Mexico, an upper middle-income country, is the second largest economy in Latin America. However, Mexico’s already strained natural resources face increased environmental and climate change related pressure as its economy continues to grow. Mexico is the 13th largest Greenhouse Gas (GHG) emitter in the world and the costs of its environmental degradation were estimated at approximately 4.6% of GDP in 2016.

The State of Sonora, in particular, has one of the highest per capita energy usage and GHG emissions in the country. The state’s natural and human capital makes it well-poised to significantly contribute to the attainment of the country’s NDC and SDG targets while delivering inclusive economic growth. For this to happen, the state must act swiftly to mainstream green growth planning to its policy and finance decision making. Notedly, the opening of the nation’s energy market represents a unique opportunity for the state to decarbonize its economy and develop local capabilities in the energy sector by scaling-up energy efficiency practices, fostering the investment renewable energy infrastructure and investing in inclusive education, research and employment.

**MEXICO**

STATE OF SONORA - SUB NATIONAL GREEN GROWTH PLANNING AND IMPLEMENTATION

**OVERVIEW**

<table>
<thead>
<tr>
<th>Country / Global Implementation</th>
<th>Mexico Upper Middle Income Country (UMIC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thematic area</td>
<td>Multi-sectoral</td>
</tr>
<tr>
<td>Project start date</td>
<td>Q2 2016</td>
</tr>
<tr>
<td>Funding source</td>
<td>Core</td>
</tr>
<tr>
<td>2017 budget</td>
<td>USD 214,583</td>
</tr>
<tr>
<td>% of budget disbursed</td>
<td>79%</td>
</tr>
</tbody>
</table>

**HIGHLIGHTS**

- Completion of scoping reports identifying areas of opportunities in the Sonora State priority areas of urban development; renewable energy; energy efficiency; water management; natural resources; solid waste and public transport.
- Creation of a Green Growth Cabinet to guide the implementation of the strategy.

**RELEVANT SDGs**

7.2. By 2030, increase substantially the share of renewable energy in the global energy mix

8.2. Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors

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

The State of Sonora prepares with the support of GGGI a State Green Growth Strategy defining a pathway toward green growth

GGGI and its government partners made considerable strides toward the State’s development of a Green Growth Strategy to guide the transition to inclusive, environmentally sustainable, economic growth:

- During the State Governor’s event to announce the preparation of a Green Growth Strategy, an MOU between the State of Sonora and GGGI was signed. This event helped galvanize support for the development and implementation of the strategy and helped to attract key partners to help in the implementation of the Strategy.
- The State Governor also launched a Green Growth Cabinet consisting of the Governor, the Chief of the Executive’s Office, the Chief of Commission for Ecology and Sustainable Development (CEDES), and the State’s Ministers of Economy, Social Development, Agriculture and Infrastructure. This Cabinet will help coordinate government efforts in the Strategy’s implementation, and will be supported by a yet to be created Advisory Board which will have representation of academics, NGOs and civil society.

RESULTS ACHIEVED IN 2017

OUTCOME 1

Scoping report identifying areas of opportunities and defining a workplan for the preparation of the State Green Growth Strategy

- In collaboration with the State government, GGGI analyzed sectoral documents, including National and State Development Plans, and GHG Inventories, among others, and engaged government officials through interviews to complete initial analysis.
- GGGI produced scoping reports with technical inputs in 7 key priority areas of the State of Sonora: urban development; renewable energy; energy efficiency; water management; natural resources; solid waste and public transport.
- GGGI and CEDES formed a steering committee to further develop the key priority areas and guide the development of the State Green Growth Strategy.

OUTPUT 1.1

STATUS

ACHIEVED

OUTPUT 1.2

STATUS

ON TRACK

Technical inputs for the preparation of the State Green Growth Strategy

- Leveraging the scoping reports and the steering committee, GGGI proposed lines of action to be the main guiding forces in the implementation of the Strategy.
- GGGI evaluated the lines of action to estimate their green growth potential and actability of implementation through a workshop for the steering committee. This workshop and the joint analyses led to significant understanding of green growth and its economic, environmental and social impacts, and the refinement of identified priority areas.
- Through the diagnosis, analyses, interviews and workshop, GGGI has prepared a complete draft of the Strategy containing a Diagnosis, Strategy (which includes the Vision, Objectives, Themes and Lines of Action), Governance and Implementation sections. The draft was approved by the steering committee.

OUTPUT 1.3

STATUS

ON TRACK

Support for the implementation of recommendations resulting from the Strategy

- With a draft Green Growth Strategy complete, GGGI reached out to key stakeholders to present the findings of the strategy, the proposed green growth implementation plans, and to develop buy-in and support for further development and implementation of the Strategy.
- This socialization and matchmaking efforts led to GGGI engaging various organizations, such as WRI, The Carbon Trust, Tetratech, MexiCO2, the Danish Energy Agency, and the signing of an MOU between Sonora and WRI.
PARTNERS

LOCAL

• Ministry of the Environment (SEMARNAT)
• State of Sonora, Ecology and Sustainable Development Commission (CEDES)
• National Commission of the Efficient Use of Energy (CONUEE)
• Promexico
• University of Sonora
• MEXICO2

INTERNATIONAL

• North American Development Bank
• WRI
• Carbon Trust
• FCO
• USAID
• Danish Energy Agency
• Tetratech

LESSONS LEARNED

• Inclusive approach: The development of and work toward Strategy implementation of the strategy has been strengthened by adopting a transparent and open approach with partner organizations, who have appreciated the matchmaking and facilitating role that GGGI has played and the boldness and willingness of the state to implement green growth. Thus, an important lesson learned has been that being vocal advocates, taking risks and getting support from the experts is key to galvanize significant support.