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Y CRÉDITO PÚBLICO

# MEXICO CLEAN TECHNOLOGY FUND INVESTMENT PLAN REVISION

CTF TFC Meeting,  
Washington DC  
May 2, 2013

1. The CTF in Mexico
2. Project Status
3. Revision of the Investment Plan for Mexico
4. Mexico Investment Plan Phase II



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# 1. The CTF in Mexico



- The Investment Plan (IP) for Mexico, approved in January 30, 2009.
- Total amount, **USD 500 million:**
  - 1) Urban Transport
  - 2) Renewable Energy
  - 3) Energy Efficiency
- **USD 5,697 million of co-financing**

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## 2. Project Status



• **Private Sector EE Energy Efficiency Part I (Commercial Banking Component)**

- The projects will promote EE lines in commercial banks for companies and municipalities

• **Public Sector EE Part II (ECOCASA Program)**

- The project will finance bridge loans to developers to implement energy efficiency measures in social housing

• **Efficient Lighting and Appliance Project**

- Replacement of incandescent bulbs with compact fluorescent lamps and replacement of old and inefficient domestic appliances.

IDB

IBRD

- **Private Sector RE Program**

- EURUS 250 MW wind farm built and operating
- Solar photovoltaic projects identified

- **Public Sector RE Program**

- CTF resources catalyze investments through NAFIN with the goal of installing 1000 MW
- Wind projects under construction and pipeline being finalized

- **La Ventosa Project**

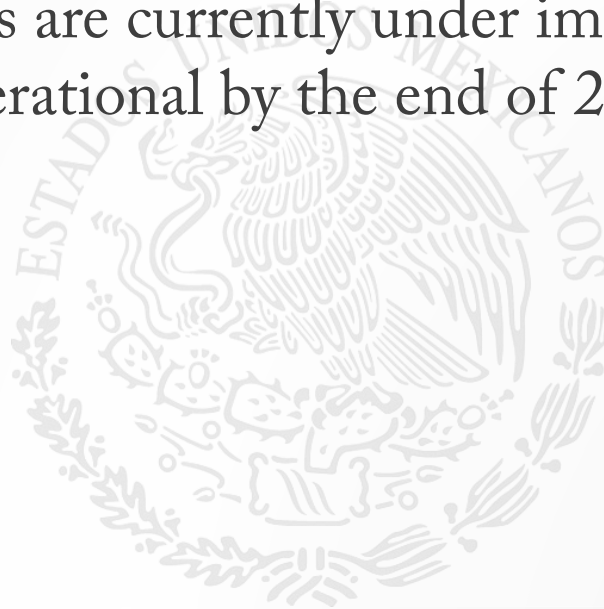
- 67.5MW wind farm in operation

IDB

IFC

**IBRD**

- Urban Transport Transformation Program (UTTP)
  - BRT project in Monterrey progressing well
  - 9 projects are currently under implementation, six expected to be operational by the end of 2013





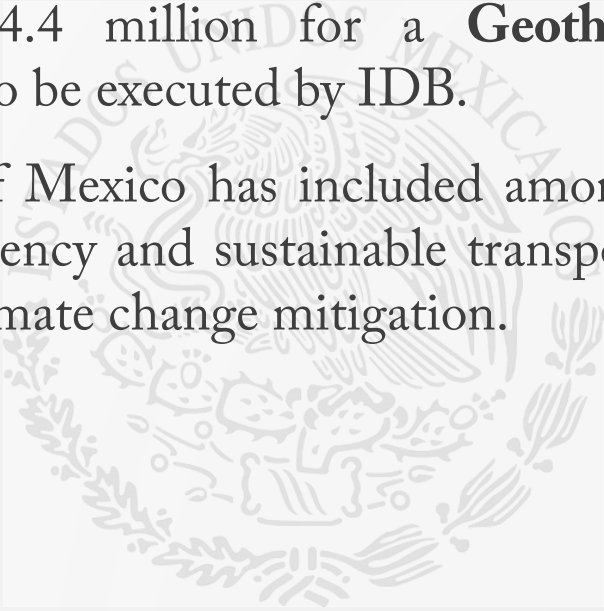
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# 3. Revision of the Investment Plan for Mexico



## INVESTMENT PLAN REVISION

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- An amount of USD 34.4 million is pending of endorsement, it was originally allocated to energy efficiency and renewable energy private sector projects to be developed with the support of the IFC.
  - After evaluating several options, the Government decided to allocate the remaining USD 34.4 million for a **Geothermal Exploration Risk Mitigation Project** to be executed by IDB.
  - The Government of Mexico has included among its priorities **renewable energy**, energy efficiency and sustainable transport actions for low carbon development and climate change mitigation.
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## INVESTMENT PLAN REVISION (2013)

Project	MDB	Approval Date TFC	Approval Date MDB	CTF Funding (USD million)	Leverage (USD million)
Urban Transport Transformation	IBRD	Oct-2009	Mar-2010	200.0	1,975
Efficient Lighting and Appliances	IBRD	Sep-2010	Nov-2010	50.0	664
Public-Private Renewable Energy (IABD) Part I	IDB	Nov-2009	Jun-2010	53.4	600
Renewable Energy III	IDB	Oct-2011	Nov-2011	70.6	2,290
Private Sector Energy Efficiency Parte I	IDB	May-2011	May-2013	24.4	108
Eficiencia Energética Parte II (Ecocasa)	IDB	Aug-2012	Dec-2012	51.6	249
Private Sector Energy Program (Private Sector Wind Development - La Ventosa)	IFC	May-2009	Jul-2010	15.6	173.9
Geothermal Exploration Risk Mitigation Project	IDB	Nov-2013	Dic-2013	34.40	115.6
<b>TOTAL</b>				<b>500</b>	<b>6,175.5</b>

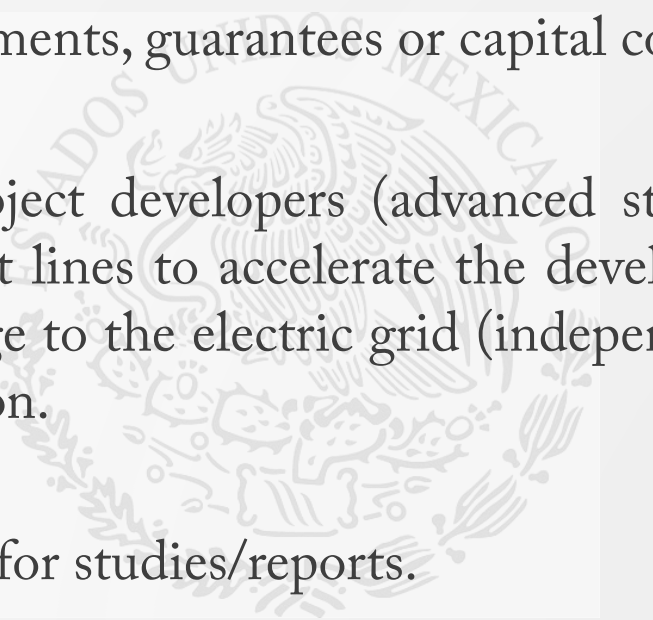
- Geothermal exploration risk mitigation projects will replace other renewable and energy efficiency projects.
- CTF's leverage is increased from USD 5,697 to USD 6,175.5

# GEOHERMAL EXPLORATION RISK MITIGATION PROJECT (IDB)

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- **Description** (USD 34.4 million):

It aims to encourage private investment in geothermal energy:

- i. Exploration risk reduction Mechanism (initial phase) through insurance instruments, guarantees or capital contributions.
  - ii. Funding for project developers (advanced stage) through loans or contingent credit lines to accelerate the development of geothermal projects discharge to the electric grid (independent producers) or for self-consumption.
  - iii. Grant resources for studies/reports.
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# GEOHERMAL EXPLORATION RISK MITIGATION PROJECT (IDB)

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- Outputs and outcomes:
  - Geothermal capacity with financed exploration: 50 MW (first project)
  - Third party mobilized resources through the financed projects (exploration and development) = USD 115.6 million
  - Reduction of GHG emissions= 0.21Mt CO<sub>2</sub>e/year

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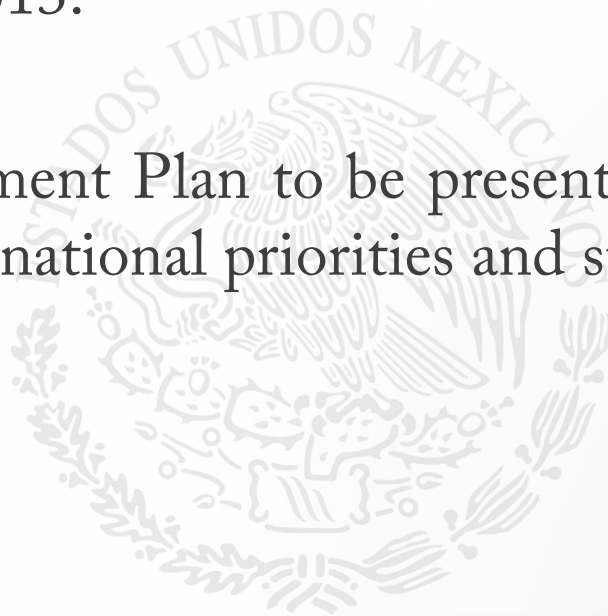
## 4. Mexico Investment Plan Phase II



## MEXICO INVESTMENT PLAN PHASE II

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- Mexico confirms the interest in preparing a Second Phase of the CTF Investment Plan for Mexico, to be submitted in the second half of 2013.
- The new Investment Plan to be presented, will be completely aligned with the national priorities and strategies.





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Gracias  
Thank you

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