











Programa México-Dinamarca en Energía y Cambio Climático

## Voluntary Agreement Scheme for Energy Management Systems in Energy Intensive Industries

the Energy Efficiency (EE) Under component of the Mexican-Danish Climate Change Mitigation and Energy Program (CCMEP) Denmark has co-operated with CONUEE to develop a Voluntary Agreement scheme for Energy Management Systems in energy intensive industries, defined in mexico as UPACs (Usuarios de Patron de Alto Consumo) as mandated by the Energy Transition Law and its secondary legislation.

Voluntary Agreements (VA) for EMS in industry is one of the most cost-effective measures to reduce energy consumption and hence greenhouse gas emissions and this measure has been been implemented by more than 30 countries worldwide. The objective of this project is to develop a full proposal for a VA scheme in Mexico based on international experiences and adapted to the Mexican context.

## **OUTPUTS:**

- Screening of international experiences, and description of selected international VA schemes (US, Chile, Denmark, Ireland, Australia, and Spain);
- Review prepared of relevant Mexican legislation and other voluntary schemes in place in Mexico;
- A VA scheme has been developed for Mexico with two phases: a pilot phase for 10-20 industries during 2017-2018 and a phase 2 that will be open to all industries defined as UPACs from 2019;
- Options for incentive schemes to accompany the VA scheme have been explored and discussed with Mexican authorities;
- The actual agreement text has been developed and approved by CONUEE including annexes with formats for required energy data, the proposed energy saving goal, action plan to achieve the goal and incentives (only recognition by government so far).
- 3 workshops have been held with large industries and industry associations to present international experience and

- the proposed Mexican scheme and feedback received and incorporated;
- Technical visits to individual energy intensive industries in the iron and steel and cement sectors have been made to assess their energy saving potentials and inspire them to join the scheme;
- Rough analyses of the potential costs and benefits for individual industries and for society have been prepared;
- Guidance on the administrative set up and proposal for a Monitoring and Verification system prepared;
- A study tour to Denmark for a small team of relevant staff at Conuee.

## **OUTCOME:**

- Agreement reached on a national Voluntary Agreement scheme for energy intensive industries has been reached with support from industry.
- The first agreement(s) are expected to be signed in August 2017

## Saving potentials, rough estimate:

• 5-10% of the energy consumption in large industry corresponding to 30-60 PJ annually or 5 Mt CO2e if all UPACs entered the scheme plus all the co-benefits.



The Voluntary Agreement Scheme is being well accepted by the most important industrial companies in Mexico. In the near future, energy saving programs in Mexico, by the private sector, will be done through the voluntary agreements scheme

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