



E2KW
2013

Energy and Environment
Knowledge Week
Toledo, Spain
20th-22nd – November



Powers of the municipality in Mexico for the use of environmental economic instruments

Tania García López



Universidad Veracruzana



**E2KW
2013**

**Energy and Environment
Knowledge Week**

Toledo, Spain
20th-22nd – November



- ▶ Principle of concurrency between the three levels of government (federal, state and municipal) is the basis for the distribution of environmental powers in the country, according to Article 73, Section XXIX G of the Mexican Constitution



**E2KW
2013**

**Energy and Environment
Knowledge Week**
Toledo, Spain
20th-22nd – November



- ▶ Environmental economic instruments are defined in Article 22 of the National Environmental Law, LGEEPA, which distinguishes between:
 - Tax instruments
 - Financial Instruments
 - Market instruments



**E2KW
2013**

Energy and Environment
Knowledge Week
Toledo, Spain
20th-22nd – November



- ▶ Tax instruments
- ▶ Municipalities can develop and adopt tax economic instruments, according to the powers that tax legislation provide to them.
These tax instruments (taxes and tax incentives) should be directed to the achievement of the objectives of the municipal environmental policy, which does not mean, in the specific case of taxes, that these be affected to cover environmental expenses.



**E2KW
2013**

Energy and Environment
Knowledge Week

Toledo, Spain
20th-22nd – November



Not only is it possible to create new taxes on environmental issues at the municipal level but also feasible to incorporate environmental concerns into existing ones, for example in the property tax, by performing desirable behaviors towards the environment (reforestation, green terraces ...)



**E2KW
2013**

Energy and Environment
Knowledge Week
Toledo, Spain
20th-22nd – November



Financial instruments

In regard to the requirement of liability insurance or bonding at a given municipality can be as long as the area in which it is imposed under municipal jurisdiction. A concrete example would be if for the award of waste management to a private company it is demanded to provide these guarantees.



**E2KW
2013**

**Energy and Environment
Knowledge Week**
Toledo, Spain
20th-22nd – November



Municipalities have powers to take action to preserve and restore the natural heritage resources of the municipality, whose care is not reserved to the federation or state government.

The municipality has the following mechanisms for this purpose:

- zoning;
- promotion and management of protected areas;
- protection of the quality of urban and rural landscape;
- protection of wildlife;
- promotion of sustainable forest development activities;
- promoting the formation of public and private organizations for the administration of urban parks and environmental conservation in the population centers.