Mexico, an upper middle-income country, is the second largest economy in Latin America. However, as Mexico’s economy continues to grow, the country faces increasing environmental and climate change-related challenges. Rising car ownership and air pollution are reducing major urban areas to poisonous gridlock. The near-constant gridlock costs the local and national economy an estimated staggering 2.5 billion USD annually, while air pollution has long been one of the most pressing issues for Mexico’s cities and its inhabitants. For Mexico to continue growing in a sustainable way, the country will need to address:

- GHG emissions resulting from the transport sector.
- Air quality in its urban areas.
- Urban mobility, particularly as it relates to public transportation.

OVERALL OBJECTIVES

- Improve Mexico’s overall public transportation through better access and quality of service and access.
- Support the reduction of GHG emissions and local pollutants, in line with Mexico’s NDCs.

RELEVANT SDGs

11.2. By 2030, provide access to safe, affordable, accessible, and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.
RESULTS ACHIEVED IN 2017

OUTCOME 1  STATUS  ON TRACK

Recommendations to improve local transport are adopted by local government.

GGGI has initiated work and is partnering with strategic stakeholders to develop and adopt recommendations that will improve transportation systems at the local level. GGGI’s strategic approach moving forward engages potential funding partners that can contribute resources to implement sustainable transport.

OUTPUT 1.1  STATUS  DELAYED

Recommendations to improve the public transportation system are delivered to one local government.

- GGGI developed an economic and financial model to help the State of Morelos make key transportation decisions making.
- GGGI organized workshops and worked closely together with the State transport authorities to calibrate the model to capture local operating conditions and costs, and to discuss the analyses produced by the model.
- Analysis and technical support provided by GGGI led to the State of Morelos make fact-based bus technology and infrastructure acquisition decisions.
- There has been a delay due to government’s decision to postpone implementation out the necessity to divert public resources to support reconstruction of damage caused during the earthquake in 2017.

OUTPUT 1.2  STATUS  ON TRACK

Deliver recommendations to improve access to finance for the improvement of the public transport system in one local government.

- To identify and explore the use of different financial sources to fund transport initiatives, GGGI scoped and met with potential sources of funding including NADBANK, CFF (C40 GIZ), the World Bank.

ADDITIONAL RESULTS

- GGGI’s developed two addition analytical tools for the Mexico transport toolkit, which put GGGI in a better strategic position to deliver technical advice to government partners.
## PARTNERS

### LOCAL
- Ministry of the Environment (SEMARNAT)
- State of Morelos
- State of Sonora
- Mexico City

### INTERNATIONAL
- North American Development Bank
- GIZ
- C40
- WRI

## LESSONS LEARNED
- Given political considerations and the long lead time governments encounter, GGGI identified the need to develop a strategy securing funding partnerships/mechanisms, and leverage locations and partnership where the organization is already established.