

# Readiness Proposal

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**with GGGI for the United Mexican States**

28 May 2025



GREEN  
CLIMATE  
FUND

# Readiness and Preparatory Support

## Proposal Template

<b>Proposal title:</b>	Advancing adaptation planning in Mexico
<b>Country(ies):</b>	United Mexican States
<b>National Designated Authority(ies):</b>	Ministry of Finance and Public Credit (SHCP), Unit of Public Credit and International Affairs
<b>Delivery Partner:</b>	Global Green Growth Institute
<b>Date of <u>first</u> submission:</b>	28 March 2024
<b>Date of <u>current</u> submission:</b>	20 May 2025
<b>Version number:</b>	Version No. 5

Before completing this proposal template, please read the revised [Readiness Guidebook](#) and learn how to access readiness resources under the GCF Readiness & Preparatory Support Programme.

### How to complete this template?

Before completing this proposal template, please read carefully the revised [Readiness Guidebook](#).

This proposal template should be completed by the Delivery Partners and the National Designated Authorities (NDA) or Focal Points. Once completed, this document should be submitted to the GCF by the NDA or Focal Point via the **online submission system**, Fluxx, accessible through the Country Portal of the GCF website.

Before submitting, please delete all the instructions in the document in grey font.

Please be concise. If you need to include any additional information, please enclose it to the proposal as an annex.

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We will get back to you within five (5) working days to acknowledge receipt of your submission and discuss the way forward.

## Section 1. Summary (*indicative* maximum length: three pages)

<b>1.1 Country(ies) submitting the proposal</b>	<p>Country name: Mexico</p> <p>Name of institution representing NDA or Focal Point: Ministry of Finance and Public Credit (SHCP), Unit for Public Credit and International Affairs</p> <p>Name of contact person: Ms. Regina Rosales Talamás</p> <p>Contact person's position: Director General in charge of International Fora and Sustainable Financing (per NDA nomination letter submitted on March 4<sup>th</sup>, 2025), SHCP</p> <p>Telephone number: (+52) 55 3688 1840</p> <p>Email: <a href="mailto:regina_rosales@hacienda.gob.mx">regina_rosales@hacienda.gob.mx</a></p> <p>Full office address: Av. Insurgentes Sur 1971, Plaza Inn, Torre III, Piso 3, Col. Guadalupe Inn, Alcaldía Álvaro Obregón, Ciudad de México, Mexico</p> <p>Additional email addresses that need to be copied on correspondences: <a href="mailto:herandy_nino@hacienda.gob.mx">herandy_nino@hacienda.gob.mx</a> <a href="mailto:angelica_morales@hacienda.gob.mx">angelica_morales@hacienda.gob.mx</a> <a href="mailto:mexico_gcf@hacienda.gob.mx">mexico_gcf@hacienda.gob.mx</a></p>
<b>1.2 Date of initial submission</b>	<p>28 March 2024</p>
<b>1.3 Last date of resubmission</b>	<p>20 May 2025</p> <p><b>Version number</b> V. 5</p>
<b>1.4 Institution that will implement the Readiness grant</b>	<p><input type="checkbox"/> National Designated Authority <input checked="" type="checkbox"/> Delivery Partner</p> <p>Please provide contact information if the Delivery Partner is not the NDA/focal point</p> <p>Name of institution: Global Green Growth Institute (GGGI)</p> <p>Name of official: Gerard O'Donoghue</p> <p>Position: Assistant Director-General for Finance and Corporate Service</p> <p>Telephone number: +82 10 2458 6085</p> <p>Email: <a href="mailto:gerard.odonoghue@gggi.org">gerard.odonoghue@gggi.org</a></p> <p>Full office address: 19F Jeongdong Building, 21-15 Jeongdonggil Jung-gu, Seoul, 04518, Republic of Korea</p> <p>Additional email addresses that need to be copied on correspondences: <a href="mailto:ferruccio.santetti@gggi.org">ferruccio.santetti@gggi.org</a> <a href="mailto:camilo.ortega@gggi.org">camilo.ortega@gggi.org</a> <a href="mailto:jose.amaya@gggi.org">jose.amaya@gggi.org</a> <a href="mailto:carlos.figueroa@gggi.org">carlos.figueroa@gggi.org</a> <a href="mailto:gcfliaison@gggi.org">gcfliaison@gggi.org</a></p>
<b>1.5 Title of the Readiness support proposal</b>	<p>Advancing adaptation planning in Mexico</p>

<b>1.6 Readiness objectives of the proposal</b>	<input type="checkbox"/> Objective 1. Capacity Building <input type="checkbox"/> Objective 2. Strategic frameworks <input checked="" type="checkbox"/> Objective 3. Adaptation planning <sup>1</sup> <input type="checkbox"/> Objective 4. Pipeline development <input type="checkbox"/> Objective 5. Knowledge sharing and learning
<b>1.7 Total requested amount and currency</b>	\$2,873,376
<b>1.8 Implementation period<sup>2</sup></b>	36 months
<b>1.9 Is this request a multiple-year strategic Readiness implementation request?<sup>3</sup></b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>1.10 Brief summary of the request (maximum length: 500 words)</b>	<p><b>Climate background and context.</b> Mexico is one of the most vulnerable countries to climate change, due to its geographic characteristics and socio-economic conditions: 68% of its population and 71% of the GNP are exposed to climate change impacts<sup>4</sup>. Although Mexico has developed robust policy and institutional frameworks, plus implemented adaptation actions, efforts are falling short to achieve desired vulnerability reduction levels and resilience enhancement.</p> <p><b>i) Barriers.</b> Six barriers hinder Mexico's capacity to reduce vulnerability and enhance resilience:</p> <ol style="list-style-type: none"> <li>1. <i>absent dedicated adaptation national policy instrument;</i></li> <li>2. <i>insufficient inter-institutional coordination to integrate adaptation into relevant strategies or development plans;</i></li> <li>3. <i>insufficient up-to-date data on environmental, social, and economic impacts of climate change, risk and vulnerability of federal and subnational governments, plus other non-governmental stakeholders;</i></li> <li>4. <i>lack of a Monitoring, Evaluation and Learning (MEL) system for tracking adaptation actions and finance;</i></li> <li>5. <i>insufficient operation of climate funds, and</i></li> <li>6. <i>insufficient involvement of private sector and National Development Banks in financing climate adaptation</i></li> </ol> <p><b>ii) Problem statement:</b> Mexico lacks a coherent national “umbrella” policy framework to articulate efforts required at policy, finance, capacity, implementation and monitoring levels, to achieve its adaptation goals.</p> <p><b>iii) Goal and objectives:</b> This proposal acts on these barriers and provides demand-driven support to Mexico's Government by</p>

<sup>1</sup> Please note that for adaptation planning proposals, only the box for objective 3 may be ticked.

<sup>2</sup> The implementation period shall begin on the date the grant is effective.

<sup>3</sup> Please note that proposals for adaptation planning support (objective 3) cannot be submitted as multiple-year strategic Readiness proposals.

<sup>4</sup> Gobierno de México. Secretaría de Medio Ambiente y Recursos Naturales (2022). México: Tercer Informe Bienal de Actualización ante la Convención Marco de las Naciones Unidas sobre el Cambio Climático. [https://www.gob.mx/cms/uploads/attachment/file/747507/158\\_2022\\_Mexico\\_3er\\_BUR.pdf](https://www.gob.mx/cms/uploads/attachment/file/747507/158_2022_Mexico_3er_BUR.pdf)

*1) developing Mexico's National Adaptation Plan (NAP) as an "umbrella" policy framework and an enabler for impactful implementation of prioritized adaptation actions;*

*2) harmonizing the NAP with existing institutional frameworks, plus designing multi-sectoral consultation mechanisms;*

*3) supporting implementation by developing up-to-date, enhanced assessments, methodologies and an investment portfolio to prioritize adaptation actions;*

*4) consolidating available information under a NAP MEL system which tracks adaptation measures and financial flows;*

*5) developing an innovative financial mechanism, and*

*6) fostering participation of the private and financial sectors via an investment portfolio and an adaptation concept note for multilateral funds.*

#### **iv) Direct beneficiaries**

- *Government of Mexico:* National Institute of Ecology and Climate Change (INECC), Ministry of Environment and Natural Resources (SEMARNAT<sup>5</sup>), Ministry of Finance and Public Credit (SHCP/NDA), Ministry of Women (MUJERES), members of the National Climate Change Commission (CICC), decentralized federal institutions such as Mexican Institute of Water Technology (IMTA), Commission for the Knowledge and Use of Biodiversity (CONABIO), Commission of Natural Protected Areas (CONANP), National Water Commission (CONAGUA), by enhancing capacities and institutional arrangements to leverage incremental, ambitious, and affordable long-term climate finance to meet NDC adaptation targets (3.1.1-3.1.3);

- *Subnational governments,* as the adaptation measure portfolio and good community adaptation practices have a territory-based logic (3.1.2, 3.3.1);

- *Non-state stakeholders:* Potentially, societal members and experts from the Climate Change Council (C3), academia, communities and NGO representatives (3.1.4).

- *Private and financial sectors:* allowing greater participation of commercial and development banks plus associations to understand adaptation priorities, portfolio and investment needs (3.3.1, 3.3.3, 3.4.2).

#### **v) Indirect beneficiaries**

- 273 municipalities (11% of the country) experience high or very high climate vulnerability; 10.18 million people (51.3% women; 22% rural).

- Climate Change Inter-ministerial Commission (CICC), permanent mechanism for coordinating actions among Ministries of the Federal Public Administration on climate change.

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<sup>5</sup> All the abbreviations are in Spanish.

### 1.11 List of abbreviations

Acronym	Meaning
ABM	Association of Mexican Banks
AF	Adaptation Fund
AFD	French Agency for Development
ADCOM	Adaptation Communication
AE	Accredited Entity
AFOLU	Agriculture, Forestry and Other Land Use
AMEAS	Mexican Association of Higher Agricultural Education
ANAE	National Association of State Environmental Authorities
ANFE	Mexican Association of Specialized Financial Entities
ANVCC	National Climate Change Vulnerability Atlas
ASOFOM	Association of Multiple Purpose Financial Companies in Mexico
BTR	Biannual Transparency Report
CONABIO	Commission for the Knowledge and Use of Biodiversity
CONAGO	National Governors' Conference
CONAGUA	National Water Commission
CONANP	National Commission of Natural Protected Areas
CGACCE	General Coordination on Adaptation to Climate Change and Ecology
CICC	Climate Change Inter-ministerial Commission
CIF	Climate Investment Fund
CRM	Compliance Review Mechanism
C3	Climate Change Council
DGPAC	General Directorate on Climate Action Policies
DP	Delivery Partner
EbA	Ecosystem-based Adaptation
EC	Executive Committee
ECLAC	Economic Commission for Latin America and the Caribbean
EJ4	Environmental Justice and Climate Resilience
EMFS	Strategy for Mobilizing Sustainable Finance
ENCC	National Strategy on Climate Change
GCF	Green Climate Fund
GDP	Gross Domestic Product
GEF	Global Environmental Facility
GNP	Gross National Product

## READINESS AND PREPARATORY SUPPORT

GGGI	Global Green Growth Institute
GIGCC	Climate and Gender Inter-institutional Group
GT-ADAPT	Adaptation Policy Working Group
GT-FIN	Financing Working Group
GT-MITIG	Mitigation Working Group
IDB	Inter-American Development Bank
IKI	International Climate Initiative
IMTA	Mexican Institute of Water Technology
INAFED	National Institute for Federalism and Municipal Development
INECC	National Institute of Ecology and Climate Change
INEGI	National Institute for Statistics, Geography and Informatics
IPAF	Indigenous Peoples Advisory Forum
LGCC	General Law on Climate Change
M&E	Monitoring and Evaluation
MEL	Monitoring, Evaluation and Learning
MSMEs	Micro, Small, and Medium-sized Enterprises
MUJERES	Federal Ministry of Women
NAP	National Adaptation Plan
NDA	National Designated Authority
NDC	Nationally Determined Contribution
PEACC	Plan Estatal de Acción ante el Cambio Climático / State Climate Change Action Plan
PECC	Special Program on Climate Change
PNAGCC	National Gender and Climate Action Plan
PMU	Project Management Unit
PPP	Public-Private Partnership
RRF	Rapid Response Facility
SC	Steering Committee
SEMARNAT	Ministry of Environment and Natural Resources
SHCP	Ministry of Finance and Public Credit
SINACC	National Climate Change Information System
SPV	Special Purpose Vehicle
SRE	Ministry of Foreign Affairs
TSM	Sustainable Taxonomy of Mexico
UCAI	International Affairs Coordination Unit
UNESCO	United Nations Educational, Scientific and Cultural Organization
USD	United States Dollars (currency)



UNFCCC

United Nations Framework Convention on Climate Change

## Section 2. Situation analysis (*indicative* maximum length: four pages)

### 2.1. Country's background and context

Mexico is a country particularly vulnerable to the impacts of climate change, due to its geographic location, topography and socioeconomic characteristics. The inertia of the climate system makes the climate changes expected in the near future mostly inevitable, so adaptation actions and strategies in the socioecosystem are necessary and urgent. Namely, Mexico's climate scenarios for the period between 2015 to 2039 show annual temperature increases of up to 2°C in the north of the country, with variations of 1 to 1.5°C throughout most of its territory. In general, a drop of 10% to 20% in precipitation is predicted, plus erratic patterns increase the scale and occurrence of droughts and torrential rains. Alterations in hydrometeorological conditions have caused significant losses in agriculture and livestock, adversely impacting more than 50% of total production. In Mexico, 88% of the 145 species grown for food depend on pollinators, which have been largely affected by changing climatic conditions. Concerning water resources, a large share of the population already faces water deficit issues which will likely worsen with climate change: 14% of the hydrological basins of the country are home to 32.1% of the Mexican population, while 24% of the aquifers serve 52.9% of the national population.

All the above is expected to have significant economic, social, and environmental consequences<sup>6</sup>: a 1°C-increment over the average global temperature could reduce the Gross National Product (GNP) between 0.77 and 1.76%. The Mexican Government (through its Sectoral Program for Environmental Protection and Natural Resources, PROMARNAT 2020-2024) has estimated that 68% of population and 71% of the GNP are exposed to adverse climate change impacts<sup>7,8</sup>. It has been estimated that the increase in temperature will cause losses in agricultural, industrial, and public services. Even under a scenario of compliance with the Paris Agreement, net climate change costs are projected to increase in this century, exceeding 130% of Mexico's Gross Domestic Product of 2010 (this figure will be larger under a global inaction scenario)<sup>9</sup>. The Mexican islands most affected by rising sea levels are in the Gulf of California and the Caribbean Sea. In scenarios of sea level rise of 1 and 5 meters, between 1 and 3.8% of the national island surface could be submerged. Left unchecked, it is projected that by 2050, up to 11% of the Mexican population --14.6 million people<sup>10</sup>-- could be internally displaced for climate reasons, affecting women and girls disproportionately<sup>11</sup>.

To counter this, Mexico recognizes that adaptation is a fundamental component in the long-term global response to the impacts of climate change. The country has strongly promoted the importance of the adaptation component in its participation in international negotiations and in the development of instruments that bind international agreements with national policies. Following the promulgation of the General Law on Climate Change (LGCC) in 2012, significant progress has been made regarding institutional instruments and arrangements. In 2018, the LGCC was amended according to the goals and content of the Paris Agreement, including institutional instruments and arrangements for adaptation policy. Principles of concurrence, coordination, and co-responsibility have been established to facilitate adaptation processes to climate change in accordance with sustainable development in the medium and long term. Examples of the latter are the National Climate Change Strategy (ENCC) Vision 20-10-40, the Special Climate Change Program (PECC), a program which is updated every 6 years, and progress in state and municipal climate change programs, which consider adaptation actions to this phenomenon. These instruments aim to mainstream sectorized policies to strengthen comprehensive and transversal responses that consolidate the national climate change policy.

<sup>6</sup> INECC-SEMARNAT (2018). Sixth National Communication before UNFCCC. Available at <https://cambioclimatico.gob.mx/sexta-comunicacion/>

<sup>7</sup> Gobierno de México. Secretaría de Medio Ambiente y Recursos Naturales (2022). México: Tercer Informe Bial de Actualización ante la Convención Marco de las Naciones Unidas sobre el Cambio Climático. México.

<sup>8</sup> INECC-SEMARNAT (2018). Sixth National Communication before UNFCCC. Available at <https://cambioclimatico.gob.mx/sexta-comunicacion/>

<sup>9</sup> INECC. (2022). First Adaptation Communication before UNFCCC. Available at [https://unfccc.int/sites/default/files/resource/2022\\_adcom\\_mexico.pdf](https://unfccc.int/sites/default/files/resource/2022_adcom_mexico.pdf)

<sup>10</sup> The National Population Consejo estimates a population of 146,908,256 in 20250.

<sup>11</sup> World Bank (2018) Groundswell: Preparing for internal climate migration. Available at <https://www.worldbank.org/en/news/infographic/2018/03/19/groundswell---preparing-for-internal-climate-migration>

The generation of knowledge around vulnerability to climate change (exposure, sensitivity, and adaptive capacity) is reflected in various studies and diagnoses, such as the current version of the National Atlas of Vulnerability to Climate Change (ANVCC). The ANVCC is based on the IPCC AR3 (2003) vulnerability methodology, which makes necessary and urgent its methodological update to a risk framework. This Atlas should guide decision-making and promote the targeting of priority actions regarding adaptation to climate change. At the level of the implementation of adaptation actions, the commitment of the federal government institutions that make up the Inter-ministerial Commission on Climate Change (CICC) stands out, which seeks to mainstream climate policies. Likewise, some emblematic projects are presented that have been successful in the implementation of measures with an ecosystem-based adaptation (EbA) approach that have considered community participation and the incorporation of the gender approach. The main lessons learned from these projects are discussed, in addition to the fact that criteria are being generated that contribute to the evaluation of adaptation measures in the country. Mexico also has advances in international and national financing mechanisms aimed at generating schemes that promote economic sustainability in the face of the great challenges involved in the national climate change policy. Their objective is to reduce vulnerability and increase adaptive capacity, while trying to protect and conserve vital ecosystems. A most recent milestone was Mexico's updated Nationally Determined Contribution (NDC) in 2022, which includes a specific section on adaptation and, above all, an ecosystem-based approach. Likewise, it has made visible the need to articulate actions in the national, state and local contexts with other international agendas such as: the Convention on Biological Diversity, the United Nations Convention to Combat Desertification, the Sendai Framework for the Reduction of Disaster Risk and the Sustainable Development Goals.

Although Mexico has developed a robust policy and institutional framework and has implemented adaptation actions, the scale of the effort has fallen short to achieve the levels of vulnerability reduction and resilience enhancement aligned with its NDC goals. Hence, Mexico requires enabling an environment that fosters adaptation action from the national and subnational stakeholders plus the private sector, focusing on the most pressing social, environmental and economic vulnerabilities described above. With this in mind, *this proposal incorporates the updated NDC's 5 key subcomponents from its adaptation chapter (e.g., Subcomponent A. Prevention and attention to negative impacts on the human population and in the territory; Subcomponent B. Resilient productive systems and food security; Subcomponent C. Conservation, restoration and use sustainable biodiversity and ecosystem services; Subcomponent D. Integrated management of water resources with climate change approach, plus Subcomponent E. Protection of strategic infrastructure and tangible cultural heritage)* as its backbone. Furthermore, current administration (2024-2030) has foreseen the need to include a sixth sub-component on *Security and Climate Change*. Using a matrix-wide approach, this proposal builds on the 6 adaptation sub-components with 4 phases: 1) analysis of current and future vulnerabilities; 2) design of adaptation measures; 3) implementation of prioritized adaptation measures<sup>12</sup>, and 4) monitoring and evaluation.

Strongly aligned with the Paris Agreement<sup>13</sup> and the Global Goal on Adaptation<sup>14</sup>, the aforementioned adaptation phases, its processes and measures will follow a participatory, transparent, country-led, gender-responsive approach which accounts for vulnerable groups, communities and ecosystems; moreover, these phases will be based on the best available scientific information and, as appropriate, traditional local knowledge systems to achieve effective climate adaptation contribute to the reduction of existing inequality gaps in the country.

### Financial flows for adaptation

Recently (2024), the Government of Mexico –with funds from the European Union and assistance by the French Agency for Development, AFD–, carried out a mapping of adaptation climate finance flows, which allows to compartmentalize its sources in international, domestic and mixed<sup>15</sup>.

<sup>12</sup> This shall include developing roadmaps for the operationalization of adaption measures prioritized by the Federal Mexican Government.

<sup>13</sup> UNFCCC (2015) Paris Agreement. Available at [https://unfccc.int/sites/default/files/english\\_paris\\_agreement.pdf](https://unfccc.int/sites/default/files/english_paris_agreement.pdf)

<sup>14</sup> UNFCCC (2015) Global Goal on Adaptation. Available at <https://unfccc.int/topics/adaptation-and-resilience/workstreams/gga>

<sup>15</sup> INECC (2024). ¿Quiénes financian las acciones para la adaptación al cambio climático en México? [https://www.gob.mx/cms/uploads/attachment/file/945575/018\\_2024.pdf](https://www.gob.mx/cms/uploads/attachment/file/945575/018_2024.pdf)

Regarding **international finance sources and flows** for adaptation, such mapping identified that Mexico was the second largest recipient (after Brazil) of international climate finance in Latin America between 2006-2022; nevertheless, only 5% of said funds was allocated to adaptation actions and 60% to cross-cutting activities that indirectly provide adaptation benefits. In addition, according to AidAtlas, between 2002 and 2020, a total of **US\$2.37 billion** was committed in Mexico focused on climate change adaptation from all international sources. International funding sources come mainly from the following sources:

1. *Bilateral, e.g. the Environmental Justice and Climate Resilience (EJ4) with Canada and the United States of America, Euroclima+ from the European Union, or the International Climate Initiative (IKI) Small Grants Scheme from the German government.*
2. *Multilateral, e.g. Global Ecosystems-Based Adaptation (EbA) Fund or Global Environmental Facility (GEF)'s Small Grants Programme*
3. *Funding arising from the United Nations Framework Convention on Climate Change (UNFCCC); e.g. GEF, Green Climate Fund (GCF) and the Adaptation Fund (AF). These sources are the result of the international community's commitments to promote sustainable development and combat climate change.*

Complementarily, there are other international sources which provide resources for the implementation of climate change adaptation actions, with restrictions for local organizations or that have not recently implemented funding in Mexico. That is the case for sources such as the Climate Investment Fund (CIF), the BioCarbon Fund, the Indigenous Peoples Advisory Forum (IPAF) and The Rapid Response Facility (RRF) fund from the United Nations Educational, Scientific and Cultural Organization (UNESCO).

Concerning **domestic finance sources and flows**, since 2014, the Mexican Federal Expenses Budget includes a crosscutting *Annex 15: Resources for climate change mitigation*. Originally, it only contemplated mitigation measures; however, in 2015 it was renamed to *Annex 16: Resources for mitigation and adaptation to the effects of climate change*, which now includes all federal spending on climate action. The data presented in said Annex indicates that the domestic climate finance flows **almost tripled** within the last decade; nevertheless, it is complex to disaggregate the flows directed towards adaptation. With this in mind, several notable milestones within the last decade entail the launch of a governmental website dedicated to sustainable finance<sup>16</sup>, made possible with funds from previous GCF Readiness grants and which seeks to consolidate useful adaptation climate-related policies (such as Mexico's Sustainable Taxonomy<sup>17</sup>, which devotes a chapter to adaptation).

Since both domestic and international climate flows have their particularities, thematic, beneficiaries, periodicity and access mechanisms, one of the needs elicited by the literature reviewed is to systematize these sources, to define and operationalize a strategy to maximize access. With this in mind, this proposal considers support (Output 3.4.3) to update the mapping of finance for adaptation sources, gaps, and recommendations to bridge said gaps; a methodology to track adaptation financing monitoring, plus the development of a NAP finance tracking module.

## 2.2. Institutional and Policy Framework

### Policy Framework

In Mexico, the guiding instruments of the national policy on climate change are: 1) the General Law on Climate Change (LGCC), which sets the general legal framework to coordinate mitigation and adaptation actions in the three government levels: Federal, States (subnational governments) and Municipalities<sup>18</sup>; 2) the National Strategy on Climate Change (ENCC 10-20-40) is the governing

<sup>16</sup> SHCP (n/d). Plataforma de finanzas sostenibles. [www.finanzassostenibles.hacienda.gob.mx](http://www.finanzassostenibles.hacienda.gob.mx)

<sup>17</sup> SHCP (2023), Mexican Sustainable Taxonomy.

<https://www.finanzassostenibles.hacienda.gob.mx/work/models/finanzassostenibles/recursos/documentos/Taxonomia-Sostenible-de-Mexico.pdf>

<sup>18</sup> DOF. (2022, last reformation 11-05-2022). General Law on Climate Change. Mexico City. Mexican Chamber of Deputies. Available at <https://www.diputados.gob.mx/LeyesBiblio/ref/lgcc.htm>

instrument of national policy in the medium and long term to face the effects of climate change and move towards a competitive, sustainable economy with low carbon emissions. The main objective of this instrument is reducing the vulnerability and increase resilience of social sector, strategic infrastructure, productive systems, ecosystems and their biodiversity<sup>19</sup>; 3) the Special Program on Climate Change (PECC) is the climate change planning instrument at the federal level in which the federal government, within its term of mandate (6 years), establishes the mitigation and adaptation objectives, goals, strategies, and action lines needed to comply with the ENCC 10-20-40<sup>20</sup> (and which is to be updated by the current new federal administration); 4) the Sustainable Taxonomy of Mexico, which was launched in 2023 with the aim of generating a reliable, legitimate, unified and science-based classification system which allows the definition of economic activities that could be considered sustainable. The Sustainable Taxonomy of Mexico (TSM) aims to increase investments in projects and economic activities fostering the country's environmental and social assets, as well as Mexico's international commitments in terms of sustainability, and 5) the Strategy to Mobilize Sustainable Finance (EMFS), which was also adopted in 2023 and aims to promote the reorientation of finance coming from public and private, national and international sources, towards activities and projects that generate positive impacts on the environment and society.

Complementarily, two relevant national planning instruments for this proposal are 1) Mexico's National Development Plan (PND 2025-2030)<sup>21</sup>, a key document in which the Mexican government establishes the objectives, strategies, and priorities to drive the country's development during its six-year term. This document includes a diagnosis of the current situation and defines concrete goals to address the needs of the population in areas such as education, health, employment, security, and sustainability, and 2) Plan Mexico<sup>22</sup>, a Mid-Term Equitable and Sustainable Economic Development Strategy for Shared Prosperity, which aims to strengthen the domestic market and wages; increase food and energy sovereignty; increase domestic production; reduce imports from countries with which we do not have treaties; and strengthen welfare programs.

At the subnational level in 2021, 28 of the 32 Federal Entities had climate change laws and 25 of them had integrated a section about vulnerability and climate change adaptation in their subnational planning instruments<sup>23</sup>. These States have their State Action Programs on Climate Change (PEACC, for their acronym in Spanish) which include specific adaptation actions and execution periods, as well as indicators to track them.

Regarding the international commitments, Mexico presented its updated NDC in 2022, setting an increase in ambition with new GHG mitigation commitments and reaffirming its commitments to climate change adaptation. These actions are articulated in 5 thematic components: a) Prevention and attention to negative impacts on the human population and the territory, b) Resilient productive systems and food security, c) Conservation, restoration and sustainable use of biodiversity and ecosystem services, d) Integrated management of water resources with a climate change approach, and e) Protection of strategic infrastructure and tangible cultural heritage<sup>24</sup>.

Furthermore, as a developing country, Mexico has complied with its commitments under the United Nations Framework Convention on Climate Change (UNFCCC), by submitting six National Communications (1997, 2001, 2006, 2009, 2012 and 2018), and its First Adaptation Communication (ADCOM) in 2022. These reports show the progress on adaptation in the country with a better knowledge, support for research, establishment of institutional arrangements and prioritization and

<sup>19</sup> DOF. (2013). National Climate Change Strategy. Mexico City: Ministry of Environment and Natural Resources. Available at [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5301093&fecha=03/06/2013](https://www.dof.gob.mx/nota_detalle.php?codigo=5301093&fecha=03/06/2013)

<sup>20</sup> DOF. (2021). Special Program on Climate Change 2021-2024. Mexico City: Ministry of Environment and Natural Resources. Available at <https://www.gob.mx/cms/uploads/attachment/file/681172/PECC-2021-2024.pdf>

<sup>21</sup> Government of Mexico (2025). National Development Plan. Available at <https://www.gob.mx/bienestar/documentos/plan-nacional-de-desarrollo-2025-2030-388018>

<sup>22</sup> Government of Mexico (2025). Plan Mexico. Available at <https://www.planmexico.gob.mx/>

<sup>23</sup> INECC. (2022). First Adaptation Communication before UNFCCC. Available at [https://unfccc.int/sites/default/files/resource/2022\\_adcom\\_mexico.pdf](https://unfccc.int/sites/default/files/resource/2022_adcom_mexico.pdf)

<sup>24</sup> Government of Mexico. Ministry of Environment and Natural Resources. (2020). Nationally Determined Contributions. 2020 Update. Available at <https://unfccc.int/sites/default/files/NDC/2022-06/NDC-Eng-Dec30.pdf>



implementation methodologies of adaptation actions with a gender and social approach<sup>25</sup>. In January 2025, Mexico submitted its first Biannual Transparency Report (BTR1<sup>26</sup>) as per its commitments to the Paris Agreement.

### **Institutional Framework**

To ensure effective coordination across diverse levels of government and foster collaboration among public, private, and social sectors, the LGCC has established the National Climate Change System (SINACC). SINACC has the objective to facilitate communication, collaboration and coordination between the federal, state and municipal governments as well as legislative branch, civil society and private sector. It is convened by the President of Mexico in order to align policies, incentives, resources and actions related to both mitigation and adaptation goals. This unique mainstreaming mechanism includes federal, state, municipal authorities as well as representatives from the legislative branch, civil society and universities through two key mechanisms, the Inter-ministerial Commission on Climate Change (CICC) integrated by 14 federal ministries and their 5 thematic working groups. The Adaptation Working group gathers technical teams and mid- level decision makers that design draft policy instruments, strategies and action plans that are then presented to Ministers for high level decision making. According to the Climate Change Law this Commission is headed by the President of Mexico who presides one yearly session while other sessions are headed by the Minister of Environment and Natural Resources or Internal Affairs. Another key component of the National Climate Change System is its Climate Change Council (C3), integrated by experts from academic and social sectors. This council is responsible for the evaluation of climate change policy, thus playing a key role in ensuring that climate change policies are implemented and incorporated into decision making processes and their impact is in accordance with national priorities and international commitments.

Substantial progress has been made at the subnational level, with 27 out of the 32 Federal Entities enacting climate change laws, and 30 subnational governments establishing a State Inter-Ministerial Commission on Climate Change<sup>11</sup>. However, there is room for improvement regarding collaborative efforts with academics and civil society organizations, particularly in areas related to climate change adaptation. Strengthening these partnerships is essential for the successful implementation of measures at all levels.

Mexico has developed a robust framework around protection, conservation and sustainable use of biodiversity and natural resources, this enables the link between biodiversity and climate change agendas in order to enhance Nature-Based Solutions (NBS) as an integral element of the national adaptation plan. For example, Mexico is a member state of the 3 Conventions, Climate Change (UNFCCC), Biological Diversity (CBD) and Desertification (CCD) and is thus committed to sustainable development, low carbon economy and nature positive framework. One key element to link all three conventions and thus enhance NBS is through its Natural Protected Areas system managed by the National Commission for Natural Protected Areas (CONANP) which is currently expanding its coverage in order to protect 30% of marine and terrestrial areas through federal decrees, Other Effective Conservation Measures (OCECs), voluntary conservation areas and biological corridors. The 30x30 goal is key to ensuring the provision of ecosystem services that sustain all social, cultural and economic sectors and ensure health, food, water and safety, basic human needs that are being challenged by increasing climate change impacts.

Linkages between the national adaptation plan and Mexico's biodiversity conservation strategies are also an opportunity to enhance NBS. National and state level biodiversity strategies have been developed in which flora, fauna and ecosystem data have been collected into an internationally renowned information system. The National Biodiversity Strategy designed in-hand with key federal ministries, NGO's, scientific experts both in natural, social and economic fields in order to identify strategies and actions to mainstream protection and sustainable use of Mexico's biodiversity. Over 26 states have developed biodiversity strategies with support from the Mexican Commission for the

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<sup>25</sup> INECC. (2022). First Adaptation Communication before UNFCCC. Available at [https://unfccc.int/sites/default/files/resource/2022\\_adcom\\_mexico.pdf](https://unfccc.int/sites/default/files/resource/2022_adcom_mexico.pdf)

<sup>26</sup> UNFCCC (2025). Mexico Biennial Transparency Report. Available at [https://unfccc.int/sites/default/files/resource/IBT1\\_libro\\_29ENE2025.pdf](https://unfccc.int/sites/default/files/resource/IBT1_libro_29ENE2025.pdf)

Knowledge and Use of Biodiversity (CONABIO). CONABIO will soon be expanding its capacities and involvement in policy design that will greatly benefit adaptation instruments, policies and actions across all sectors.

Mexico is also a member state of the Escazú Agreement, a regional effort to ensure participation, transparency and access to environmental justice, and is in the process of implementing its operational measures. The operationalization of this agreement will strengthen community and civil society participation and transparency regarding environmental policy and its implementation.

Water is a cross-cutting theme that will be central to the national adaptation plan. Mexico has a robust institutional framework to address water issues at the federal level, so working in partnership with the National Water Commission and the Mexican Water Technology Institute will be vital throughout the design phase of the plan. Both of these institutions are part of the Ministry of Environment and Natural Resources, enabling coordination and exchange throughout the process.

### 2.3. Gender equality analysis

At a global scale, women are more vulnerable to the impacts of disasters, severe weather events and climate change. Women who are in vulnerable conditions, such as poverty or extreme poverty, tend to be the most affected by environmental deterioration<sup>27</sup>. Additionally, women usually have comparatively more limited participation in territorial decision-making, and, in most cases, they have limited knowledge about the prevention and reduction of the effects of climate change (particularly those facing structural inequalities).

These global trends are usually amplified in emerging economies' contexts such as Mexico: the latest demographic census (2020) reported 44.4% of women in poverty, 2.5 million more compared to men (43.4%). As for indigenous women, the entire demographic—10 out of 10—found themselves in poverty, with 29.8% enduring extreme poverty.

To counter this, early inclusion of gender perspective in public policies and programs focused on climate change reduces the risk of widening inequality gaps<sup>28</sup>. To this effect, Mexico has promoted a transversal perspective of gender equality and human rights in all multilateral negotiation issues for effective climate action; however, gaps subsist regarding how different conditions of vulnerability impact different groups of the Mexican population. The federal administration elevated its Institute for Women to Ministry level (MUJERES), plus launched a National Gender and Climate Change Action Plan (PNAGCC<sup>29</sup>), which is expected to advance in line with the national adaptation plan and be a useful tool to strengthen gender equality throughout the design phase of the plan as well as during the implementation process.

This proposal recognizes the strong linkages between gender and adaptation policies via the following entry points:

Entry point	Output
<i>Development of a NAP, which acknowledges gender equality in a cross-cutting manner and its further harmonization with relevant Mexican regulatory frameworks</i>	3.1.1
	3.1.2
<i>Greater inclusion in the proposed governance and institutional arrangements</i>	3.1.3
	3.1.4

<sup>27</sup> Population Reference Bureau (2012). <https://www.prb.org/resources/women-more-vulnerable-than-men-to-climate-change/>

<sup>28</sup> INECC. (2022). First Adaptation Communication before UNFCCC. Available at [https://unfccc.int/sites/default/files/resource/2022\\_adcom\\_mexico.pdf](https://unfccc.int/sites/default/files/resource/2022_adcom_mexico.pdf)

<sup>29</sup> MUJERES (2022). Plan Nacional de Acción de Género y Cambio Climático. Available at [https://policias.env.go.jp/en/earth/platform2020redesign/uploads/2023/03/mexico\\_attached1.pdf](https://policias.env.go.jp/en/earth/platform2020redesign/uploads/2023/03/mexico_attached1.pdf)

<i>Fostering synergies between PNAGCC's Group of experts – led by SEMARNAT, the Ministry of Foreign Affairs (SRE), Ministry of Women (MUJERES) and the National Institute of Statistics, Geography and Informatics (INEGI) and existing Interinstitutional Group on Gender and Climate Change (GIGCC), another working group created in 2020 under the leadership of INECC and MUJERES to mainstream gender in the analysis and actions on climate change;</i>	
<i>Clearly defining gender indicators in the assessments, diagnosis, prioritized measures and tracking systems</i>	3.2.1 3.2.2 3.4.3
<i>Clearly defining gender indicators in the financial instruments –including the innovative financial instrument, adaptation investment portfolio and adaptation concept note, which are developed with full consideration of gender equality and social inclusion aspects from the onset.</i>	3.3.1 3.3.2 3.4.2

## 2.4. Gaps and Barriers

This Grant proposal seeks to address relevant policy, capacity, information technology systems, and financial gaps identified and need to be overcome to advance in the adaptation commitments of Mexico. These gaps have been identified by the Federal Mexican Government --namely, by INECC, which has the attribution for developing and addressing the national policy on climate change; the National Designated Authority (NDA) in SHCP and SEMARNAT were consulted extensively, with a simultaneous revision of planning instruments and reports, including Mexico's updated NDC (2022). This grant proposal identified critical obstacles (detailed below), which are interconnected, often reinforcing each other in negative feedback loops which hinder progress and prevent further vulnerability reduction and enhanced resilience:

- 1) Absence of a Dedicated, Operational Adaptation Policy:** Despite general national and subnational climate planning, Mexico lacks a specific policy instrument exclusively focused on adaptation. The Nationally Determined Contribution (NDC) outlines adaptation goals across various sectors but fails to specify concrete implementation mechanisms, means of verification (MoV), monitoring, evaluation (M&E), or robust pathways for social and community participation (currently mentioning only the private sector). This policy gap directly hinders stronger coordination (2) and undermines the creation of essential systems such as M&E (4). Without a clear policy mandate, securing dedicated finance (5, 6) and building targeted stakeholder capacity becomes significantly harder.
- 2) Insufficient Inter-institutional Coordination:** The lack of a dedicated adaptation policy (1) suggests there is no clear framework driving coordination among different government agencies and levels. Consequently, adaptation measures are not effectively integrated into relevant sectoral development plans and strategies. Establishing clear rules, roles, and procedures for implementing adaptation across institutions is crucial but currently missing. This coordination failure exacerbates the difficulty of implementing coherent actions outlined in the NDC, prevents efficient use of limited capacities and resources, hinders the collection and use of integrated information (3), and complicates the allocation and tracking (4) of finance (5, 6). This creates a cycle where lack of coordination prevents effective action.



- 3) Insufficient up-to-date data on Climate Risks and Adaptation Needs:** Key stakeholders, including national/subnational governments and non-governmental actors, have insufficient understanding of specific climate change impacts, vulnerabilities, and risks within their regions. This is caused by dated assessments with limited relevance as entry points for projections, plus gaps in accessing and interpreting climate information. For example, relevant existing assessments and platforms –notably, the Climate Change Vulnerability Atlas conducted by INECC (2019)-- are currently based on the IPCC AR3 (2003) and AR4 (2007) vulnerability methodologies. As a reminder, the IPCC's 2007 framework/paradigm addresses climate vulnerability as an external consequence of the interaction of exposure, sensitivity and adaptive capacity, while the IPCC's 2014 framework/paradigm addresses the risk of impact from climatic and non-climatic hazard(s) is caused by the interaction of hazard, exposure and vulnerability (now internalized). Hence, the design of policies based on dated methodology and frameworks have a limited view on climate vulnerability, a partial approach for vulnerability and risk reduction under an uncertain future, offering greater uncertainty.

In addition, there are no mechanisms to focus policies at vulnerable populations, while climate justice principles (enshrined in the Escazú Agreement, of which Mexico is a signatory party) are still to be formally incorporated into policy instruments; hence, effective, context-specific adaptation measures require this foundational knowledge and approach. Generating this essential evidence often falls within the mandate of subnational governments, which usually lack financial, technical and coordination capacities and usually face competing priorities. This information gap directly undermines stakeholder engagement (2), prevents evidence-based policy design (1), hinders effective coordination around specific risks, hinders robust M&E systems (3), and impedes the development of targeted, justifiable actions and tailored financial instruments with private sector participation (5, 6). This creates a negative loop where lack of data prevents informed action, which means there's less demand or justification for investing in data generation.

- 4) Absence of a Comprehensive Adaptation MEL System:** Mexico lacks a dedicated Monitoring, Evaluation, and Learning (MEL) system to systematically track the implementation progress and effectiveness of adaptation actions and adaptation-related finance flows. Namely, recent national reports on climate change research highlight that existing studies—and their geographic focus—are largely concentrated in the central part of the country, with more limited, though somewhat differentiated, coverage in the south. Therefore, advancing climate research remains a critical and necessary priority to support informed decision-making and the development of effective adaptation strategies. Simultaneously, a common, yet locally sensitive structure and methodology (including metrics and indicators) is needed to assess progress nationally while capturing context-specific nuances. This absence is closely tied to the lack of a specific policy mandate (1). The absence of a MEL system also makes it difficult to learn from interventions (hindering greater coordination; 2), plus demonstrate value for money to attract further finance (5, 6). It also relies on the availability of up-to-date data (3).
- 5) Insufficient Operation and Structure of Climate Finance Mechanisms:** Adaptation funds are insufficient and/or require more effective implementation. This is compounded by a sharp decline in the share of international climate finance allocated to adaptation (from 30% to 5% between 2006 and 2018<sup>30</sup>), making it harder to achieve balanced funding goals (e.g., Paris Agreement). Subnational governments possess limited budgetary autonomy (generating only ~12% of their own revenue) and their climate funds --if active-- tend to rely heavily on unsustainable grant models. Concurrently, more innovative financial instruments (e.g., revised fiscal structures, Special Purpose Financial Vehicles, guarantees, among others) are usually overlooked. Support is needed to both identify and prioritize an adaptation investment portfolio, plus to establish robust subnational financial structures with clear operational rules. This

<sup>30</sup> INECC (2019). Financiamiento climático para la adaptación en México  
<https://www.gob.mx/cms/uploads/attachment/file/551561/FinanciamientoClimaticoParaAdaptacionDivulgacion.pdf>

financial barrier is worsened by weak policy direction (1), poor coordination (2), lack of bankable projects due to information gaps (3), and the inability to demonstrate results via M&E systems (4). In turn, insufficient and poorly structured finance prevents greater participation of private and non-governmental key stakeholders (5), creating a critical bottleneck and a cycle of underinvestment.

- 6) Insufficient Private Sector and Public Development Banks Involvement:** Engagement from the private sector and National Development Banks in financing adaptation remains low. This is largely due to a perceived lack of clear investment opportunities in adaptation and insufficient integration of climate risk reduction into their standard planning and decision-making frameworks. This lack of engagement is a result of nearly all other barriers: unclear policy signals (1), fragmented institutional approaches (2), limited understanding of risks and opportunities (3), lack of data and analysis (also 3), absence of M&E to prove impact and returns (4), and insufficient, partially effective public finance mechanisms (5) which could de-risk or foster greater private investment. This further restricts the overall pool of available finance.

As stated above, these barriers are deeply intertwined, creating a challenging ecosystem for adaptation planning and implementation in Mexico. The lack of a clear policy framework **(1)** hinders more articulated coordination **(2)** and hinders the development of essential systems such as M&E **(4)**. Limited resources and capabilities prevent the effective generation and use of evidence-based data **(3)** informing development of impactful measures and fundable projects. Information gaps **(3)** further weaken planning and M&E **(4)**. Finally, financial constraints **(5, 6)**, exacerbated by all other barriers, limit available resources to effectively address these deficiencies. This creates multiple negative feedback loops where inaction or ineffective action in one area reinforces obstacles in others, hindering overall progress towards national climate resilience. The proposed NAP project shall address these barriers systemically rather than in isolation.

Gap	Barrier	Addressed by Output(s)
Policy & institutional arrangements	1	3.1.1 ,3.1.2
Stakeholder capacity	2	3.1.3, 3.1.4, 3.3.3, 3.4.3
Information, technologies & systems	3, 4	3.2.1, 3.2.2, 3.4.3
Finance	5, 6	3.3.1,3.3.2, 3.3.3, 3.4.1, 3.4.2, 3.4.3

## 2.5. Problem statement

Despite Mexico updating its NDCs with more ambitious goals, the country still lacks a coherent “umbrella” policy framework (understood as a National Adaptation Plan, NAP) to establish a clear pathway towards achieving the country’s adaptation goals. The absence of a NAP deters the removal of relevant bottlenecks of diverse nature (policy, stakeholder capacities, information technologies and systems, finance) and the advancement of comprehensive adaptation planning and implementation in Mexico.

To counter this, this proposal addresses gaps at both national and local levels; namely, through 1) *the development of a National Adaptation Plan (NAP), alongside recommendations to mainstream adaptation into key regulatory frameworks and policy documents*; 2) *the creation of adequate adaptation governance structures (institutional capacities) via an operation manual*; 3) *the development of relevant risk and vulnerability sectoral assessments (including diagnosis and an investment portfolio for adaptation projects), which will facilitate decision-making*; 4) *articulate a NAP MEL system plus finance*

for adaptation monitoring. 5) mobilize larger financial flows via innovative financial instruments for prioritized adaptation measures, 6) catalyzing greater participation of the financial and private sectors.

## 2.6. Beneficiaries

### *Direct beneficiaries*

**Government of Mexico (INECC, SHCP, SEMARNAT, ministries members of the National Commission on Climate Change and federal decentralized institutions such as IMTA, CONABIO, CONAFOR, CONAGUA):** this grant will enhance the government's current adaptation policy framework through the development of the NAP (3.1.1); strengthen capacities and institutional arrangements to leverage incremental, ambitious, and affordable long-term climate finance to meet its NDC adaptation targets (3.1.2, 3.1.3 and 3.1.4); develop vulnerability assessments which will provide evidence for policymaking and early implementation efforts (3.2.2); develop a methodology for monitoring adaptation efforts (3.2.1) and climate finance (3.4.1); benefit from catalyzed financial flows and instruments to implement adaptation actions (3.3.1, 3.3.3);

**Subnational governments,** which will be supported in a similar fashion to federal government counterparts: by providing enhancing conditions such as the NAP (3.1.1), institutional arrangements (3.1.2-3.1.4), and developing the adaptation measure and investment portfolio following a meso-regional / territory-based logic (3.3.1, 3.3.3);

**Non-state stakeholders** Non-governmental and community level organizations, representative groups or associations from sectors such as health, agriculture, tourism, and other sectors impacted by climate change, university and scientific expert groups, Climate Change Council, (3.1.1, 3.1.3, 3.1.4), and

**Private and financial sectors:** commercial and development banks, the Mexican Council for Sustainable Finance (CMFS), the Association of Mexican Banks (ABM), the Association of Multiple Purpose Financial Companies in Mexico (ASOFOM) the Mexican Association of Specialized Financial Entities (AMFE), the Mexican Association of Higher Agricultural Education (AMEAS), allowing greater participation to understand adaptation priorities, portfolio, and investment needs (3.3.1, 3.3.3, 3.4.2).

### *Indirect beneficiaries*

Although the adoption of the NAP will benefit the overall population, ecosystems and the economy of Mexico, **273 municipalities** (representing 11% of the country's municipalities) are currently identified as having either a high or very high degree of current and future vulnerability to climate change. This proposal will support the federal commitment to reduce vulnerability by 50% in those municipalities, prioritizing those regions with the greatest social challenges. This would mean an estimate of at least **10.18 million beneficiaries**, of which 51.3% would be women and 48.7% men. In addition, 2.20 million would belong to rural localities and 7.98 million to urban localities.

## 2.7 Stakeholder engagement

Stakeholder consultation within the Government of Mexico has informed the development of this Readiness proposal. Namely, the Ministry of Finance and Public Credit (SHCP), SEMARNAT and INECC have proactively engaged with the Global Green Growth Institute (GGGI) to discuss the most suitable approach for the NAP development and review each of the components of the proposal. Regular meetings were held between Q4 2023 and Q2 2024 to gather feedback on the progress made in drafting the proposal, review changes and update narratives for greater clarity. Direct collaboration with INECC and its General Coordination on Adaptation to Climate Change and Ecology (CGACCE) provided essential insights, enhanced by the ongoing partnership with staff embedded within SHCP since 2020. This close collaboration was complemented by consultations with subnational stakeholders, specifically the National Association of Subnational Environmental Authorities (ANAE), which added a broader perspective to the challenges faced in Mexico by state/provincial governments. All conducted sessions proved invaluable in identifying capacity gaps and guiding the direction of interventions to foster adaptation actions implementation.

Simultaneously, synergies have been identified among the NAP proposal development process and concurrent interventions: SEMARNAT is currently developing of Mexico's NDC Implementation

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Roadmap (with technical support from GGGI), plus SHCP is socializing its Sustainable Finance Taxonomy and its Sustainable Finance Mobilization Strategy among diverse governmental and non-governmental stakeholder groups (government, finance and banking sectors, among others. The collaboration between the finance and environmental sectors has rendered a greater knowledge of Mexico's needs in terms of climate action (including adaptation).

Regarding consultations with other potential (non-governmental) beneficiaries, this proposal has considered findings from recent consultation and participation efforts conducted by the Government of Mexico (represented by SEMARNAT and INECC) to update its Nationally Determined Contribution (NDC). Namely, SEMARNAT carried out a participatory process at the national level, which included an intergovernmental dialogue with state governments, a multi-sector national consultation, a dialogue with youth representatives, and another with civil society. Additionally, online consultation procedures were established so that society as a whole could participate in said process.

Within the framework of the Third National Adaptation Forum, INECC conducted 7 Regional Adaptation Forums throughout 2022 in Tlapa de Comonfort (Guerrero), Ciudad del Carmen (Campeche), Pátzcuaro (Michoacán), Santa María Tonameca (Oaxaca), Mazatlán (Sinaloa), Huamantla (Tlaxcala) and Monterrey (Nuevo León), serving as the starting process for the construction of the National Adaptation Policy. A total of 1,622 people participated in the forums plus expressed their needs and priorities to face the negative effects of climate change.

Lastly, this proposal benefits from INECC's recent consultation and participation processes for adaptation in specific regions and municipalities of the country (the following stand out): 5 particularly vulnerable municipalities in Oaxaca where 1,878 people participated (2022-2023) in local adaptation processes; 6 state conferences against climate change (2023) with multi-stakeholder participation, mainly from indigenous communities, community organizations and local governments; community diagnostics in 6 coastal states of the Gulf of Mexico (Tamaulipas, Veracruz, Tabasco, Campeche, Yucatán and Quintana Roo) where 2,500 people participated under the "Coastal Communities against Climate Change and Pollution" Program (2023-2024), among others. It is expected that these processes will continue and be reinforced with the preparation of Mexico's NAP.

## 2.8 Synergies and Complementarity

Details of Readiness grants in the country (date of approval and implementation status/period)	Objectives and key results expected / delivered	Synergies and Complementarities	Key implementation challenges and learnings
<p>Reference: FP181</p> <p>Title: Poverty, CRAFT - Catalytic Capital for First Private Investment Fund for Adaptation Technologies in Developing Countries</p> <p>Approved budget: USD 400 million</p> <p>Duration: October 2021 – Ongoing</p> <p>Accredited Entity (AE): Pegasus Capital Advisors.</p>	<p>Mobilize capital to scale up technologies for climate resilience and adaptation and apply them in developing countries using a South-South technology transfer mechanism.</p>	<p>Six technologies (agricultural analytics, water harvesting and irrigation, food systems, geospatial mapping and imaging, catastrophe risk modeling, supply chain analytics) can certainly inform the adaptation measures portfolio (Output 3.2.2 and 3.3.2 of the NAP).</p> <p>Shareable lessons from private sector involvement in mobilizing adaptation finance (Output 3.3.1 and 3.4.2).</p>	<p>CRAFT may struggle to identify sound investments within the project timeframe because the market for adaptation and climate resilience solutions is still emerging; Prioritizing commercial success in investments may hinder the pursuit of developmental impact and climate resilience goals in developing countries.</p>
<p>Reference: FP180</p> <p>Title: Global Fund for Coral Reefs Investment Window</p> <p>Approved budget: USD 500 million</p> <p>Duration: October 2021 – June 2032</p> <p>AE: Pegasus Capital Advisors.</p>	<p>Supporting and providing capital to businesses and companies for the sustainable use of ocean resources can considerably improve the resilience of reefs and the communities that depend on them.</p>	<p>Lessons from encouraging public and private sector investment in sustainable ocean production, ecotourism, sustainable infrastructure and waste management can be key and inform the adaptation measures portfolio (Output 3.2.2 and 3.3.2 of the NAP).</p> <p>Replicate successful elements of the strategies for the consideration and involvement of local communities designed for the project (especially under the components A, D and E of the NDC adaptation component).</p>	<p>Thorough due diligence on potential investments, including selecting local partners and managing stakeholders, is essential due to a medium risk of investee companies not meeting projected financial or impact outcomes.</p>

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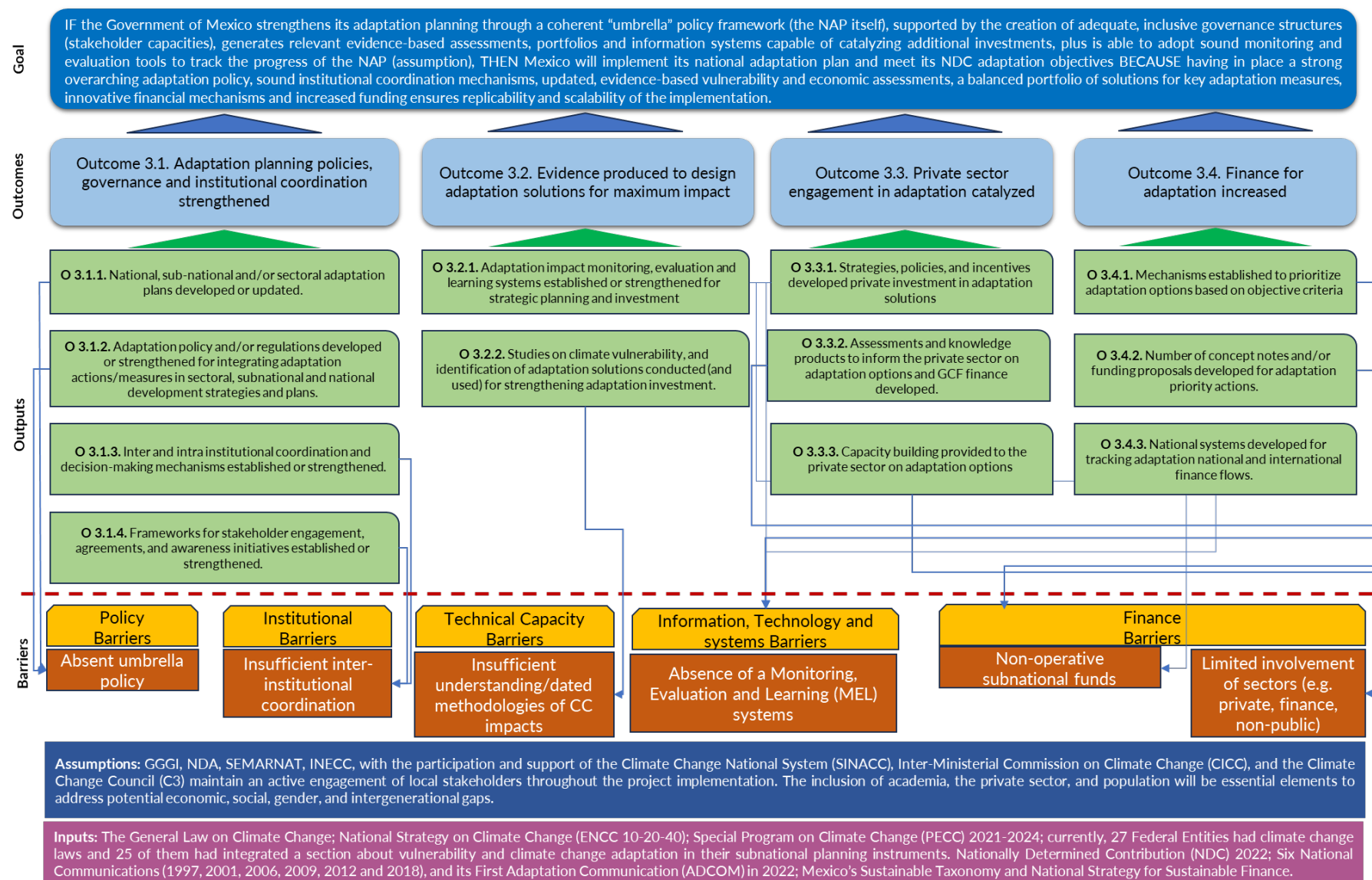
<p>Grant reference: SAP023</p> <p>Title: River Restoration for Climate Change Adaptation (RIOS)</p> <p>Approved budget: USD 10 million</p> <p>Duration: March 2021 – August 2026</p> <p>AE: Fondo Mexicano para la Conservación de la Naturaleza A.C.</p>	<p>Increase adaptive capacity in watersheds vulnerable to climate change through river restoration and connectivity by conducting restoration, conservation and improved productive activities, implemented by local organizations in the states of Jalisco and Veracruz, increasing local monitoring capacities to reduce climate vulnerability, catalyzing public and private climate-smart investments; and supporting the development of climate policy.</p>	<p>Implementation with potential benchmarks and/or lessons learned in connecting watersheds and restoring rivers; Increased adaptive capacity of the population and ecosystem resilience as a key strategy (particularly relevant for Component D of the NDC adaptation component).</p>	<p>The project faces a potential risk in effectively mobilizing public and private investments to align limited resources in basins for climate adaptation, as well as in coordinating multiple stakeholders within watersheds for climate adaptation through river restoration.</p>
<p>Reference: FP048</p> <p>Title: Low Emissions and Climate Resilient Agriculture Risk Sharing Facility</p> <p>Approved budget: USD 158 million</p> <p>Duration: October 2017 – January 2031</p> <p>AE: Inter-American Development Bank (IDB)</p>	<p>Support the transition to low emission, climate resilient agriculture in Guatemala and Mexico through the creation of a risk sharing facility to unlock innovative and scalable financial instruments for Micro, Small and Medium Enterprises (MSMEs).</p>	<p>Proposal (namely, Outputs 3.3.1-3.3.3) can benefit from synergies and benchmarks to foster additionality through local and international private sector investors and leveraging significant extra private capital</p>	<p>Some private sector companies and investors lack a clear understanding of the benefits associated with climate-smart agriculture technologies and practices. Furthermore, incomplete business plans from project developers pose a challenge, rendering certain projects unbankable.</p>
<p>Reference: MEX-RS-002</p> <p>Title: Enhancing Subnational Climate Finance via Direct Access Entities, Innovative Financial Mechanisms and High-Quality Concept Notes in Mexico</p>	<p>Build capacities of the Inter-Ministerial Climate Finance Working Group (GT-FIN / CICC) members to plan climate finance</p> <p>Strengthen capacities of National Development Banks (NDBs) to ensure that their Executing Entities are able to monitor</p>	<p>Inter-institutional arrangements (e.g. enhancing the capacities of CICC and GT-FIN) can potentially benefit the implementation of Outputs 3.1.3.</p> <p>Development Banks could also consider investing in the portfolio developed by this proposal (Output 3.3.2) and/or the CN.</p>	<p>Lead times to accredit a Direct Access Entity and prepare a Concept Note are lengthy.</p>

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<p>Approved budget: USD 1.6 million</p> <p>Duration: December 2021 – December 2024</p> <p>DP: GGGI</p>	<p>and report climate, ESS benefits of the implemented projects.</p> <p>Provide technical support to the NDA and other key stakeholders on the development of a Climate Finance National Strategy with a sectoral approach.</p>	<p>NAP can benefit from Climate Finance National Strategy, Sustainable Taxonomy and/or National Strategy to Mobilize Sustainable Finance.</p>	
<p>Reference: LAC-RS-010-</p> <p>Title: Post COVID-19 Green Recovery for Food, Health, and Water Security strengthened by financial and technological Innovations in Latin-American countries</p> <p>Approved budget: USD 2,037,047 for eight Latin American countries</p> <p>Duration: 18 months</p> <p>Delivery partner (DP): Inter-American Institute for Cooperation on Agriculture</p>	<p>Outline pathways for post COVID-19 Green Recovery strategies in the Food, Health, and Water sectors by supporting national and regional Outline pathways for post COVID-19 Green Recovery strategies in the Food, Health, and Water sectors by supporting national and regional.</p>	<p>Potential synergies detected between this proposal (namely efforts towards enhancing agricultural production, population health, water and food security) and this NAP proposal (namely efforts aligned to NDC adaptation component components B, C and D)</p>	<p>Among the main challenges it faces is the lack of clarity in adaptation policies, which often hinders the process. It is necessary to strengthen and increase knowledge about the risks related to climate change in the country, as well as develop cost-benefit analysis in adaptation measures.</p>



### Section 3. Theory of change (ToC) (*indicative* maximum length: three pages)





**PROBLEM STATEMENT:** Despite Mexico updating its NDCs with more ambitious goals, the country still lacks a coherent “umbrella” policy framework (understood as a National Adaptation Plan, NAP) to establish a clear pathway towards achieving the country’s adaptation goals. The absence of a NAP deters the removal of relevant bottlenecks of diverse nature (policy, stakeholder capacities, information technologies and systems, finance) and the advancement of comprehensive adaptation planning and implementation in Mexico.

**BARRIERS:** In the ADCOM (2022), the Government of Mexico states that “as for barriers and opportunities for the development of capacities on adaptation, Mexico identifies those linked to **capacity building** in government agencies... **mechanisms of M&E of adaptation**... the establishment of **institutional arrangements** to generate and share information, and to advance in the formal determination of ... **financing needs** for climate change adaptation”, p. 10)<sup>19</sup>.

- 1) **Absence of a Dedicated, Operational Adaptation Policy:** Despite general national and subnational climate planning, Mexico lacks a specific policy instrument exclusively focused on adaptation. The Nationally Determined Contribution (NDC) outlines adaptation goals across various sectors but fails to specify concrete implementation mechanisms, means of verification (MoV), monitoring, evaluation (M&E), or robust pathways for social and community participation (currently mentioning only the private sector). This policy gap directly hinders stronger coordination (2) and undermines the creation of essential systems such as M&E (4). Without a clear policy mandate, securing dedicated finance (5, 6) and building targeted stakeholder capacity becomes significantly harder.
- 2) **Insufficient Inter-institutional Coordination:** The lack of a dedicated adaptation policy (1) suggests there is no clear framework driving coordination among different government agencies and levels. Consequently, adaptation measures are not effectively integrated into relevant sectoral development plans and strategies. Establishing clear rules, roles, and procedures for implementing adaptation across institutions is crucial but currently missing. This coordination failure exacerbates the difficulty of implementing coherent actions outlined in the NDC, prevents efficient use of limited capacities and resources, hinders the collection and use of integrated information (3), and complicates the allocation and tracking (4) of finance (5, 6). This creates a cycle where lack of coordination prevents effective action.
- 3) **Insufficient up-to-date data on Climate Risks and Adaptation Needs:** Key stakeholders, including national/subnational governments and non-governmental actors, have insufficient understanding of specific climate change impacts, vulnerabilities, and risks within their regions. This is caused by dated assessments with limited relevance as entry points for projections, plus gaps in accessing and interpreting climate information. For example, existing assessments the Government of Mexico and Mexico’s National Autonomous University (UNAM) use the IPCC’s 2007 framework, where climate vulnerability is presented as an external consequence of the interaction of exposure, sensitivity and adaptive capacity. In the IPCC’s 2014 framework, the risk of impact from climatic and non-climatic hazard(s) is caused by the interaction of hazard, exposure and vulnerability (now internalized); hence, the 2014 updated framework offers more fundamental treatment of vulnerability, a more robust approach for vulnerability and risk reduction under an uncertain future, plus reduced uncertainty.

In addition, there are no mechanisms to focus policies at vulnerable populations, while climate justice principles (enshrined in the Escazú Agreement, of which Mexico is a signatory party) are still to be formally incorporated into policy instruments; hence, effective, context-specific adaptation measures require this foundational knowledge and approach. Generating this essential evidence often falls within the mandate of subnational governments, which usually lack financial, technical and coordination capacities and usually face competing priorities. This information gap directly undermines stakeholder engagement (2), prevents evidence-based policy design (1), hinders effective coordination around specific risks, hinders robust M&E systems (3), and impedes the development of targeted, justifiable actions and tailored financial instruments with private sector participation (5, 6). This creates a negative loop where lack of

data prevents informed action, which means there's less demand or justification for investing in data generation.

- 4) **Absence of a Comprehensive Adaptation MEL System:** Mexico lacks a dedicated Monitoring, Evaluation, and Learning (MEL) system to systematically track the implementation progress and effectiveness of adaptation actions and adaptation-related finance flows. A common, yet locally sensitive structure and methodology (including metrics and indicators) is needed to assess progress nationally while capturing context-specific nuances. This absence is closely tied to the lack of a specific policy mandate (1). The absence of a MEL system also makes it difficult to learn from interventions (hindering greater coordination; 2), plus demonstrate value for money to attract further finance (5, 6). It also relies on the availability of up-to-date data (3).
- 5) **Insufficient Operation and Structure of Climate Finance Mechanisms:** Adaptation funds are insufficient and/or require more effective implementation. This is compounded by a sharp decline in the share of international climate finance allocated to adaptation (from 30% to 5% between 2006 and 2018<sup>31</sup>), making it harder to achieve balanced funding goals (e.g., Paris Agreement). Subnational governments possess limited budgetary autonomy (generating only ~12% of their own revenue) and their climate funds --if active-- tend to rely heavily on unsustainable grant models. Concurrently, more innovative financial instruments (e.g., revised fiscal structures, Special Purpose Financial Vehicles, guarantees, among others) are usually overlooked. Support is needed to both identify and prioritize an adaptation investment portfolio and to establish robust subnational financial structures with clear operational rules. This financial barrier is worsened by weak policy direction (1), poor coordination (2), lack of bankable projects due to information gaps (3), and the inability to demonstrate results via M&E systems (4). In turn, insufficient and poorly structured finance prevents greater participation of private and non-governmental key stakeholders (5), creating a critical bottleneck and a cycle of underinvestment.
- 6) **Insufficient Private Sector and Public Development Banks Involvement:** Engagement from the private sector and National Development Banks in financing adaptation remains low. This is largely due to a perceived lack of clear investment opportunities in adaptation and insufficient integration of climate risk reduction into their standard planning and decision-making frameworks. This lack of engagement is a result of nearly all other barriers: unclear policy signals (1), fragmented institutional approaches (2), limited understanding of risks and opportunities (3), lack of data and analysis (also 3), absence of M&E to prove impact and returns (4), and insufficient, partially effective public finance mechanisms (5) which could de-risk or foster greater private investment. This further restricts the overall pool of available finance.

**GOAL STATEMENT:** IF the Government of Mexico strengthens its adaptation planning through a coherent “umbrella” policy framework (the NAP itself), supported by the creation of adequate, inclusive governance structures (stakeholder capacities), generates relevant evidence-based assessments, an prioritized measures portfolio and information systems capable of catalyzing additional investments, plus is able to adopt sound monitoring and evaluation tools to track the progress of the NAP (assumption), THEN Mexico will implement its national adaptation plan and meet its NDC adaptation objectives BECAUSE having in place a strong overarching adaptation policy, sound institutional coordination mechanisms, updated, evidence-based vulnerability and economic assessments, a balanced portfolio of solutions for key adaptation measures, innovative financial mechanisms and increased funding ensures replicability and scalability of the implementation.

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<sup>31</sup> INECC (2019). Financiamiento climático para la adaptación en México  
<https://www.gob.mx/cms/uploads/attachment/file/551561/FinanciamientoClimaticoParaAdaptacionDivulgacion.pdf>

With this in mind, this proposal aims to provide demand-driven support to the Government of Mexico to meet its climate targets by:

- 1) **Developing Mexico's National Adaptation Plan (NAP)** as an “umbrella” policy framework which fosters an all-encompassing, enabling environment for the impactful implementation of adaptation actions prioritized in the country's multiple policy documents;
- 2) **Strengthening governance and institutional arrangements** via synergies among new and existing institutional frameworks, design of multi-sectoral consultation mechanisms and building capacities within the government (namely, via the design and operationalization of a subnational adaptation finance task force) society and private sector on climate change impacts;
- 3) **Supporting implementation by developing up-to-date assessments, methodologies and a portfolio** to prioritize adaptation actions which will focus specific regions of the country (not yet defined and to be selected by the Mexican Government) which are more prone to disasters (e.g. coastal areas) and where population socioeconomic conditions exacerbate the impact of climate change. The assessments included in the proposal will enhance the approach of prior assessments to climate risk, seeking alignment to the IPCC AR5 (2014) risk-based methodology. By doing so, Mexico will follow the path of several Latin American countries which have submitted their National Adaptation Plans (NAPs) which adopt a risk-based approach, while others have implemented integrated methodologies that combine both vulnerability and risk assessments. Greater granularity in the risk and vulnerability assessment for selected sectors (e.g. the 5 subcomponents of the NDC 2022 adaptation chapter, plus a recently added sixth component on national security and climate change) and regions will elicit prioritization of measures and will inform the development of interventions (including a financial instrument, plus prioritized adaptation investment portfolio);
- 4) **Articulating new and existing publicly available information via a monitoring, evaluation and learning system of both adaptation measures, plus a module to track financial flows for adaptation**, fostering an enhanced, systematized tracking of proposed implementation actions.
- 5) **developing an innovative financial mechanism**, and
- 6) **fostering participation of the private and financial sectors** via an adaptation investment portfolio and an adaptation concept note for multilateral funds.

This Readiness grant is designed to directly address the previously identified barriers and achieve the goal of delivering Mexico's National Adaptation Plan (NAP). This will be accomplished through the following specific results:

*Outcome 3.1: Adaptation planning policy, governance and institutional coordination strengthened. Activities under this outcome directly address Barriers 1 and 2. The outcome focuses on establishing a robust and coherent national framework for adaptation planning and implementation.*

Activities within **Output 3.1.1** will create the central, unifying policy document for climate adaptation in Mexico, directly addressing the lack of a dedicated policy instrument (Barrier 1). Namely, Activity 3.1.1a will develop the official NAP document, following the 5 components of Mexico's NDC adaptation goals, plus a recently added component on *National Security and Climate Change*. This alignment will ensure that the NAP directly supports existing national commitments and promotes a cohesive climate policy landscape. As part of Activity 3.1.1b, six (6) large public participation events, following the logic of Mexico's 6 adaptation components, will be held to gather diverse stakeholder input, ensuring the NAP is inclusive and reflects national and subnational realities (addressing gaps noted in Barriers 1 and 2). Namely, these public participatory events will invite government (both federal and subnational levels), private citizens, academia, communities, NGOs, private sector (comprised by chambers of commerce and business representatives) and financial sector (e.g., the Mexican Council for Sustainable Finance, CMFS; the Association of Mexican Banks, ABM; the Association of Multiple Purpose Financial Companies in Mexico, ASOFOM; the Mexican Association of Specialized Financial Entities, AMFE; the Mexican Association of Higher Agricultural Education, AMEAS) to provide inputs and validate findings (at a later date) once recommendations have been incorporated into the NAP draft. Results from Activity 3.1.1b will feed directly into the NAP's content and builds stakeholder support crucial for implementation

efforts under following outputs. Finally, Activity 3.1.1c entails one (1) official presentation event upon final approval of the NAP document, to ensure high-level endorsement, raise awareness, and mark the formal commencement of its implementation phase. This will enhance its visibility and political backing, supporting subsequent operationalization efforts and engagement. Overall, support for developing the NAP document will provide the strategic policy direction informing all other outputs, particularly the regulatory reforms (Output 3.1.2), coordination mechanisms (3.1.3), tracking (3.2.1), assessments (3.2.2), and finance strategies (3.3.1-3.3.2).

Activities within **Output 3.1.2** will embed adaptation considerations into existing development planning processes at all levels, overcoming barriers related to integrating adaptation into sectoral and subnational plans (Barriers 1 and 2). Namely, Activity 3.1.2a entails one (1) comprehensive diagnosis of existing federal and subnational regulatory frameworks (laws, programs, plans, policies) to identify specific barriers preventing the effective mainstreaming of adaptation. This assessment will emphasize institutional responsibilities (attributions) and budget availability. Key federal laws like the Planning Law, General Law of Administrative Responsibility, and General Law of Civil Protection will be included. This will provide the evidence base for the recommendations which comprise Activity 3.1.2b. Activity 3.1.2b will, based on the diagnostic assessment described in Activity 3.1.2a, develop concrete recommendations for reforming specific legislation and policies to integrate adaptation, including a roadmap outlining steps for implementing these reforms will also be created to guide government action. Lastly, Activity 3.1.2c refers to providing support for the operationalization, adoption and implementation of the policy/legal reform recommendations at both the federal and subnational levels. As part of this activity, the DP will liaise with federal and subnational governments to provide technical and legal assistance –via the development of policy briefs which build the case for policy reform, plus developing quality inputs for high-level presentations. While it seems complex to commit to an *ex ante* number of adopted/enhanced policy frameworks, both the diagnosis and the recommendations with roadmap will highlight the policy frameworks which will be prioritized, plus suggest a timeline for them. Then, using the validation from the strengthened governance mechanism set out in 3.1.3 (the CICC and SINACC), the DP's support will target the priority mechanisms and will be included in the Report under Activity 3.1.2c. In sum, translating the NAP's strategic goals (3.1.1) into concrete regulations and an updated legal mandate can potentially foster more effective coordination (3.1.3) plus allow structuring of tailored (co)financing mechanisms which can mobilize investments for climate adaptation (Outcomes 3.3, 3.4).

Activities within **Output 3.1.3** will establish clear operational procedures and build capacity for effective collaboration among institutions responsible for NAP implementation. Namely, Activity 3.1.3a will create a detailed NAP Operation Manual specifying procedures, timelines, plus the role of institutions/actors responsible for implementing the NAP, reinforcing the links among key government ministries and other institutions comprising the CICC and the National Climate Change System (SINACC). This manual will provide clarity, facilitate government understanding of the required effort, and establish accountability. Activity 3.1.3b entails the planning and delivery of three (3) focused capacity-strengthening workshops for key government stakeholders on critical aspects like climate change adaptation principles, gender considerations in adaptation, operationalizing the NAP according to the Manual, and linking this workstream with the forthcoming NAP MEL system (Output 3.2.1). Activity 3.1.3c entails the development of one (1) report documenting support to implement NAP operation manual and its enhancement, based on feedback from key stakeholders/users. Complementarily, Activity 3.1.3d comprises the development of 1 (one) report with recommendations to create and operationalize a subnational adaptation task force, including roles, responsibilities, governance arrangements and mission. Collectively, the activities related to this output directly tackle institutional coordination insufficiencies (Barrier 2), plus reduce risks of partial implementation or maladaptation. Support under this Output will operationalize the governance aspects related to the Mexico NAP (3.1.1), plus discuss the need and progress of recommended reforms (Output 3.1.2). It will also provide the structure for implementing actions identified in Outcome 3.2 and mobilizing finance discussed in 3.3 and 3.4. The activity will directly enable stakeholders to familiarize themselves with the NAP MEL system (3.2.1), understand vulnerability assessments (3.2.2), and engage with finance mechanisms (3.3, 3.4). Lastly, activities within this Output complement the broader stakeholder capacity building in 3.1.4.

The scope within **Output 3.1.4** will strengthen capacities plus ensure active participation of crucial non-governmental stakeholders, promoting broader ownership of the NAP. Namely, Activity 3.1.4a entails the preparation of six (6) brief reports outlining existing capacities and gaps per sector/adaptation component. These brief reports will inform Activity 3.1.4b, which entails the development of the same number (6) of document kits to inform non-state stakeholders, ensure critical findings are shared in advance. The aforementioned activities will be complemented by Activity 3.1.4c, which entails eight (8) working group sessions with experts (creating synergies among subcomponents), targeting key non-governmental actors essential for successful adaptation, including communities, financial institutions, academia, NGOs, and the private sector. These workshops will focus on enhancing understanding of climate adaptation, risks, the NAP's objectives, and linkages to global goals (Paris Agreement, Escazú Agreement, Global Goal on Adaptation). Lastly, Activity 3.1.3d entails the development of one (1) consolidated report documenting the findings of the 8 working sessions, the valuable contributions and feedback from key stakeholders, plus recommendations for the way forward. Collectively, this Output addresses Barrier 2 by fostering better understanding and support for the NAP (3.1.1), allowing for complementary and local knowledge contributions to vulnerability assessments (3.2.2), and engaging potential private sector partners (Outcome 3.3), plus building a foundation of shared understanding complementing government capacity building (3.1.3b).

*Outcome 3.2: Evidence produced to design adaptation solutions for maximum impact. Activities under this outcome directly address Information Barrier 3. This outcome focuses on generating the necessary information, tools, and analyses to support effective, evidence-based adaptation planning and investment.*

Activities within **Output 3.2.1** will design and develop a system for tracking progress, measuring effectiveness, and facilitating learning from adaptation actions and finance, directly addressing the absence of such a system (Barrier 4). Namely, Activity 3.2.1a entails designing a comprehensive MEL system to monitor the scope of this grant (NAP), by integrating it into existing relevant reporting mechanisms and platforms, where possible, laying the foundation for a subsequent nation-wide scale-up. The system will seek synergies with the existing platforms and systems currently used by the Government of Mexico and will prioritize open, public access to information, plus ensure the utmost compatibility with existing SEMARNAT-INECC webpage design and protocols, to facilitate its operation and maintenance. engagement (3.3), and finance flows (integrated via 3.4.3). It provides feedback for policy adjustments (3.1). As part of Activity 3.2.1b, three (3) training sessions for technical staff within relevant national (e.g., SEMARNAT, INECC) and subnational government institutions on how to effectively design, use and operationalize the NAP MEL system, ensuring its operationalization and sustainability. Activity 3.2.1c entails the development of the NAP MEL system designed in Activity 3.2.1a, including adaptation criteria, indicators, baseline, objectives, means of verification and sources of information at the national, sectoral and local level to adequately measure the country's progress in accordance with the guidelines of the Enhanced Transparency Framework of the Paris Agreement and other international reports such as National Communications. As a whole, this Output advances a NAP MEL system which is crucial for monitoring the implementation progress of the NAP itself (3.1.1), the effectiveness of coordination (3.1.3), the impact of adaptation actions identified (3.2.2), the results of private sector The aforementioned activities align with the operationalization defined in the Manual (3.1.3a) and builds capacity (complementing 3.1.3b).

Activities within **Output 3.2.2** will generate critical, context-specific climate vulnerability information and identify concrete adaptation solutions, directly addressing the lack of disaggregated data (Barrier 3). Namely, Activity 3.2.2a entails one firm which will conduct three (3) integrated vulnerability and risk assessments in sectors to be determined and in accordance with the NDC adaptation components. This will provide essential, localized evidence plus identify specific problems that adaptation actions in the investment portfolio (3.2.2b) and finance mechanisms (Outcome 3.3, 3.4) aim to solve. Lastly, as part of Activity 3.2.2b, a professional firm will develop six (6) reports of potential adaptation actions, aligned with Mexico's 6 adaptation components. These recommendations will identify appropriate measures, solutions, and good practices relevant at the subnational level. translating vulnerability data into actionable options. These reports will provide the basis for the economic analysis (3.3.2a), the objective prioritization (3.4.1), and the development of the investment portfolio (3.3.2b) and the financial instrument (3.3.1).

*Outcome 3.3: Private sector engagement in adaptation catalyzed will directly address Finance Barrier 6, plus contributes to overcoming Finance Barrier 5. This outcome focuses on stimulating private investment and involvement in climate adaptation actions.*

Activities within **Output 3.3.1** will create enabling conditions and financial mechanisms that encourage private sector funding for adaptation, addressing the lack of private involvement (Barrier 6) and contributing to diversifying adaptation finance (Barrier 5). Namely, Activity 3.3.1a will carry out a diagnosis of current and potential innovative financial instruments to catalyze private adaptation investment from the financial sector, assessing the feasibility of different instruments and considering existing regulations (e.g., guarantees, seed capital, etc.). Said diagnosis will enable Activity 3.3.1b, which entails the design of at least one (1) innovative financial instrument (based on the previous diagnosis) to promote the implementation of prioritized adaptation measures within the framework of the Sustainable Financing Mobilization Strategy.

Activities within **Output 3.3.2** will translate the evidence generated by the assessments and solutions (Output 3.2.2a and b) into compelling business cases and investment opportunities for the private sector. Namely, Activity 3.3.2a will develop one (1) methodology to select the most appropriate economic analysis and define criteria to apply to the adaptation measures developed in 3.2.2b, following established national guidance (e.g., from INECC and the NDA) and in accordance with Mexico's NDC adaptation components. Using the methodology proposed in Activity 3.3.2a and the prioritization from Output 3.4.1, Activity 3.3.2b will generate one (1) detailed adaptation investment portfolio, outlining feasible, ready-to-implement actions (from the 6 adaptation subcomponents), including estimated financial structures and potential funding sources, specifically designed to attract private sector interest. This activity will synthesize the recommended adaptation measures (3.2.2b) and prioritization (3.4.1) of the adaptation finance demand, into a package specifically designed for private sector uptake. Complementarily, Activity 3.3.2c entails the preparation of one (1) guide of adaptation finance options aligned with the EMFS (finance supply), to facilitate access to adaptation finance supply alternatives.

The activity within **Output 3.3.3** will enhance the private/financial sector's understanding of adaptation investment and actively promote interest in the developed investment portfolio. Namely, Activity 3.3.3a will design the methodology, delivery, contents and target audience of four (4) capacity-building sessions (following a meso-regional or territorial logic) specifically for the private and financial sectors. Activity 3.3.3b entails the actual delivery of said capacity building sessions which will serve a dual role: first, to educate participants on adaptation risks and opportunities, plus actively showcasing the investment portfolio developed in Output 3.3.2 to spark private sector interest. This aims to increase understanding and uptake of the identified investment options. It is worth noting that these sessions will target a subcategory of stakeholders from Output 3.1.1; namely, the private sector (comprised by chambers of commerce and business representatives) and financial sector (e.g., the Mexican Council for Sustainable Finance, CMFS; the Association of Mexican Banks, ABM; the Association of Multiple Purpose Financial Companies in Mexico, ASOFOM; the Mexican Association of Specialized Financial Entities, AMFE; the Mexican Association of Higher Agricultural Education, AMEAS) plus development banks and international financial institutions. Lastly, Activity 3.3.3c entails the consolidation of the findings from the sessions into a report which articulates not only the meeting minutes and participants' list but also consolidates the agreements and next steps.

*Outcome 3.4: Adaptation finance increased will directly address Finance Barriers 5-6, plus Barrier 4 regarding finance tracking. This outcome focuses on improving the mobilization, prioritization, and tracking of financial resources for adaptation.*

Activities within **Output 3.4.1** will ensure that scarce resources are directed towards the most impactful and feasible adaptation actions based on objective criteria. Namely, Activity 3.4.1a will enhance an existing adaptation action prioritization tool to incorporate criteria such as development needs, climate vulnerability/risk levels, alignment with existing plans, and valuation of ecosystem services. These criteria will be informed by policy goals included in the NAP (3.1.1) and vulnerability data (3.2.2), making this tool operational within the project's timeline and beyond. Activity 3.4.1b will use the enhanced methodology described above to assess the adaptation measures developed in Activity 3.2.2b, plus inform the development of the investment portfolio in Output 3.3.2, the selection of the financial instrument design in Output 3.3.1 and the Concept Note developed within Output 3.4.2.

Activities within **Output 3.4.2** will improve the quality and strategic alignment of adaptation project proposals seeking funding, addressing limited availability of finance for adaptation, tailored financial mechanisms, plus more public-private sector coordination (Barriers 5 and 6). Namely, Activity 3.4.2a entails extensive consultations with SEMARNAT, INECC and the NDA to select the best approach and sector to develop an adaptation concept note. This is particularly relevant, as the NDA sits within SHCP, head of the public finance sector (including 2 public development banks, NAFIN and BANOBRAS, which have already achieved accreditation as Direct Access Entities before the GCF and which are yet to secure an approved funding proposal). These consultations will be instrumental to ensuring inter-institutional coordination and defining a strategic intervention on which to focus resource mobilization efforts for adaptation, while avoiding lock-in or path-dependencies leading to maladaptation. Activity 3.4.2b will train key stakeholders (including already accredited DAEs - Direct Access Entities, federal and subnational governments) on how to develop high-quality concept notes that meet the requirements of relevant multilateral climate funds (e.g., GCF). Finally, Activity 3.4.2c will allow the hiring of a professional firm which will develop assessments (e.g. gender, market, business case, which cannot be known in advance) to inform one (1) high-quality concept note regarding adaptation and targeting a relevant multilateral climate fund. With this input, the DP's staff will coordinate the generation of this concept note, which shall focus on addressing prioritized vulnerabilities (identified via 3.4.1), plus will directly translate prioritized adaptation needs into fundable proposals.

The scope within **Output 3.4.3** will establish a clear method for monitoring adaptation finance flows, addressing information gaps (Barrier 3) and relevant information of financial flows and sectoral participation (Barriers 5, 6). Namely, Activity 3.4.3a will develop one (1) report mapping existing finance for adaptation sources, gaps, plus the design of a NAP finance module to track adaptation financing. This activity will cover the collection, analysis, and mapping of national and international sources, flows, and intended impacts. Simultaneously, Activity 3.4.3b will use the design of said module to operationalize a dedicated module within the NAP MEL system developed under Output 3.2.1, ensuring sustainable monitoring of adaptation finance alongside adaptation actions. This also closes the loop by linking financial inputs to the actions and results tracked by the MEL system (3.2.1), providing crucial data for reporting (e.g., under the ETF), policy evaluation (3.1), and future resource mobilization strategies (3.3, 3.4).

**INPUTS** of this Readiness project include: 1) Mexico's LGCC; 2) ENCC 10-20-40; 3) PECC 2021-2024; 4) 28 subnational entities (states) had climate change laws and 25 of them had integrated a section about vulnerability and climate change adaptation in their subnational planning instruments; 5) Mexico's NDC; 6) Six National Communications (1997, 2001, 2006, 2009, 2012 and 2018), and 7) ADCOM 2022, plus the TSM and the EMFS. To ensure effective coordination across diverse levels of government and foster collaboration among the public, private, and social sectors, the LGCC outlines the establishment of the coordination instrument CICC, C3 and SINACC.

**RISKS** identified and which may affect the project implementation are different in nature, the following are highlighted<sup>32</sup>: 1) **operational risks** (such as implementation delays due to the absence of right profiles for individual consultants, consulting firms and/or staff candidates to support the implementation of the project); 2) **political risks** (such as high turnover rates in government, understood as senior officials and technical staff in federal government ministries, which might affect the project schedule); 3) **institutional capacity risks** (such as Interest poor/lacking in participating in the development of the NAP by other government agencies and key stakeholders) and 4) **finance risks** (such as Limited private/financial sector participation). These could be minimized/mitigated by proactive engagement with new authorities and close coordination with government technical staff who can still work in support of this project and inform the new authorities; NDA support during kickoff meetings between GGGI and other key government partners and entities to ensure appropriate resources and support are committed to respective activities; publishing/sharing consultants Terms of Reference (TORs) widely and utilizing NDA and GGGI's extensive network; adhering to GGGI Rules on Integrity Due Diligence; and exploring

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<sup>32</sup> For a more detailed risk identification, consult the matrix built in Section 5.3.1

implementation options, in close consultation with the NDA, and timely reporting of any changes in the approved proposal with GCF for the needed adjustments and prior approval.

**ASSUMPTIONS** required for the success of this Readiness grant are listed below:

- Following Mexico's Federal elections (2024) and the incoming Government of Mexico administration (2024-2030), the NDA's commitment and strong leadership will remain strong, as both is key to prompt other federal and subnational stakeholders to implement enabling frameworks.
- Advisory outputs will not suffer delays due to disruptive external environments (e.g., a future covid surge or related).
- Key government stakeholders have sufficient awareness and capacity to undertake long-term planning (e.g. adaptation MEL and climate finance MEL)
- SHCP (NDA), INECC, and SEMARNAT, with the participation and support of the SINACC, CICC, C3, and GGGI maintain an active engagement of local stakeholders throughout the project implementation.
- The inclusion of academia, the private sector, and population will be essential elements to address potential economic, social, gender, and intergenerational gaps.
- The civil society, integrated by academy, Civil Society Organizations and interested parties will be fundamental throughout the delivery of Mexico's NAP. Their participation will be essential during all stages of the NAP, starting from the inclusion of their vision and opinions during vulnerability assessments, the design of adaptation actions to tackle identified vulnerabilities, and particularly during consultation workshops to verify and guarantee their vision in the cornerstone of Mexico's adaptation to climate change policy document.
- National stakeholders remain supportive; local stakeholders are actively involved in the project process; key executing agencies remain active in disseminating knowledge and best practices; and existing national imperative plan. Lastly, NDA provides strong leadership, while other Government Ministries are engaged and support throughout project implementation. This readiness grant's smooth implementation will benefit from NDA's strong lead and support. The engagement and support of government ministries in the General Directorate on Climate Action Policies (DGPAC-SEMARNAT)<sup>33</sup> and INECC will be crucial in the effective and timely delivery of outputs.

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<sup>33</sup> According with the SEMARNAT attribution to implement the national policy on climate change, established in the 7th article of the General Law on Climate Change, considering the INECC like the technical body advisor to SEMARANT, established in 13th & 15th articles of the General La on Climate Change, and the 6th, fracc XXXVII, 10th, fracc VI, and 13th article, fracc VI, of the SEMARNAT's Internal Regulation.



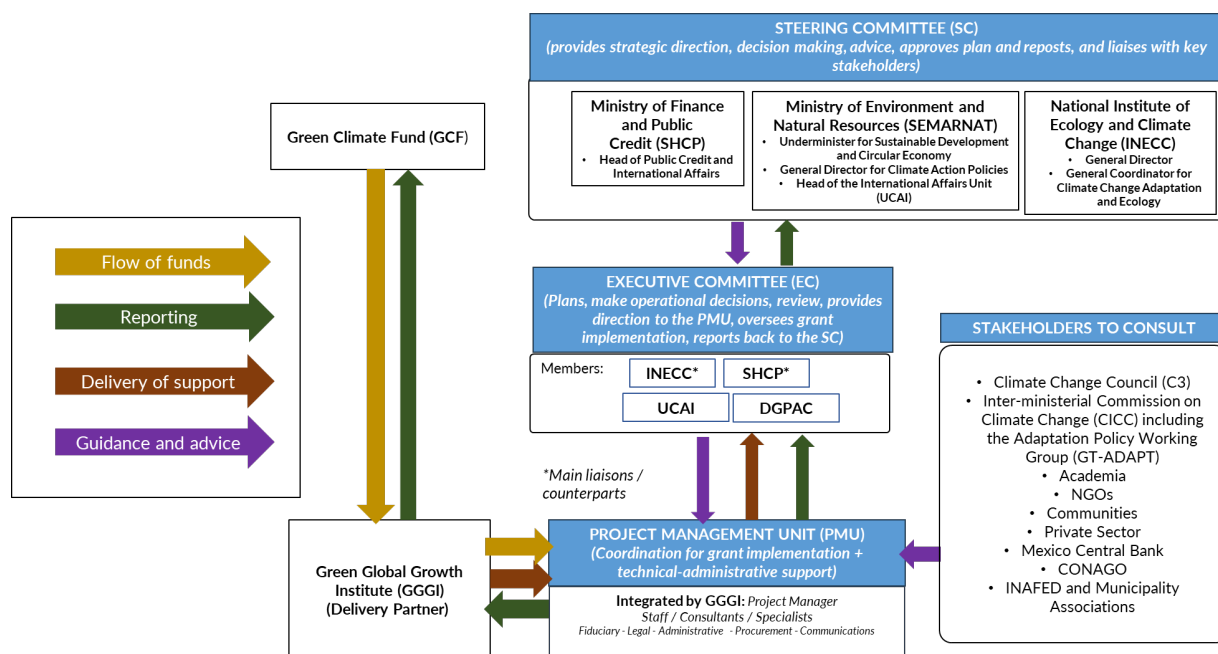
## Section 4. Logical framework

A logical framework is included in the attached document.

## Section 5. Implementation arrangements and other information (indicative maximum length: eight pages)

### 5.1. Implementation arrangements

Figure 2. Governance structure of the project



The NAP Readiness project will be implemented by GGGI, the delivery partner, plus supported by the leadership of the NDA plus technical support of INECC and SEMARNAT, during a 36-month period. GGGI will directly receive and implement the GCF Readiness grant. Grant funds will not be used to pay for existing staff or existing consultants of the government or any ministries.

#### Delivery Partner (DP)

The responsibility for the overall project implementation remains with the DP (GGGI). As such, GGGI will be responsible for implementation of the Readiness support, and will carry out all fiduciary and financial management, procurement of goods and services, and monitoring and reporting activities under this proposal, in compliance with GGGI's policies and procedures, in accordance with the Second Amended and Restated Framework Readiness and Preparatory Support Grant Agreement between GCF and GGGI dated 12 May 2021 ("Framework Agreement") and the Side Letter No.1 to the Framework Agreement, dated 24 July 2023.

#### Steering Committee (SC)

A SC will be established for 5 main purposes:

- 1) strategic, high-level decisions for project design and implementation, being the final decision-making body for the project while responding to the Minister of Environment, Mexico's President and other federal authorities as mandated by law.
- 2) Reviews, approve annual operation plans, financial, technical reports and overall MRV & project performance providing guidance to ensure alignment with national priorities, specific country requirements and capacities.
- 3) Liaison with Ministers and Vice Ministers of the Interministerial Climate Change Commission

## READINESS AND PREPARATORY SUPPORT

4) Support high-level liaison with State level authorities, governmental associations such as the National Governors' Conference (CONAGO), the National Institute for Federalism and Municipal Development (INAFED), universities, community groups as needed throughout the process to ensure high level policy buy-in for the design of the National Adaptation Plan.

5) Supervision of PMU and Delivery Partner based on contractual policies and overall performance.

The members of the SC will meet at least three times per year with option to additional sessions as required. The SC will be integrated by the following members, with the option for alternates only in case of absence:

- *SHCP's Head of Public Credit and International Affairs;*
- *SEMARNAT's Under-minister for Sustainable Development and Circular Economy*, responsible for climate change policy and as Secretariat to the Interministerial Commission for Climate Change;
- *SEMARNAT's General Director for Climate Action Policies*, who in turn will liaise with the CICC Adaptation Working Group, ensuring all ministries actively participate in the design of the National Adaptation Plan while integrating adaptation frameworks into their sector;
- *SEMARNAT's Head of the International Affairs Unit (UCAI)*, who ensures that the project aligns with Mexico's international commitments, which in turn will strengthen national capacities. Will ensure that the project provides input into Mexico's position on adaptation for international negotiations on climate change and other relevant fora;
- *INECC's General Director, plus*
- *INECC's General Coordinator for Climate Change Adaptation and Ecology*, who jointly with SEMARNAT Climate Change Representative will supervise technical groups, experts of the PMU, as well as coordination amongst relevant stakeholders and alignment of all outputs and reports to be submitted for final approval. She/he will also coordinate all consultation processes with relevant stakeholders in coordination with SEMARNAT and the Adaptation Working Group.

Both the Country Representative of GGGI Mexico and the PMU lead (Project Manager) will participate as non-voting members, acting as the Technical Secretariat to the SC, while providing technical expertise and guidance to ensure appropriate implementation of GCF procedures and requirements

The SC will review and approve all high-level documents and reports that will then be submitted to the Interministerial Climate Change Commission to ensure high level buy-in and inclusion of policies, strategies and actions into each Ministry, taking into consideration enough time for submitting the reports to GCF in a timely fashion.

### **Executive Committee (EC)**

An Executive Committee will be established, in order to ensure successful project implementation and development of the National Adaptation Plan. The Committee will directly report to the SC and be the operational liaison with the PMU. The EC will have 6 main functions:

- 1) Provide input for annual plans to be submitted to the Steering Committee
- 2) Review and approve all Terms of Reference regarding consultants, studies and events, ensuring alignment with annual operational plans.
- 3) Ensure regular updates of project risks and corresponding response plans are in place
- 4) Conduct annual performance reviews aligned with progress indicators and submit to SC with recommendations to address any shortcomings or deviations from project goals and objectives.
- 5) Provide inputs and orientation for all technical documents and outputs, ensuring alignment with national priorities and needs.
- 6) Design and implement a comprehensive project communication mechanism and decision-making framework for the duration of the project

The EC will be comprised by the following members (or appointed alternates):

- *SHCP's General Director for International Fora and Sustainable Finance*, who also serves as the Nationally Designated Authority (NDA) of Mexico before the GCF;
- *Representative from SEMARNAT's DGPAC*
- *Representative of SEMARNAT's UCAI*
- *Representative from INECC's General Adaptation Coordination*

*GGGI's Country Representative or lead of PMU will participate providing input for the EC*

The EC will meet at least quarterly and will provide guidance on the best ways to carry out project components, guide and assess activity performance, and address the needs of specific sectors through the NAP.

### **Project Management Unit (PMU)**

The Project Management Team is responsible for the overall day-to-day grant implementation, updating the project risks and requirements. PMU will focus on project management, ensuring all contractual GCF obligations and requirements. The PMU reports directly to the EC, providing the appropriate reports and information, as well as the regular technical, administrative, and financial management support. The functions, management and supervision of the PMU will be carried out by GGGI, the delivery partner responsible for the overall implementation of this Readiness grant. Namely, the PMU is integrated by GGGI staff and consultants, plus is led by the project manager, who will coordinate several GGGI specialists providing dedicated administrative, procurement, MEL, gender equality and social inclusion, technical and policy support.

### *GESI and ESS considerations*

Gender Equality and Social Inclusion (GESI), as well as Environmental and Social Safeguards (ESS) are fully integrated into GGGI's Project Cycle Management and as such will be central to the design, implementation, and monitoring of this Readiness support. All GGGI staff have signed GGGI's Code of Conduct and have been trained in GESI policies. GGGI has recently increased its GESI ambition in alignment with GGGI's GESI Strategy for 2021 – 2025, which includes the implementation Gender Equality and Poverty Reduction Policy Markers on all projects and the implementation of an Environmental, Social and Governance toolkit providing guidance to mainstream environmental, social, and governance considerations in all workstreams. This includes the required development and approval of an Environment and Social Safeguards Assessment prior to the implementation of any project. GGGI has also launched a new institutional policy and guideline for inclusive events and knowledge processes committing to at least 30% women representation. For the sake of this Readiness grant proposal, we have further increased to aim for 50% women participation in all events.

Throughout the implementation of the Readiness grant, GGGI will always uphold its Gender Equality Strategy<sup>34</sup> and Sustainability and Safeguard Rules<sup>35</sup> to mainstream gender equality, social inclusion, and poverty alleviation during implementation. GGGI requires all his staff<sup>36</sup>, downstream partners and private sector partners<sup>37</sup> to comply with GGGI Rules on Integrity Due Diligence<sup>38</sup> and Procurement Policy which reflect international standards and best practices. All GGGI staff have completed UN I Know Gender<sup>39</sup> course during their probation period. Annual training is also provided to ensure effective implementation of GGGI's Gender and Social Checklist and GGG Gender Equality and Poverty Reduction Markers.

The project team, under the supervision of GGGI Sustainability and Safeguard Unit, integrated GESI priorities during project conceptualization and design utilizing GCF'S GESI Policy, GGGI's own

<sup>34</sup> <https://gggi.org/site/assets/uploads/2020/06/GGGI-Gender-Equality-Strategy-2016-2020.pdf>

<sup>35</sup> <https://gggi.org/site/assets/uploads/2018/03/V2-Sustainability-Safeguards-Rules.pdf>

<sup>36</sup> [https://gggi.org/site/assets/uploads/2020/06/Staff\\_Regulations\\_June\\_2\\_2020.pdf](https://gggi.org/site/assets/uploads/2020/06/Staff_Regulations_June_2_2020.pdf)

<sup>37</sup> [https://gggi.org/site/assets/uploads/2017/11/GGGI-Private-Sector-Engagement-Rules-\\_-approved-\\_-31-May-2017.pdf](https://gggi.org/site/assets/uploads/2017/11/GGGI-Private-Sector-Engagement-Rules-_-approved-_-31-May-2017.pdf)

<sup>38</sup> [http://gggi.org/site/assets/uploads/2019/06/Rules-on-Integrity-Due-Diligence\\_16-June-2019.pdf](http://gggi.org/site/assets/uploads/2019/06/Rules-on-Integrity-Due-Diligence_16-June-2019.pdf)

<sup>39</sup> <https://trainingcentre.unwomen.org/portal/>

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Preliminary Gender and Social Checklist and GGG Gender Equality and Poverty Reduction Policy Markers<sup>40</sup>. The prioritization of GESI-related impacts is facilitated by the development of GESI-related outputs, activities, and gender-disaggregated indicators.

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<sup>40</sup> [https://gggi.org/site/assets/uploads/2019/06/Agenda-5\\_Accountability-and-Safeguards-Systems.pdf](https://gggi.org/site/assets/uploads/2019/06/Agenda-5_Accountability-and-Safeguards-Systems.pdf) (Annex 5)

## 5.2. Implementation and Execution Roles and responsibilities

FIRMS, STAFF AND CONSULTANTS ENVISIONED WITHIN THE GRANT

Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
GGGI	<p>A</p> <p><i>Subcomponent A specialist</i></p> <p><i>Prevention and attention to negative impacts on the human population and in the territory, SEMARNAT</i></p> <p>(Individual Consultant, new)</p>	3.1.1, 3.1.2, 3.1.4	<ul style="list-style-type: none"> <li>• Review and analyze all the information compiled by the INECC and SEMARNAT regarding negative impacts prevention on people and territory with a climate change focus.</li> <li>• Contribute to the overall development of Mexico's NAP (on its specific subcomponent)</li> <li>• Support consultation process (on its specific subcomponent)</li> <li>• Support and provide technical inputs for capacity building and training activities (on its specific subcomponent)</li> <li>• Assist in the identification and design of climate change adaptation measures, focusing on the Component of her/his expertise.</li> <li>• Generate first drafts / working documents regarding the NAP chapter(s) which focus on the subcomponent of her/his expertise.</li> <li>• Assist in the design, implementation, and reporting of a participatory process that incorporates the perspectives of academia, the private sector, and the population as outlined in the activities of the log frame.</li> <li>• Support analysis to adverse effects of climate change to identify adaptation needs, focusing in the sectors under her/his expertise.</li> <li>• Support in the identification and design of adaptation measures based on the vulnerability analysis and the participatory process focusing in the subcomponent under her/his expertise.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least a graduate degree in urban planning, Environmental Engineering, Atmospheric Sciences, Agronomy, Biology, or related fields.</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 7 years in topics related to climate change adaptation</li> <li>• At least 5 years of experience in project management</li> <li>• 3 years of experience in the territorial planning</li> <li>• 3 years of experience working with communities</li> <li>• 5 years of professional experience working in Mexico on climate change and territorial planning</li> <li>• Familiarity with GCF project delivery along the project delivery process is considered a plus.</li> </ul>
GGGI	<p>B</p> <p>Component B Specialist</p>	3.1.1, 3.1.2, 3.1.4	<ul style="list-style-type: none"> <li>• Review and analyze all the information compiled by the INECC and SEMARNAT regarding productive resilient systems and food security with a climate change focus.</li> <li>• Contribute to the overall development of Mexico's NAP (on its specific subcomponent)</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least a graduate degree in Agronomy, Environmental Engineering, Biology, or related fields.</li> </ul>

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Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
	<p><i>Resilient productive systems and food security</i></p> <p>(Individual Consultant, new)</p>		<ul style="list-style-type: none"> <li>• Support consultation process (on its specific subcomponent)</li> <li>• Support and provide technical inputs for capacity building and training activities (on its specific subcomponent)</li> <li>• Assist in the identification and design of climate change adaptation measures, focusing on the Component of her/his expertise.</li> <li>• Generate first drafts / working documents regarding the NAP chapter(s) which focus on the subcomponent of her/his expertise.</li> <li>• Assist in the design, implementation, and reporting of a participatory process that incorporates the perspectives of academia, the private sector, and the population as outlined in the activities of the log frame.</li> <li>• Support analysis to adverse effects of climate change to identify adaptation needs, focusing in the sectors under her/his expertise.</li> <li>• Support in the identification and design of adaptation measures based on the vulnerability analysis and the participatory process focusing in the subcomponent under her/his expertise.</li> </ul>	<ul style="list-style-type: none"> <li>• Desired, master's degree or higher in Agroecology, climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• 5 years of experience of professional work in Mexico in food production/security.</li> <li>• At least 5 years of experience in climate change and climate change adaptation.</li> <li>• At least 3 years of practical experience in providing policy inputs and analysis in climate change adaptation.</li> </ul>
GGGI	<p>C</p> <p>Component C Specialist</p> <p><i>Conservation, restoration and use sustainable biodiversity and ecosystem services</i></p> <p>(Individual Consultant, new)</p>	3.1.1, 3.1.2, 3.1.4	<ul style="list-style-type: none"> <li>• Review and analyze all the information compiled by the INECC and SEMARNAT regarding Biodiversity and Ecosystem Services with a climate change focus.</li> <li>• Contribute to the overall development of Mexico's NAP (on its specific subcomponent)</li> <li>• Support consultation process (on its specific subcomponent)</li> <li>• Support and provide technical inputs for capacity building and training activities (on its specific subcomponent)</li> <li>• Assist in the identification and design of climate change adaptation measures, focusing on the Component of her/his expertise.</li> <li>• Generate first drafts / working documents regarding the NAP chapter(s) which focus on the subcomponent of her/his expertise.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least a graduate degree in Environmental Engineering, Atmospheric Sciences, Forestry, Ecology or Biology</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 7 years in topics related to Biodiversity</li> <li>• At least 5 years of experience in climate change adaptation</li> <li>• 5 years of professional experience working in Mexico on climate change and biodiversity</li> </ul>

Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
			<ul style="list-style-type: none"> <li>• Assist in the design, implementation, and reporting of a participatory process that incorporates the perspectives of academia, the private sector, and the population as outlined in the activities of the log frame.</li> <li>• Support analysis to adverse effects of climate change to identify adaptation needs, focusing in the sectors under her/his expertise.</li> <li>• Support in the identification and design of adaptation measures based on the vulnerability analysis and the participatory process focusing in the subcomponent under her/his expertise.</li> </ul>	
GGGI	<p>D</p> <p>Component D Specialist</p> <p><i>Integrated management of water resources with climate change approach</i></p> <p>(Individual Consultant, new)</p>	3.1.1, 3.1.2, 3.1.4	<ul style="list-style-type: none"> <li>• Review and analyze all the information compiled by the INECC and SEMARNAT regarding integrated management of water resources with a climate change focus.</li> <li>• Contribute to the overall development of Mexico's NAP (on its specific subcomponent)</li> <li>• Support consultation process (on its specific subcomponent)</li> <li>• Support and provide technical inputs for capacity building and training activities (on its specific subcomponent)</li> <li>• Assist in the identification and design of climate change adaptation measures, focusing on the Component of her/his expertise.</li> <li>• Generate first drafts / working documents regarding the NAP chapter(s) which focus on the subcomponent of her/his expertise.</li> <li>• Assist in the design, implementation, and reporting of a participatory process that incorporates the perspectives of academia, the private sector, and the population as outlined in the activities of the log frame.</li> <li>• Support analysis to adverse effects of climate change to identify adaptation needs, focusing in the sectors under her/his expertise.</li> <li>• Support in the identification and design of adaptation measures based on the vulnerability analysis and the participatory process focusing in the subcomponent under her/his expertise.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least a graduate degree in Hydrology, Environmental Engineering, Sanitation, Economy, Ecology or Biology</li> <li>• Desired, graduated degree in water management, climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 7 years in topics related to water management</li> <li>• At least 5 years of experience in climate change adaptation</li> <li>• 5 years of professional experience working in Mexico on climate change and water management</li> </ul>

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Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
GGGI	E  Component E Specialist  <i>Protection of strategic infrastructure and tangible cultural heritage</i>  (Individual Consultant, new)	3.1.1, 3.1.2, 3.1.4	<ul style="list-style-type: none"> <li>• Review and analyze all the information compiled by the INECC and SEMARNAT regarding protection of strategic infrastructure and tangible cultural heritage</li> <li>• Contribute to the overall development of Mexico's NAP (on its specific subcomponent)</li> <li>• Support consultation process (on its specific subcomponent)</li> <li>• Support and provide technical inputs for capacity building and training activities (on its specific subcomponent)</li> <li>• Assist in the identification and design of climate change adaptation measures, focusing on the Component of her/his expertise.</li> <li>• Generate first drafts / working documents regarding the NAP chapter(s) which focus on the subcomponent of her/his expertise.</li> <li>• Assist in the design, implementation, and reporting of a participatory process that incorporates the perspectives of academia, the private sector, and the population as outlined in the activities of the log frame.</li> <li>• Support analysis to adverse effects of climate change to identify adaptation needs, focusing in the sectors under her/his expertise.</li> <li>• Support in the identification and design of adaptation measures based on the vulnerability analysis and the participatory process focusing in the subcomponent under her/his expertise.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least a graduate degree in Urban Planning, Architecture, Civil Engineering, Environmental Engineering, Atmospheric Sciences, or related fields</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 7 years in topics related to Cultural Heritage</li> <li>• At least 5 years of experience in climate change adaptation</li> <li>• 5 years of professional experience working in Mexico on climate change and infrastructure</li> </ul>
GGGI	F  Component F Specialist  <i>National Security and Climate Change</i>	3.1.1, 3.1.2, 3.1.4	<ul style="list-style-type: none"> <li>• Review and analyze all the information compiled by the INECC and SEMARNAT regarding negative impacts prevention on national security a climate change focus.</li> <li>• Contribute to the overall development of Mexico's NAP (on its specific subcomponent)</li> <li>• Support consultation process (on its specific subcomponent)</li> <li>• Support and provide technical inputs for capacity building and training activities (on its specific subcomponent)</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least a graduate degree in national security, security studies, infrastructure planning, Environmental Engineering, Climate Change, or related fields.</li> <li>• Desired, master's degree or higher in climate change, sustainable development, national security, security studies, or related fields.</li> </ul>



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Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
	(Individual Consultant, new)		<ul style="list-style-type: none"> <li>• Assist in the identification and design of climate change adaptation measures, focusing on the Component of her/his expertise.</li> <li>• Generate first drafts / working documents regarding the NAP chapter(s) which focus on the subcomponent of her/his expertise.</li> <li>• Assist in the design, implementation, and reporting of a participatory process that incorporates the perspectives of academia, the private sector, and the population as outlined in the activities of the log frame.</li> <li>• Support analysis to adverse effects of climate change to identify adaptation needs, focusing in the sectors under her/his expertise.</li> <li>• Support in the identification and design of adaptation measures based on the vulnerability analysis and the participatory process focusing in the subcomponent under her/his expertise.</li> </ul>	<p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 7 years in topics related to climate change adaptation</li> <li>• At least 5 years of experience in project management</li> <li>• 3 years of experience in developing assessments related to national security</li> <li>• 5 years of professional experience working in Mexico on climate change and/or national security</li> <li>• Familiarity with GCF project delivery along the project delivery process is considered a plus.</li> </ul>
GGGI	<p>MEL</p> <p>Adaptation Monitoring, Evaluation and Learning (MEL) specialist</p> <p>(Individual Consultant, new)</p>	3.2.1, 3.4.3	<ul style="list-style-type: none"> <li>• Design the Developing of a NAP Monitoring, Evaluation, and Learning (MEL) system, including adaptation criteria, indicators, baseline data, objectives, means of verification, and sources of information at the national, sectoral, and local levels, as well as institutional and legal arrangements.</li> <li>• Design the Developing of a NAP financial tracking module, including criteria, indicators, baseline data, objectives, means of verification, and sources of information at the national, sectoral, and local levels, as well as institutional and legal arrangements.</li> <li>• Provide technical advice for the development of performance indicators with an impact-oriented vision.</li> <li>• Ensure that consistent monitoring and relevant reporting data is considered in the MEL system for each stage of the NAP.</li> <li>• Assist the team in workshops and technical meetings with multiple stakeholders.</li> <li>• Provide technical advice for the development of the adaptation finance tracking system of climate finance.</li> <li>• Conduct training sessions for MEL system operation</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• A graduate degree in project management, quantitative methods, economic, social, atmospheric, or environmental sciences, engineering, or related fields.</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 5 years of experience in climate change and climate change adaptation.</li> <li>• At least 5 years of practical experience in international development projects or programs, preferably in the field of project management, data management, and analysis.</li> <li>• At least 4 years with direct responsibility for managing MEL systems, including 1 or more years of experience</li> </ul>

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Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
				<p>using quantitative, qualitative, and mixed methodologies for program performance.</p> <ul style="list-style-type: none"> <li>• 5 years of experience in professional work in Mexico on climate change adaptation issues.</li> </ul>
GGGI	<p>G</p> <p>Sustainable Investment Coordinator</p> <p>(Staff, existing, based in Mexico)</p>	3.3.1, 3.3.2, 3.4.3	<ul style="list-style-type: none"> <li>• Promote the design of strategies, policies, mechanisms, and incentives developed to encourage private investment in adaptation solutions.</li> <li>• Collaborate in the development of investment portfolio developed for adaptation priority actions.</li> <li>• Attend meetings between the DP and NDA to identify adaptation needs and work towards addressing them in the project development process.</li> <li>• Provide expert advice for the development of the NAP's financial outputs</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• Advanced university degree in areas such as international business, economics with further financial / economics training.</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 10 years of experience in the financial sector</li> <li>• 5 years of professional experience working in Mexico or Latin America on climate change and Sustainable taxonomy.</li> </ul>
GGGI	<p>H</p> <p>Green Investment Specialist</p> <p>(Staff, existing, based in Mexico)</p>	3.3.1, 3.3.2, 3.3.3, 3.4.2	<ul style="list-style-type: none"> <li>• Conduct financial modeling, structuring business modeling and investment plans and (pre) feasibility study for green investment.</li> <li>• Supervise the firm and assessments conducive to the development of an adaptation concept note</li> <li>• Conduct financial analysis for other NAP projects on an as needed basis.</li> <li>• Advice on the viability of NAP projects carried out, including in terms of financial and economic sustainability.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• Advanced university degree in areas such as international business, economics with further financial / economics training.</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• Relevant experience, with sound understanding of finance.</li> </ul>

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Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
			<ul style="list-style-type: none"> <li>• Contribute to the development the NAP Prioritization Methodology, which will define and prioritize the use of a combination of financing options, financing instruments, investment criteria, and priority sectors</li> <li>• Conduct workshops for private sector stakeholders on adaptation, adaptation financing, private sector investment opportunities, and strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Experience of at least 5 years in at least one of the following areas: sustainability and green investment.</li> <li>• 3 years of experience with project finance, private or public sector projects.</li> </ul> <p>Experience with climate finance and investment banking is desirable.</p>
GGGI	<p>I</p> <p>Finance, Procurement and Administration specialist</p> <p>(Staff, existing, based in Mexico)</p>	Project Management Cost (PMC – cross-cutting)	<ul style="list-style-type: none"> <li>• Provide administrative, finance and procurement support for the duration of the project</li> <li>• Ensure that the Hiring Plan is carried out with compliance to both donor and DP rules and regulations.</li> <li>• Ensure that the Expenditure Plan is carried out with compliance to both donor and DP rules and regulations.</li> <li>• Generate ongoing inputs and financial reports or the Project Manager and counterparts (e.g. Government of Mexico)</li> <li>• Lead the generation of annual financial reports for the GCF</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least a graduate degree in Administration, Accounting, Social or economic Sciences, or related fields</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 7 years in topics related to budget management, procurement, and human resources processes</li> <li>• 5 years of experience in project financial management</li> <li>• 5 years of professional experience working in Mexico on operation and project delivery enablement.</li> </ul> <p>Familiarity with topics related to sustainability and resilience is desired</p>
GGGI	<p>J</p> <p>Project Monitoring, Evaluation and Learning specialist</p>	3.1.3, 3.2.1, 3.3.2, 3.4.3	<ul style="list-style-type: none"> <li>• Support capacity building sessions and systematization</li> <li>• Support lessons learned identification</li> <li>• Carry out relevant Monitoring and Evaluation tasks according to GCF and GGGI protocols and guidelines</li> <li>• Develop project reports based on outputs from project activities.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least a graduate degree in Natural, Social or economic Sciences, or related fields</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p>

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Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
	(Staff, existing, based in Mexico)		<ul style="list-style-type: none"> <li>• Overview the timely project implementation</li> <li>• Input progress into GGGI's Project Cycle Management (PCM) system</li> </ul>	<ul style="list-style-type: none"> <li>• At least 7 years in topics related to monitoring, evaluation and learning of projects</li> <li>• 5 years of practical experience in project cycle management</li> <li>• 2 years of professional experience working in Mexico.</li> <li>• Familiarity with topics related to sustainability and resilience is desired</li> </ul>
GGGI	<p>K</p> <p>Communications specialist</p> <p>(Staff, existing, based in Mexico)</p>	<p>3.1.1, 3.1.3, 3.1.4,</p> <p>3.2.1, 3.2.2, 3.3.2, 3.3.3</p>	<ul style="list-style-type: none"> <li>• Design and implement a communication strategy for the dissemination of the NAP targeted at various stakeholders.</li> <li>• Contribute to the design of an inter and intra-institutional communication strategy to encourage the involvement of key actors in the development of the NAP.</li> <li>• Develop and implement strategies on social media, local, national, and regional media in Mexico to promote the NAP.</li> <li>• Coordinate with project leaders on the key messages to be used in the NAP awareness.</li> <li>• Collaborate and actively participate in the organization and execution of various events related to the NAP.</li> <li>• Establish and maintain strategic alliances with organizations, key individuals, and opinion leaders to collectively contribute to the project.</li> <li>• Support the positioning and participation of project spokespersons in the media and various events.</li> <li>• Develop a communication strategy to raise awareness about the national systems developed for tracking national and international finance flows related to adaptation.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least a graduate degree in communication, public relations, advertising, or marketing</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• Minimum of 7 years of experience in the development and design of communication campaigns and strategies.</li> <li>• 5 years of specialized experience in social communication related to climate change.</li> <li>• Management and networking with an extensive database of traditional and digital media outlets for environmental and ecological topics.</li> </ul> <p>High degree of knowledge and a comprehensive media database for environmental sources in Mexico</p>
GGGI	<p>L</p> <p>Gender and</p>	<p>3.3.1, 3.3.2, 3.4.1, 3.4.2</p>	<ul style="list-style-type: none"> <li>• Review the instruments of public policy, government programs, and institutions addressing gender issues in the context of climate change in the country and propose a baseline.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least a graduate degree in social sciences or related fields.</li> </ul>

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Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
	Social Inclusion (GESI) specialist  (Staff, existing, based in Mexico)		<ul style="list-style-type: none"> <li>• Assist in reviewing the outputs of projects resulting from the development of the NAP to ensure they incorporate a gender perspective.</li> <li>• Design, implement, and report on workshops related to gender and climate change within the framework of NAP development.</li> <li>• Provide support in meetings directly related to project design to provide input based on your experience.</li> <li>• Mainstream Gender and Social Inclusion (GESI) in all NAP outputs</li> </ul>	<ul style="list-style-type: none"> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 7 years of professional experience working in Mexico on gender, interculturality, and intersectionality.</li> <li>• At least 3 years in topics related to Sustainable Development and Climate Change</li> <li>• Experience in the at least 2 of the 5 Component of Mexico's adaptation NDC sector is desirable.</li> </ul>
GGGI	M  Subnational Adaptation Policy Coordinator and Grant Project Manager  (Staff, existing, based in Mexico)	3.1.1, 3.1.2, 3.1.3., 3.1.4	<ul style="list-style-type: none"> <li>• Serve as the project manager.</li> <li>• Provide leadership to the other support personnel regarding liaison with the counterparts and GGGI relevant processes.</li> <li>• Facilitate communication with national and state-level stakeholders</li> <li>• Assist in reviewing the outputs of projects resulting from the development of the NAP to ensure they appropriate alignment with national policies.</li> <li>• Liaise between GGGI and NDA for effective communication and agreement facilitation.</li> <li>• Provide support in meetings directly related to the development of the NAP.</li> <li>• Support all relevant subnational efforts (e.g. subnational policy and regulatory framework; interinstitutional coordination, training, and capacity building activities; investment portfolio)</li> <li>• Support in the review and preparation of the final NAP document, intergovernmental mechanisms, capacity strengthening</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least graduate degree on economics, engineering, biology, social and environmental sciences</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• 10 years of experience of professional work in Mexico in climate change and environmental issues</li> <li>• Track record supporting Mexican states on sustainable development and/or climate change.</li> <li>• Familiarity with GCF project delivery along the project delivery process</li> </ul>

## READINESS AND PREPARATORY SUPPORT

Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
GGGI	N  Local Adaptation Specialist  (Staff, existing, based in Mexico)	3.1.1, 3.1.2, 3.1.4,  3.2.1, 3.2.2,  3.3.1, 3.3.2, 3.3.3  3.4.1, 3.4.3	<ul style="list-style-type: none"> <li>• Provide technical oversight for studies, projects, or adaptation measures carried out as part of the NAP.</li> <li>• Assist in the identification and design of climate change adaptation measures, focusing on NbS.</li> <li>• Support technical assessments and sectoral/territorial analysis of adverse effects of climate change to identify adaptation needs, focusing in the sectors under her/his expertise.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least graduate degree in economics, engineering, biology, social and environmental sciences, or related fields.</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 5 years of progressive experience in biodiversity conservation strategies, projects, and actions and/or designing and implementing projects in the Agriculture, Forestry and Other Land Use (AFOLU) sector.</li> <li>• Familiarity with GCF project delivery along the project delivery process (plus).</li> <li>• 5 years of experience of professional work in Mexico in climate change and environmental issues; relevant experience in climate change and climate change adaptation will be considered a plus.</li> </ul>
GGGI	O  Regional Technical Climate Lead  (Staff, existing, based in Mexico)	3.2.1, 3.2.2,  3.3.2,  3.4.1, 3.4.3	<ul style="list-style-type: none"> <li>• Provide expert advice throughout the project</li> <li>• Ensure quality throughout relevant deliverables</li> <li>• Provide technical guidance on adaptation and economy components of the project</li> <li>• Support in the development of the MEL and finance tracking systems</li> <li>• Address the information needs requested by the GCF and the NDA.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• At least graduate degree in economics, engineering, biology, social and environmental sciences.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 5 years of economic analysis of climate change and adaptation to climate change.</li> <li>• At least 8 years of practical experience in the development of adaptation policies and actions.</li> </ul>

## READINESS AND PREPARATORY SUPPORT

Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
				<ul style="list-style-type: none"> <li>• 3 years of experience in the agricultural sector.</li> </ul> <p>At least 3 years of experience in the design and delivery of climate transparency systems in Latin America.</p>
GGGI	<p>Q</p> <p>Legal and Regulatory Assessment Specialist</p> <p>(Individual consultant, new)</p>	3.1.2, 3.1.3, 3.1.4	<ul style="list-style-type: none"> <li>• Perform comparative desktop research of current vs. benchmark regulatory and legal federal and subnational frameworks, which can enable sound adaptation planning.</li> <li>• Support design, planning and development of the NAP participatory processes.</li> <li>• Develop under short notice high-quality inputs of presentations, one-pagers and relevant material relative to her/his workstream.</li> <li>• Lead and implement a proposal for collecting comments (using computer tools) which will be the entry points for the NAP, plus the harmonization of the federal and subnational policy frameworks related to adaptation.</li> <li>• Produce early/first drafts of the proposed inter-institutional arrangements / governance bodies for the operationalization of the NAP.</li> <li>• Support operationalization of the NAP governance and working groups.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• Advanced university degree in law, political science, international relations or public policy;</li> <li>• Desired, master's degree or higher in climate change, sustainable development, or related fields.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• At least 6 years in at least one of the following areas: sustainability and climate change.</li> <li>• At least 4 years of experience advising the public sector</li> <li>• Relevant experience, with sound understanding of Mexican legal context (Experience within the federal or subnational governments will be considered a plus).</li> </ul>
GGGI	<p>R</p> <p>Climate Taxonomy &amp; Risk Specialist</p> <p>(individual consultant)</p>	3.3.1, 3.3.2, 3.3.3, 3.4.3	<ul style="list-style-type: none"> <li>* Assess physical and transition risks associated with climate change and biodiversity loss from various sources, suggest recommendations for greater impact and oversee their operationalization.</li> <li>* Ensure strong linkages between the NAP components, potential adaptation projects and initiatives with the Sustainable Finance Mobilization Strategy (e.g., utilizing disclosure frameworks for adaptation, adaptation project formulation) and the Mexican Sustainable Taxonomy.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• Advanced university degree in areas such as economics, environmental sciences, finance, natural resources</li> </ul>

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Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
	embedded in the NDA, new)		<ul style="list-style-type: none"> <li>* Foster synergies among the NAP financial components, adaptation-related programs and initiatives from national and international financial organizations.</li> <li>* Facilitate the development of innovative financial and non-financial instruments to catalyze adaptation investment, such as thematic bonds.</li> <li>* Serve as key liaison for Mexico's NAP formulation from the NDA office.</li> </ul>	<p>engineering, with additional knowledge or specialization in sustainable finance.</p> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• 3 years of experience in at least one of the following areas: sustainability and green investment, sustainable finance monitoring.</li> <li>• 2 years of experience in project finance, with private or public sector projects.</li> <li>• Relevant experience, with a solid understanding of Mexico's financial sector.</li> </ul>
GGGI	S1, S2  Adaptation Measures Prioritization Specialists (x2, embedded at INECC, new)	3.4.1	<ul style="list-style-type: none"> <li>* Lead the design of a report containing the design of an enhanced methodology to prioritize adaptation options/measures based on development needs, climate vulnerability, risks, existing plans and the valuation of ecosystem goods and services generated through study, vulnerability assessment, research , etc.</li> <li>* Liaise with relevant federal and subnational authorities to gather information conducive to the report</li> <li>* Assess existing and emerging literature, resources and good practices concerning the most relevant/up-to-date methodologies to prioritize adaptation options/measures based on development needs, climate vulnerability, risks, existing plans and the valuation of ecosystem goods and services generated through study, vulnerability assessment, research , etc.</li> <li>* Develop a second report with prioritization report evidencing the application/operationalization of the enhanced methodology to review, evaluate and prioritize adaptation actions, including economic, environmental and social costs and benefits, paying special attention to the sectors prioritized by the country.</li> <li>* As part of the second report, include a summary of the support for local government requests for adaptation intervention design, including advice on prioritization and financing mechanisms for adaptation measures, plus recommendations for further systematization* Foster synergies among the NAP financial components, adaptation-related programs and initiatives from national and international financial organizations.</li> </ul>	<p>Academic qualifications:</p> <ul style="list-style-type: none"> <li>• Advanced university degree in areas such as economics, environmental sciences, econometrics, financial engineering, data science, natural resources engineering, with additional knowledge or specialization in sustainable finance.</li> </ul> <p>Professional qualifications:</p> <ul style="list-style-type: none"> <li>• 3 years of experience in at least one of the following areas: climate modelling, data science,</li> <li>• 2 years of experience in climate change / adaptation modelling and methodologies, with private or public sector projects.</li> <li>• Relevant experience, with a solid understanding of Mexico's adaptation/climate sector.</li> </ul>



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Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
			<ul style="list-style-type: none"> <li>* Facilitate the development of innovative financial and non-financial instruments to catalyze adaptation investment, such as thematic bonds.</li> <li>* Serve as key liaison for Mexico's NAP formulation from the NDA office.</li> </ul>	
GGGI	FRML  One (1) specialized firm to carry out 2 assessments and harmonization for adaptation MEL systems (measures and finance flows).	3.2.1, 3.4.3	<ul style="list-style-type: none"> <li>* The Service Provider shall carry out the assessment plus ensure strong alignment with the grant's objectives</li> <li>* Liaise regularly with GGGI and relevant authorities via regular meetings.</li> <li>* Develop and implement the workplan.</li> <li>* Consolidate inputs from stakeholder consultations</li> <li>* Prepare progress reports</li> <li>* Carry out assessments conducive to the harmonization of the NAP MEL system.</li> </ul>	<ul style="list-style-type: none"> <li>* At least 5 years of experience/familiarity with Mexico's context, policies, market, trends, and projects.</li> <li>* Previous demonstrable experience developing monitoring, evaluation and learning solutions for the climate adaptation sector and/or previous demonstrable experience in similar projects</li> <li>* Positive reputation and references from key national, subnational and/or other relevant Latin American stakeholders</li> <li>* Relevant letters of recommendations, positive references by clients or similar.</li> <li>* Experience developing methodologies to carry out research, consultations and field travel.</li> </ul>
GGGI	FRVU1  One (1) specialized firm to carry out 3 (three) vulnerability and risk assessments.	3.2.2	<ul style="list-style-type: none"> <li>* The Service Provider shall carry out the assessment plus ensure strong alignment with the grant's objectives</li> <li>* Liaise regularly with GGGI and relevant authorities via regular meetings.</li> <li>* Develop and implement the workplan.</li> <li>* Consolidate inputs from stakeholder consultations</li> <li>* Prepare progress reports</li> </ul>	<ul style="list-style-type: none"> <li>* At least 5 years of experience/familiarity with Mexico's context, policies, market, trends, and projects.</li> <li>* Previous demonstrable experience developing technical climate/risk/vulnerability assessments for the climate adaptation sector and/or previous demonstrable experience in similar projects</li> <li>* Positive reputation and references from key national, subnational and/or other relevant Latin American stakeholders</li> <li>* Relevant letters of recommendations, positive references by clients or similar.</li> <li>* Experience developing methodologies to carry out research, consultations and field travel.</li> </ul>
GGGI	FRVU2  One (1) specialized firm to carry out 5 (five) adaptation reports	3.2.2	<ul style="list-style-type: none"> <li>* The Service Provider shall carry out the assessment plus ensure strong alignment with the grant's objectives</li> <li>* Liaise regularly with GGGI and relevant authorities via regular meetings.</li> <li>* Develop and implement the workplan.</li> <li>* Consolidate inputs from stakeholder consultations</li> <li>* Prepare progress reports</li> </ul>	<ul style="list-style-type: none"> <li>* At least 5 years of experience/familiarity with Mexico's context, policies, market, trends, and projects.</li> <li>* Previous demonstrable experience developing technical climate/risk/vulnerability assessments and</li> </ul>

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Entity	Position Title	Outputs	Responsibilities	Minimum Qualifications
	containing recommendations for appropriate solutions, measures and good practices.			<p>recommendations for the climate adaptation sector and/or previous demonstrable experience in similar projects</p> <ul style="list-style-type: none"> <li>* Positive reputation and references from key national, subnational and/or other relevant Latin American stakeholders</li> <li>* Relevant letters of recommendations, positive references by clients or similar.</li> <li>* Experience developing methodologies to carry out research, consultations and field travel.</li> </ul>
GGGI	<p>FRCN</p> <p>One (1) specialized firm to carry out assessment conducive to concept note</p>	3.4.2	<ul style="list-style-type: none"> <li>* The Service Provider shall carry out the assessment plus ensure strong alignment with the grant's objectives</li> <li>* Liaise regularly with GGGI and relevant authorities via regular meetings.</li> <li>* Develop and implement the workplan.</li> <li>* Consolidate inputs from stakeholder consultations</li> <li>* Prepare progress reports</li> <li>* Carry out assessments conducive to the Concept Note.</li> </ul>	<ul style="list-style-type: none"> <li>* At least 5 years of experience/familiarity with Mexico's context, policies, market, trends, and projects.</li> <li>* Previous demonstrable experience developing financing solutions for the climate adaptation sector and/or previous demonstrable experience in similar projects</li> <li>* Positive reputation and references from key national, subnational and/or other relevant Latin American stakeholders</li> <li>* Relevant letters of recommendations, positive references by clients or similar.</li> <li>* Experience developing methodologies to carry out research, consultations and field travel.</li> </ul>

### 5.3. Risk and Mitigation Measures

#### 5.3.1 Risk Assessment and Risk Monitoring Plan

Risk category <sup>41</sup>	Specific risk(s) / Risk(s) description	Probability of occurrence (low, medium, high)	Impact level (low, medium, high)	Mitigation action(s) If relevant, specify the strategies adopted by the ongoing readiness grant in the country to mitigate the risks	Entity(ies) responsible to manage the risk(s)
Institutional capacities	Interest poor/lacking in participating in the development of the NAP by other government agencies and key stakeholders	High	Medium	<p>To promote that the highest levels of government call upon the entities for their participation.</p> <p>Implement workshops and meetings to raise awareness about the potential impacts of climate change in their areas and the importance of their participation in the NAP process.</p> <p>This Proposal has been socialized widely across NDA and PMU, with buy-in from all levels. Ownership of the project was gained through the current Readiness.</p>	NDA, INECC, SEMARNAT (DGPAC, UCAI)
Operational	Prioritizing adaptation measures/sectors for the portfolio which do not consider the evidence (e.g. vulnerability assessments, cost-benefit analysis) nor the needs and perspectives of potential beneficiaries	Low	High	From the onset, the PMU and the Steering Committee will commit to the just allocation of resources for the design and implementation of adaptation measures on the conduct of a participatory process involving potential beneficiaries with a focus on gender, interculturality, and generational perspectives.	GGGI, INECC, SEMARNAT (DGPAC, UCAI), NDA
Political	High turnover rates within the government leaves a key position within the Steering	Medium	Medium	Design and approve a mechanism in which responsibilities of the absent Steering committee/EC representative can be	NDA, INECC, SEMARNAT, GGGI

<sup>41</sup> Risk categories can include: Operational, Political, Stakeholder engagement, Implementation, Natural-hazards related disasters, Unsustainability, Compliance, Money laundering, terrorist financing and prohibited practices, etc.

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	<p>committee or EC vacant for a long time and/or delays activities requiring consultation</p> <p>Activities depending on the guidance, kick-off or approval of stakeholders may be delayed since they have conflicting agendas or national priorities</p> <p>Changes in administrations from the subnational governments over the course of the multi-year proposal</p>			<p>temporarily assigned to another government official until a substitute person is found.</p> <p>Proactive engagement with new authorities to minimize delay risks and will coordinate closely with government technical staff who can still work in support of this project and inform the new authorities.</p> <p>This Proposal has been socialized widely across NDA and PMU, with buy-in from all levels. Ownership of the project was gained through the current Readiness. As a result, change in the management structure is not expected to impact the delivery of the project activities.</p>	
Financial	Risks concerning Money Laundering/ Financing of Terrorism	Low	High	GGGI has established <a href="#">Rules on Integrity Due Diligence</a> that will require due diligence review of third parties prior to their engagement with GGGI. A basic due diligence will review issues related to money laundering, terrorism, organized crime, sanctions imposed by international and national bodies, human rights violations, modern slavery, or any other serious wrongdoing. A high-risk indicator would result in non-engagement with the third party while a medium risk indicator will result in any further enhanced due diligence. GGGI will engage with a third party with a low-risk indicator.	GGGI
Operational	<p>Cannot find suitable candidates for the consultancy positions (PP, IC)</p> <p>Delays in the implementation</p>	Medium	Medium	Establish early communication/collaboration mechanisms within PMU and Steering committee to formalize commitments and mitigate risks.	NDA, INECC SEMARNAT, GGGI

	of an activity due to delays in the recruitment process			GGGI in close coordination with NDA and PMU will prepare clear TORs, publish widely, and utilize government's network as well as GGGI's extensive network	
Information, technology and systems	Lack/slow flow of inputs / information for the development of vulnerability studies that could serve as a baseline and/or for monitoring and evaluation.	Medium	Medium	Design early communication/collaboration mechanisms within PMU and Steering committee to formalize commitments and mitigate risks	NDA, INECC, SEMARNAT (DGPAC, UCAI), GGGI
Financial	Limited private/financial sector participation	Medium	Medium	Develop workshops by government authorities to raise awareness in the private sector of the risks of climate change in their activities.	GGGI, NDA, INECC, SEMARNAT (DGPAC, UCAI)

### 5.1.1 Sanctions and Restrictive Measures

#### United Nations Security Council Sanctions:

At the time of submission of the proposed Readiness Grant, there are no United Nations Security Council (UNSC) restrictive measures in force within Mexico. There are no entities or individuals subject to or affected by UNSC sanctions regimes that will be involved in this Readiness grant or its activities, either as counterparties or as beneficiaries.

### 5.1.2 Grievance Redress Mechanisms

**Whistleblower Protection Program:** GGGI as the Delivery Partner, has a [Whistleblower Policy](#) which aims to create an environment where staff members and external persons feel safe to report any misconduct or activities that work against the best interests of GGGI or violate the [Anti-Corruption Policy](#) without the fear of retaliation. This policy is supported by the [Guidelines for GGGI Anti-Corruption Policy and Whistleblower Policy](#) which provide for procedures for reporting and investigation of instances of misconduct, retaliation or integrity violation, including violation of the Anti-Corruption Policy

**Compliance Review Mechanism:** GGGI as the Delivery Partner, has an online [Compliance Review Mechanism](#) that can be used by third parties to make a request for compliance review in accordance with the Compliance Review Mechanism of GGGI (CRM). The CRM is available when a person or group of persons believes that GGGI has failed to comply with any of its regulations, rules, policies and procedures and that this failure has or threatens to adversely affect such person(s). The personal data provided in the CRM will be processed in accordance with GGGI's Rules on Protection of Personal Data.

## 5.2. Monitoring

#### *Monitoring, Evaluation and Learning (MEL)*

GGGI recognizes that learning is a key component of project monitoring and implementation. GGGI's internal processes require monthly, quarterly, and annual project reports to be generated, submitted,

and reviewed; these reports foster early identification of changes and improvements to project implementation on a regular basis. GGGI will regularly request feedback from project stakeholders and adjust implementation as required throughout the life of the grant. Moreover, based on the lessons learned conducted through the implementation of the grant, GGGI regularly organizes internal learning sessions, so that projects funded by the same donor or delivering similar outputs can learn from each other and feed such learning into the implementation process. Finally, GGGI has a robust document management system so that future projects can refer to and adapt project delivery recommendations from previously implemented projects. Through this approach, results of the monitoring process will be regularly fed back into the implementation of the readiness support, and into future similar projects.

For monitoring and evaluating project activities, a schedule will be proposed for each of the activities to be carried out, which will include, among other aspects:

- Execution period indicating scope, goals, the overall objective, and specific objectives with dates for achieving them.
- Performance indicators: These will account for progress in the use of financial resources, proposed to be reviewed every month by the DP team. Proposed performance indicators include expenditures versus pending payments, as well as administrative reports prepared for the GCF (Green Climate Fund).
- Outcome indicators: These will report progress on specific objectives and the overall goal, reviewing the fulfillment of activities set for each project development stage. Proposed outcome indicators include deliverables or products generated in each consultancy conducted within the context of the NAP.
- Impact indicator: It should allow us to know the real transformative effects on livelihoods, the environment and biodiversity.
- Additionally, a regional workshop is planned to share lessons learned with other countries that are developing or have completed their NAP.

The responsible institutions (DP, NDA), in collaboration with DGPAC, UCAI and INECC, will ensure implementation of the project scope according to schedule, reporting progress of activities regularly. Incidence in the aforementioned indicators will inform decision-making about prioritizing goal fulfillment, identifying workstreams with potential delays and proposing alternative approaches and/or solutions.

### *Finance monitoring*

A full time Sr. Administrative Assistant located in the Mexico Country office will carry out day to day financial management and reporting for the project. These functions will not overlap with technical assistance functions (as they will be carried out by different staff). In addition to the full-time administrative staff in the country office, a full-time staff member in the Regional Office (Regional Portfolio Officer) will provide backstop support and review all financial reports prior to submission to the GCF. Further, GGGI has a finance team in its HQ who provide fiduciary management and oversight functions.

GGGI undertakes monthly, quarterly, and annual project reporting to provide mechanism for regular collection of information on progress to support oversight and adaptive management and external reporting to GGGI members/donors. Progress will be reviewed in the previous quarter and a workplan prepared for the subsequent quarter for the duration of the Readiness activities. The logframe will be used to assess progress towards achieving the agreed deliverables. This will also allow provision of timely support and guidance from NDA, when needed. Progress is reported against the logical framework and budget, as well as against corporate results targets.

All financial transactions are reviewed and approved in line with GGGI's Financial Policies, Procedures and Regulations as well as GGGI's Delegation of Authority through an online Enterprise Management System which is transparent and traceable.

In line with the Second Amended and Restated Agreement in Respect of Framework Readiness and Preparatory Support Grant Agreement entered between GCF and Global Green Growth Institute on 12 May 2021, progress and completion reports using the GCF template and audited financial statements at the portfolio level at the end of each year will be submitted. Disbursement requests can be submitted

with the progress report or separately as required milestones are reached. GGGI will prepare periodic revisions to reflect changes in six monthly and annual expense category budgets, monitor and review project expenditure reports and communicate and share with the NDA and GCF Secretariat (if required).

### 5.3. Other relevant information

**Selection of Delivery Partner:** The Global Green Growth Institute (GGGI) has become one of GCF's major Readiness delivery partners since the signing of the GCF-GGGI Framework Agreement in 2017. Currently, 30 countries have requested GGGI as Readiness Delivery Partner and received approval to implement Readiness grants in 28 countries in Burkina Faso, Cambodia, Colombia, Cote d'Ivoire, Dominica, Ethiopia, Fiji, Guyana, Indonesia, Jordan, Lao PDR, Mexico, Morocco, Mongolia, Mozambique, Myanmar, Papua New Guinea, Paraguay, Philippines, Rwanda, Saint Lucia, Sri Lanka, Thailand, Togo, Uganda, and Vanuatu<sup>42</sup>.

30 countries have requested GGGI as their Readiness Delivery Partner. GGGI has supported 26 of its government partners to access over USD 34 million in GCF approved Readiness funding. In addition, GGGI has also supported the development of concept notes for Burkina Faso, Cote d'Ivoire, Fiji, Guyana, Indonesia, Jordan, Lao PDR, Mexico, Nepal, Philippines, Rwanda and Vanuatu. GGGI has done this through institutional support to national DAEs, technical support on concept development, and conduct of feasibility studies; via these projects, GGGI has supported the mobilization of over USD 1 billion. Five of the six funding proposals approved by GCF were developed with national DAEs<sup>43</sup>.

**GGGI Track Record in Latin America and the Caribbean (LAC):** GGGI's portfolio includes the following LAC projects: Colombia (11), Costa Rica (1), Dominica (1), Guyana (4), Mexico (7), Paraguay (1), Peru (11) on the following topics: waste, solar energy, sustainable transport, green buildings and, forest (sustainable) landscapes, and gender and inclusive development.

GGGI has extensive in-house climate finance expertise and track record. GGGI LAC Green Investment Service Unit, led by the Regional Investment Lead, has led the mobilization of over USD 6.5 billion of investment commitments between 2017 and 2019. GGGI's relevant in-house experience across proposed Readiness grant is evidenced by the following results:

- Technical assistance to sovereign and subnational governments, national development banks, and financial institutions to design and implement green, social, sustainability, and blue bond issuances exceeding USD5.5 billion.
- Technical assistance to national developments banks for the design and structuring of green loan programs exceeding USD 300 million, including the North American Development Bank (Mexico), Nacional Financiera (Mexico), FINAGRO (Colombia), COFIDE (Peru) and BanEcuador (Ecuador).
- Technical assistance to the Governments of Peru, Colombia, Mexico, and Saint Lucia to green their banking sector by promoting the integration of environmental, social and governance standards in LFI's processes, systems and policies.
- Debt for Climate Swap technical assistance to the governments of Ecuador, Saint Lucia, and the Dominican Republic.
- Development of economy-wide and sectorial National Climate Finance Strategies in Mexico, Peru, Colombia, and Saint Lucia.
- Establishment, operationalization, and capitalization of National Financing Vehicles (NFV) across 9 countries, and ongoing work on 4 new NFVs.
- Design, structure and manage a portfolio of green investment projects across the energy, transport, and sustainable landscape sector exceeding US\$ 2 billion

<sup>42</sup> GGGI (2019) "Review of GGGI's Experience to Design and Operationalize National Financing Vehicles to Finance Climate and Green Growth Policy Implementation". Available at: <https://gggi.org/site/assets/uploads/2020/01/GGGI-Technical-Report-No.-9-1.pdf>

<sup>43</sup> GGGI (2019) "Review of GGGI's Experience to Design and Operationalize National Financing Vehicles to Finance Climate and Green Growth Policy Implementation". Available at: <https://gggi.org/site/assets/uploads/2020/01/GGGI-Technical-Report-No.-9-1.pdf>

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- Technical assistance to national development banks and financial institutions to achieve GCF accreditation status, including Colombia (Finagro), Mexico (Nafin, Banobras), and Paraguay (Agencia Financiera de Desarrollo, Banco Sudameris).

**GGGI Track Record in Mexico:** GGGI has promoted the development of different projects in the country with the support of the SHCP. This collaboration seeks to promote topics such as gender and inclusive development, sustainable energy and transportation, and green cities. The projects that have been developed within this cooperation framework are mentioned next<sup>44</sup>:

- MX09 Accelerating Green Finance Flows Through the Strengthening of the Mexican National Banking and Securities Commission (CNBV)
- MX05 Scaling up policy and investment for gender inclusive, subnational green growth
- MX06 Support Ministry of Finance to access green funds
- MX07 GCF Readiness Support for Mexico
- MX02 Improving public transportation systems
- MX01 Sonora Green Growth Strategy
- Sub-National Growth Planning and Implementation

Also, this collaboration has focused on the next topics over the next five years, which will be<sup>45</sup>:

- Climate Finance (e.g. GCF Delivery of Readiness and Preparatory Support Programmes; National Finance Vehicles; ESG/ESRMS Policies; Thematic Bonds)
- Climate Action (e.g. National/Subnational Green Growth Strategies; Green Recovery Plans)
- Sustainable mobility (e.g. e-Mobility)
- Sustainable Forests (e.g. Bioeconomy)
- Waste Management (e.g. Circular economy solutions for Cities; Waste-to-energy)

**Exit and sustainability strategy:** The Readiness Proposal will be overseen by the Government of Mexico through the NDA (SHCP) with close collaboration with DGPAC-SEMARNAT and INECC, highlighting their key roles in the appropriation of the outputs described as well as in the convening of and collaboration with key stakeholders which will allow for improved engagement and active participation, as well as the coordination of core government actors involved.

A clear division of roles and responsibilities in the grant implementation and monitoring between the DP and NDA were discussed and agreed upon. The country ownership of the proposed activities and resulting products is reinforced through the extensive Readiness Proposal development process and the coherence and alignment with the country's LGCC, the NDC updated in 2022, the National Strategy on Climate Change vision 10-20-40 and the Special Program on Climate Change (PECC) 2021-2024 which will maximize the likelihood of adoption and long-term implementation of the resulting national, subnational and/or sectoral plans (output 3.1.1), the adaptation policy and/or regulations (Output 3.1.2), the Inter and intra institutional coordination and decision making mechanisms (Output 3.1.3), the monitoring, evaluation and learning (MEL) systems (Output 3.2.1), the studies on climate vulnerability (Output 3.2.2), the strategies, policies, and incentives developed to foster private investment in adaptation (Output 3.3.1), the capacity building activities (Output 3.3.3), the mechanisms established to prioritize adaptation options (Output 3.4.1), the concept notes developed (Output 3.4.2), and the national systems for tracking international finance flows for adaptation (Output 3.4.3).

These activities will allow the country to strengthen its regulatory and planning instruments, to have technical inputs on its vulnerability and adaptation solutions to address it, to have project proposals and mechanisms for private sector participation, as well as MEL systems and monitoring of climate finance for adaptation, which at the end of the grant, will allow Mexico to have solid elements and tools to move forward in reducing its vulnerability to change, after the conclusion of GGGI's support activities. Direct beneficiaries of this grant, such as the SHCP and DGPAC-SEMARNAT, are part of the implementation arrangements, with other key Ministries and Institutions. And seeking to increase the likelihood that local actors (public and private) in Mexico will be willing to adopt and scale up what is proposed in the NAP, given the benefits for the country.

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<sup>44</sup> GGGI, Available at: <https://gggi.org/country/mexico/>

<sup>45</sup> GGGI, Available at: <https://gggi.org/country/mexico/>



To maximize the sustainability and ownership of the project by the government of Mexico, the implementation of the NAP by GGGI will be supervised by the Ministry of Finance and Public Credit (SHCP) and INECC (see Section 5.1 Implementation arrangements; p. 29). Sustainability and ownership are promoted through the alignment of the main objectives of the NAP with the country's key public policy documents. It is also envisaged that the implementation methods will be carried out by Mexican personnel (NDA supported by SINACC working directly in government facilities, supporting the collection and approval of the necessary information for the NAP. This will ensure the effective and sustainable transfer of knowledge and the construction and strengthening of capacities and skills of the NDA.

In addition to the above, the NAP includes activities for the following outputs, which allow for the identification of sources for project financing and will impact its sustainability.

- 3.2.1 Adaptation impact monitoring, evaluation and learning systems established or strengthened for strategic planning and investment.
- 3.2.2 Studies on climate vulnerability, and identification of adaptation solutions conducted (and used) for strengthening adaptation investment.
- 3.3.1 Strategies, policies, and incentives developed to foster private investment in adaptation solutions.
- 3.3.3 Capacity building provided to the Private sector on adaptation options.
- 3.4.2. Concept notes developed for adaptation priority actions.
- 3.4.3 National systems developed for tracking national and international finance flows for adaptation.

The progress in workflows will be shared from the beginning with the NDA and counterparts to ensure early ownership and replication of best practices (regarding budget, timely delivery, and successful engagement). The DP will collaborate with NDA members to promote the use of existing internal resources (human, technological) to organize the knowledge generated as a repository beyond the life of the project. In doing so, new staff will have access to all Readiness grant material and will benefit from capacity development materials long after the Readiness grant activities have concluded. Therefore, current and future NDA teams will have access to capacity development documentation, enhancing the sustainability of knowledge transfer and Readiness capacity development.

**Grant closure:** Upon completion of the grant activities, GGGI (DP) shall transfer all tangible and intangible assets and their ownership to the SHCP, representing the Government of Mexico, or any other body(ies) designated by the NDA.

## Section 6. Budget, Procurement, HR and Implementation plans

Attached in the separate Excel file.

4. LOGICAL FRAMEWORK								
Objective	Outcome	Output	Indicator	Target	MoV	Notes	Activities / Deliverables	Deliveable date
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.1. Adaptation planning governance and institutional coordination strengthened.	Output 3.1.1. National, sub-national and/or sectoral adaptation plans developed or updated.	Indicator 3.1.1.1. How many National Adaptation Plans have been developed or updated?	Yes	* 1 (one) NAP document delivered, adopted and uploaded in relevant government website * 6 (six) public participation processes reports with agenda, materials, list of participants * 1 (one) official NAP presentation event report with agenda, materials, and list of participants	<i>* Please refer to NDC adaptation component and Section 3 (ToC) for details</i> <i>* When the consultation sessions are held, there will be a component in place on how to mainstream gender equality and social inclusion into the planning mechanisms and implementation</i> <i>* Synergies will be made to accomodate sessions and optimize efficiency/delivery</i> <i>* For the consultations, list of participants will be disaggregated by gender</i>	3.1.1a Develop 1 (one) NAP document according to the adaptation NDC, indicating the suitability of adaptation measures to subnational characteristics and circumstances. 3.1.1b Carry out 6 (six) public participation processes (one per NDC adaptation subcomponent; 5+1) 3.1.1c. One (1) official NAP presentation/launch event held	Month 24
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.1. Adaptation planning governance and institutional coordination strengthened.	Output 3.1.2. Adaptation policy and/or regulations developed or strengthened for integrating adaptation actions/measures in sectoral, subnational and national development strategies and plans.	Indicator 3.1.2.1. Have existing policies and regulations been strengthened to incentivize adaptation actions/measures?	Yes	* 1 (one) diagnosis document of regulatory frameworks * 1 (one) report with recommendations for legal reform and implementation roadmap * One (1) Report documenting support for adoption and enhancement of the policy/legal reform recommendations at both the federal and subnational levels	<i>* While it seems complex to commit to an ex ante number of adopted/enhanced policy frameworks, both the diagnosis and the recommendations + roadmap will highlight the policy frameworks which will be proritized, plus suggest a timeline for them. Then, using the validation from the strengthened governance mechanism set out in 3.1.3, the CICC and SINACC, support will target the priority mechanisms and will be included in the Report under 3.1.2c.</i>	3.1.2a One (1) Diagnosis of federal and subnational regulatory frameworks (including laws, programs, plans, strategies and policies) on the mainstreaming of adaptation with emphasis on attributions and budget availability 3.1.2b One (1) set of recommendations for reform of legislation and policies identified for the mainstreaming of adaptation at both the federal (e.g. Planning Law, General Law of Administrative Responsibility, General Law of Civil Protection and Escazú Agreement) and the subnational levels, based in existing/previous assessments (archetypical), including a roadmap for their implementation 3.1.2c. One (1) Report documenting support provided conducive to the adoption and implementation of the policy/legal reform recommendations at both the federal and subnational levels	Month 24
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.1. Adaptation planning governance and institutional coordination strengthened.	Output 3.1.3. Inter and intra institutional coordination and decision making mechanisms established or strengthened.	Indicator 3.1.3.1. Have inter and intra institutional coordination and decision making mechanisms been established or strengthened?	Yes	* 1 (one) NAP operational manual delivered and adopted including steering committee structure and responsibilities * 3 (three) capacity strengthening session reports with agenda, presentation materials, list of participants * 1 (one) report regarding the operationalization of the NAP steering committee in place, including evidence of installation/formalization via minutes, etc. * 1 (one) report regarding the design and evidence of support for operationalization of the subnational adaptation task force in place, including evidence of installation/formalization via minutes, etc.	<i>* When the capacity building sessions are held, there will be a component in place on how to mainstream gender equality and social inclusion into the planning mechanisms and implementation</i> <i>* List of capacity building recipients/participants will be disaggregated by gender</i>	3.1.3a Develop one (1) NAP operation manual indicating the tasks and responsibilities of the main stakeholders, reinforcing the links among key government ministries and other institutions comprising the CICC and the National Climate Change System (SINACC) 3.1.3b Deliver three (3) Capacity strengthening sessions of the NAP steering committee regarding climate adaptation capacities, gender, operationalization and monitoring of the NAP 3.1.3c. One (1) Report documenting support to implement NAP operation manual and its enhancement, based on feedback from key stakeholders/users. 3.1.3d: 1 (one) report with recommendations to create and operationalize a subnational adaptation task force, including roles, responsibilities, governance arrangements and mission	Month 24
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.1. Adaptation planning governance and institutional coordination strengthened.	Output 3.1.4. Stakeholder engagement frameworks, agreements and awareness raising conducted or strengthened.	Indicator 3.1.4.2. Have capacity building and technical assistance initiatives been provided in the area of climate change adaptation?	Yes	* 6 (six) reports delivered * 6 (six) adaptation awareness document kits delivered * Evidence of 8 (eight) working sessions taking place, including agenda, materials, list of participants * 1 (one) consolidated report with highlights and findings from the working sessions delivered	<i>* When the capacity building sessions are held, there will be a component in place on how to mainstream gender equality and social inclusion into the planning mechanisms and implementation</i> <i>* Synergies will be made to accomodate sessions and optimize number of workshops.</i> <i>* List of capacity building recipients/participants will be disaggregated by gender</i>	3.1.4a Six (6) brief reports, outlining existing capacities and gaps per sector/adaptation component 3.1.4b Six (6) adaptation awareness document kits to inform stakeholders (one per sector/adaptation subcomponent) 3.1.4c 8 (eight) working sessions (two per adaptation subcomponent) held 3.1.4d One (1) Report documenting findings from the sessions, plus including evidence of support conducive to formalize stakeholder engagement, agreements and awareness raised	Month 24
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.2. Evidence produced to design adaptation solutions for maximum impact.	Output 3.2.1. Adaptation impact monitoring, evaluation and learning systems established or strengthened for strategic planning and investment.	Indicator 3.2.1.1. Have adaptation impact monitoring, evaluation and learning systems been established or strengthened?	Yes	* 1 (one) report with the design of a Mexico NAP MEL system * 3 (three) training sessions held with agenda, materials, list of participants * 1 (one) report with evidence of NAP MEL system adopted with evidence in the appropriate government website(s)	<i>List of capacity building recipients/participants will be disaggregated by gender</i>  <i>Scope will consider synergies and complementarities with the existing platforms and MEL systems, notable per the official BTR communications and the National Atlas for Vulnerability to Climate Change</i>	3.2.1a. Design one (1) MEL system (integrated MEL and M&E) for the scope covered by this NAP proposal, integrating existing reports and useful information on adaptation to climate change within the proposed NAP MEL system 3.2.1b Carry out 3 (three) training sessions for technical staff of relevant government institutions in the design, use and operationalization of the NAP MEL system at the national (SEMARNAT/INECC) and local (subnational authorities) levels. 3.2.1c Develop a MEL system (integrated MEL and M&E) for the scope covered by this NAP proposal, including adaptation criteria, indicators, baseline, objectives, means of verification and sources of information at the national, sectoral and local level to adequately measure the country's progress in accordance to the guidelines of the Enhanced Transparency Framework of the Paris Agreement and other international reports such as National Communications.	Month 36
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.2. Evidence produced to design adaptation solutions for maximum impact.	Output 3.2.2. Studies on climate vulnerability, and identification of adaptation solutions conducted (and used) for strengthening adaptation investment.	Indicator 3.2.2.1. Have climate vulnerability studies been conducted to strengthen adaptation planning?	Yes	* 3 (three) vulnerability and risks assessments delivered * 6 (six) adaptation reports with solutions/measures	<i>* The final scope of the assessments within 3.2.2a and b will from a prioritization exercise with key counterparts.</i> <i>* Note for 3.2.2a: In this firm's ToR, one stocktake of existing studies + vulnerabilities may be considered.</i> <i>* 3.2.2b NOTE: Rapid interventions with an integrated vulnerability approach may be part of the recommendations.</i> <i>* The recommendations will be used in Output 3.2.2b for cost benefit analysis</i> <i>* The intent is to find the optimal combination between thematic and territorial aspects for the portfolio</i> <i>* in accordance with NDC adaptation components</i> <i>* Potential analysis: Droughts for human settlements, coastal and infrastructure / roads</i>	3.2.2a Develop 3 (three) integrated vulnerability and risk assessments including inputs, in sectors/scope to be determined and in accordance of the NDC adaptation components. 3.2.2b. Develop 6 (six) reports containing recommendations for appropriate solutions, measures and good practices (in line with the NDC adaptation components)	Month 24

Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.3. Private sector engagement in adaptation catalyzed.	Output 3.3.1. Strategies, policies, and incentives developed to foster private investment in adaptation solutions.	Indicator 3.3.1.1. Have strategies to foster private investment in adaptation solutions been developed?	Yes	<p>* 1 (one) diagnosis assessment of current and potential financial instruments delivered.</p> <p>* 1 (one) report with an innovative financial instrument for adaptation delivered.</p>	<p><i>* Assessment (3.3.1a) will elicit entry points for the financial mechanism (3.3.1b), plus detect other entry points for synergies/complementarities to fund other projects and portfolios (concurrent within the GCF, but also other windows).</i></p> <p><i>* 3.3.1b could be either a guarantee, thematic bonds, etc.</i></p> <p><i>* This instrument shall be designed within the framework of the Sustainable Finance Mobilization Strategy, the Mexican Sustainable Taxonomy and other relevant policy frameworks.</i></p> <p><i>* The innovative financial instrument will be based on the findings from the prioritized sectors and/or adaptation measures.</i></p>	<p>3.3.1a Diagnosis of potential innovative financial instruments to catalyze private adaptation investment from the financial sector, assessing the feasibility of different instruments (e.g., guarantees, seed capital, etc.) and considering existing regulation. Including potential synergies with other windows Fund.</p> <p>3.3.1 b Develop one (1) innovative financial instrument (based on the previous diagnosis) to promote the implementation of prioritized adaptation measures to climate change within the framework of the Sustainable Finance Mobilization Strategy.</p>	Month 36
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.3. Private sector engagement in adaptation catalyzed.	Output 3.3.2. Assessments and knowledge products to inform the private sector on adaptation options and GCF finance developed.	Indicator 3.3.2.1. Have knowledge products to inform the private sector on adaptation options and GCF finance been developed?	Yes	<p>* 1 (one) report with methodology delivered.</p> <p>* 1 (one) report with investment portfolio for adaptation delivered, considering its structure can follow the 6 subcomponents.</p> <p>* 1 (one) report with guide of adaptation finance options</p>	<p><i>* Changed number from 5 to 6 to account for the new Adaptation Component.</i></p> <p><i>* This portfolio would estimate investment needs and financial vehicles/structures associated with the recommendations identified in 3.2.2c</i></p>	<p>3.3.2a. Develop one (1) methodology to select the most appropriate economic analysis to prioritize investment for adaptation measures aligned with deliverable 3.2.2b</p> <p>3.3.2b. Develop one (1) adaptation investment portfolio, with estimated financial cost structures for prioritized measures identified in 3.2.2b</p> <p>3.3.2c. Develop one (1) guide of adaptation finance options aligned with the EMFS (finance supply)</p>	Month 36
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.3. Private sector engagement in adaptation catalyzed.	Output 3.3.3. Capacity building provided to the Private sector on adaptation options.	Indicator 3.3.3.1. Have capacity building initiatives been provided to private sector in the area of climate change adaptation?	Yes	<p>* One (1) set of preparatory documents for the sessions, including the definition of methodology, delivery, contents and target audience of four</p> <p>* 4 (four) capacity building sessions taking place, including agenda, materials, list of participants</p> <p>* One (1) report which articulates not only the meeting minutes and participants' list, consolidated agreements and next steps</p>	<p><i>* Focus of this capacity building is territorial, but synergies will be made to accomodate sessions into 4 and optimize number of workshops.</i></p> <p><i>* List of capacity building recipients/participants will be disaggregated by gender</i></p>	<p>3.3.3a Prepare inputs for the sessions, including the definition of methodology, delivery, contents and target audience</p> <p>3.3.3b. Deliver 4 (four) capacity building sessions for the private/financial sectors on adaptation, including socialization of inversment portfolio (3.3.2b) to spark interest from the private/financial sector</p> <p>3.3.3c Deliver 1 report report which articulates not only the meeting minutes and participants' list, agreements and next steps.</p>	Month 36
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.4. Adaptation finance increased.	Output 3.4.1. Mechanisms established to prioritize adaptation options based on objective criteria.	Indicator 3.4.1.1. Have mechanisms been established to identify and prioritize adaptation options based on objective criteria?	Yes	<p>* One (1) report on the update of the methodology for adaptation measures prioritization document delivered</p> <p>* One (1) prioritized list of measures using the aforementioned methodologies</p>	<p><i>* Beyond the Cost Benefit Analysis, other complementary elements and methodologies will be incorporated.</i></p>	<p>3.4.1a One (1) report containing the design of an enhanced methodology to prioritize adaptation options/measures based on development needs, climate vulnerability, risks, existing plans and the valuation of ecosystem goods and services generated through study, vulnerability assessment, research , etc.</p> <p>3.4.1b One (1) prioritization report evidencing the application/operationalization of the enhanced methodology to review, evaluate and prioritize adaptation actions, including economic, environmental and social costs and benefits, paying special attention to the sectors prioritized by the country.</p>	Month 36
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.4. Adaptation finance increased.	Output 3.4.2. Concept notes developed for adaptation priority actions.	Indicator 3.4.2.1. Number of concept notes developed for adaptation priority actions, disaggregated by public and private financing and sector	Yes	<p>* 1 (one) set of documents providing evidence of meetings with key stakeholders (emails, briefs, meeting minutes, agenda, etc.)</p> <p>* Evidence of one (1) training session taking place, including agenda, materials, list of participants</p> <p>* 1 (one) set of documents including Adaptation Concept Note and relevant assessments generated</p>	<p><i>* Guaranteeing that there is adequate articulation and avoid duplication in implementation</i></p> <p><i>* Use previous information generated</i></p> <p><i>* Considering alignment to the NDC adaptation subcomponents</i></p> <p><i>* List of capacity building recipients/participants will be disaggregated by gender</i></p> <p><i>* Concept Note to access project preparation funds to develop full financing proposals, aligned with NDC adaptation subcomponents and relevant prioritites</i></p>	<p>3.4.2a Provide support in the selection of the adaptation sector (CN scope) proposed by DAEs and the private sector using the prioritization methodology developed for the NAP</p> <p>3.4.2b Provide one (1) Training (virtual) on the development of concept notes for relevant multilateral global climate funds</p> <p>3.4.2c Develop 1 (one) set of documents including a concept note for relevant multilateral global climate funds, plus relevant assessments carried out by the hired firm</p>	Month 36
Objective 3. National Adaptation Plans and Adaptation Planning Processes	Outcome 3.4. Adaptation finance increased.	Output 3.4.3. National systems developed for tracking adaptation national and international finance flows.	Indicator 3.4.3.1. Have national systems been developed to track adaptation national and international finance flows targeted to adaptation?	Yes	<p>* 1 (one) document with mapping and proposal/desing of a National Adaptation Finance module delivered</p> <p>* 1 (one) NAP MEL finance module (using methodology) exists as part of the NAP MEL delivered</p>	<p><i>* Strengthening links with line of work 3.2.1.</i></p> <p><i>* Financial module will be a component of the NAP MEL</i></p> <p><i>* Synergies with Sustainable Taxonomy and Sustainable Finance Mobilization Strategy (SHCP)</i></p> <p><i>* Considering complementarities with efforts of SHCP, SEMARNAT and INECC</i></p>	<p>3.4.3a 1 (one) technical report incldying the mapping of existing finance for adaptation sources, gaps, and recommendations to bridge said gaps, plus the design af a National Adaptation finance tracking</p> <p>3.4.3b. One (1) National Adaptation finance tracking module developed and incorporated into the NAP MEL platform</p>	Month 36