

# Mexico: Decentralization of Sustainable Energy Programs to Expand Access to Energy Services

Title: Decentralization of Sustainable Energy Programs to Expand Access to Energy Services

Program Area: Energy Sector Governance Implementer: PA Government Services

Geographic Focus: Latin America
Country: Mexico

Duration: February - December 2003



## Project Background

Improved access to reliable and affordable energy services has been a key objective of USAID energy programs in Mexico. USAID has been active in the promotion of renewable energy and energy efficiency in Mexico over the last 8 years. The Government of Mexico has expressed its desire for continued support of these programs, moving towards building a greater capacity for renewable energy, efficiency and rural energy project identification and implementation at a state and local government level.

## **Development Objective**

The objective of this assistance is to strengthen the development of state and local capacity in energy matters. Greater capabilities at the local government levels, along with federal agencies, that supports this devolution of responsibility will lead to increased development of efficiency and renewable projects as well as rural electrification, resulting in better access to energy with less environmental impact.

## Approach

The project approach is to work closely with the Mexican Secretary of Energy (SENER) to develop a policy and program framework that will ensure SENER's support for state and local government energy agencies.

## **Project Partners**

The Mexican Secretary of Energy (SENER), through the Subsecretary for Energy Policy and Technology Development, is the only project partner on this activity.

## **Project Activities**

Four key project activities have been carried out to date, as described below:

- 1) Preparation of a SENER policy statement on promoting renewable energy and energy efficiency. USAID assistance covered the task of preparing an explanation of the policy for promotion of energy efficiency and renewable energy at the state level. The process for finalizing this statement involved ongoing consultation with SENER staff at different levels, and helped evolve the thinking at SENER regarding support to the states.
- 2) A state-by-state analysis of available energy generation and consumption data. Samples of data from CFE, SENER and other sources were assembled in a consistent format for all the states. Some comparison analysis among states was provided. Such data is not readily available in Mexico, and this kind of comparison had not recently been done.
- 3) A survey of state agencies to identify their knowledge, activities and priorities in energy efficiency and renewable energy programs. A survey was designed, reviewed closely with SENER, and sent to state-level agencies such as Economic Development, Social Development or others. Results were received from more than 2/3 of the states, and were tabulated and analyzed in a draft report. These results also informed the design of the national-level conference on

- state-level support for energy efficiency and renewable energy projects.
- 4) Organization of a national conference of state-level energy representatives, experts in the field, and donors, sponsored by SENER. Working closely with SENER, USAID prepared the conference agenda, organized conference logistics and helped SENER obtain funds from other donors to offset the conference cost. PA helped organize the group sessions and report on conference results. Over 120 persons representing 25 states and key federal agencies attended the conference. In addition to information transfer to the states, key outcomes of the conference were an identification of states' problems and needs, and recommended actions for supporting state-level efforts in energy project development.

In addition, the USAID-funded energy efficiency and renewable energy expert located at SENER has participated in ongoing meetings, provided input on a day-to-day basis on policy discussions and strategies, and assisted in data analysis and information requests.

Key future activities are to use the results of the analyses to design and implement a policy of SENER to provide support to state-level agencies in energy efficiency and renewable energy. This may include specific work plans for both SENER and state agencies, and an initial training and information program.

## **Project Results**

The key project result to data in the initiation of a process to transfer some authority and responsibility over energy issues, from the federal government, to state and local entities. State-by-state energy data has been gathered and reported, and priorities and needs of the states in energy matters have been identified. At the same time, SENER staff has been impressed by the interest, ideas, good will and potential that the states posses regarding energy issues. These results are now being distilled to develop the SENER policy towards building state capabilities in the energy area.

## **Development Impact**

To the extent that the states can develop local solutions to energy problems and

opportunities, there will be a positive impact on development. With local support for energy efficiency, renewable energy and rural electrification projects, these will more readily proceed to implementation, bringing increased access to clean, affordable and efficient energy resources, technologies and services.

## **Lessons Learned**

Effective linkages among federal, state and local governments on issues of common concern can help move development programs forward. Local interests and commitment are key to successful implementation of program activities.

#### **USAID Contact**

Jeff Haeni
Office of Infrastructure and Engineering
+1 202 712 0546
jhaeni@usaid.gov

Jorge Landa USAID/Mexico jlanda@usaid.gov

#### **Project Contact**

Mark Oven
PA Government Services Inc.
+1 571 227 9000
mark.oven@paconsulting.com