon sink," removing more GHGs than it emits. Due to agriculture expansion, cattle ranching, illegal logging, fires, and urban expansion, Mexico loses 280 thousand hectares of forest annually. USAID supports the Mexican 2030 goal to achieve net-zero deforestation and reduce GHG emissions by 35 percent.

GOAL ONE

USAID is assisting Mexico in addressing illegal logging and reducing its GHG emissions through economic incentives. USAID partners with the private sector to help small farmers integrate into markets that value good environmental stewardship.

GOAL TWO

By partnering with the Mexican Government, the private sector, and local communities, USAID is expanding the reach of nature-based climate solutions in the agriculture, forestry, and land-use sectors and advancing climate-friendly energy initiatives.

GOAL THREE

USAID reduces GHG emissions sub-nationally in the energy sector by improving energy efficiency measures in the building and transportation sectors. USAID also reduces short-lived climate pollutants (i.e., black carbon and methane), helping Mexico move toward net-zero emissions after 2030.

ACTIVITIES

CO₂munitario (Pronatura Mexico), 2019-2024. By applying the Climate Action Reserve's Forest carbon protocol, this activity will certify 202,000 hectares to generate forest carbon credits in different states. Activity components include generating carbon credits, building local organizational capacity, and strengthening public policy and markets.
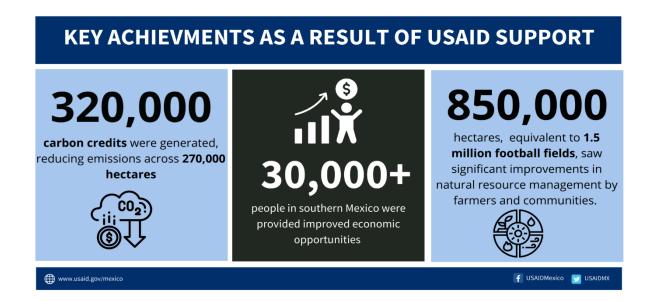
Sustainable Landscapes Ventures (Conservation International), 2021-2026. This activity develops sustainable and inclusive value chains at scale in southern Mexico. The activity aims to mobilize $25 million in investments, capture 1,615,000 tons of CO2e, and improve the management of 27,000 hectares. Through partnerships with smallholder producers, buyers, and investors, this activity promotes sustainable practices in agriculture and forestry to mitigate deforestation.

Sustainable Prosperous Communities (The Nature Conservancy), 2021-2026. Sustainable Prosperous Communities (SPC) focuses on reducing GHG emissions in areas with a high threat of deforestation in Campeche, Quintana Roo, Yucatan, Chiapas, and Oaxaca. The program strengthens the capacity of smallholder producers to transition to sustainable agricultural and forest management practices and better access markets along selected value chains, including coffee, timber, cocoa, and ecotourism.

Southern Mexico - Generating Employment and Sustainability (SURGES) (Palladium International), 2022-2027. SURGES seeks to mobilize $250 million in investment and sales to support sustainable growth in southern Mexico. The activity promotes conservation and income generation in key value chains by working with financial institutions and connecting buyers with farmers committed to sustainable environmental practices.

Partnership for Net Zero Cities (RTI International), 2022-2027. Net Zero Cities aims to reduce GHG emissions in five of Mexico's largest cities. It will improve energy efficiency in the buildings and transport sectors and reduce short-lived climate pollutants. Net Zero Cities will apply existing knowledge and scale impacts to mobilize $550 million in climate finance investment and mitigate or avoid 17.35 MtCO2e, equivalent to over 3.3 million gasoline-powered passenger vehicles driven for over one year.

Sustainable Landscapes and Forest Transparency (USFS), 2023-2026. The Sustainable Landscapes and Forest Transparency Activity improves sustainable and transparent management of Mexico's forested lands to reduce illegal logging, deforestation, and GHG emissions. In partnership with the GOM, the activity enhances the National Forest Management System, pilots deforestation early-warning systems, develops a timber traceability system and provides comprehensive technical assistance to community forest enterprises.

KEY ACHIEVMENTS AS A RESULT OF USAID SUPPORT

320,000 carbon credits were generated, reducing emissions across **270,000** hectares

30,000+ people in southern Mexico were provided improved economic opportunities

850,000 hectares, equivalent to **1.5 million football fields**, saw significant improvements in natural resource management by farmers and communities.

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