

INVESTING FOR SUSTAINABLE DEVELOPMENT:

HOW DOES MEXICO INVEST IN THE
 **SUSTAINABLE
DEVELOPMENT**  **GOALS**



In Mexico, in the framework of the **Sustainable Development Goals Specialized Technical Committee**, led by the Office of the Presidency and the National Institute of Statistics and Geography; the Ministry of Finance and Public Credit, alongside the United Nations Development Programme, partnered up to define suitable **mechanisms** to **link the budget with the** 2030 Agenda.

OBJETIVE:

To estimate the amount of budget that **contributes** to accomplish the **Sustainable Development Goals** (SDGs) from a **Management for Results** perspective.

BACKGROUND:

In 2015, the countries member of the **United Nations** (UN) approved the **2030 Agenda**, with its 17 SDGs and 169 targets. This new agenda strengthens and deepens the achievements made through **2000's Millennium Development Goals**.



Without budget **information** we **can't know** if we are **investing correctly** and it becomes more difficult **to monitor actions** and their **results**.



RESULTS

✓ We **identified the link** of the **current national planning** (medium-term) with the **long-term global agenda** (SDGs).

✓ We know **which existing programs** contribute to SDG achievement.

Therefore:

✓ **Mexican government** has the **necessary inputs** for **implementing a long-term strategic planning** towards the 2030 Agenda, as well as for **monitoring** its **advances** and **results**.

✓ Public policy **decisions** and **budget allocations** can be made based on an **initial diagnosis** of how much is currently invested in each SDG and what **actions** are **done** at the time.





The link **between budgets** and **SDGs** is **not direct**, therefore **Mexico used** the following **basic elements** of its institutional architecture to address it:

- 1) National Planning
- 2) Programmatic Structure based in Budgetary programs
- 3) Performance Evaluation System



Having **homologated information** is **basic** for **comparison**, consolidation and monitoring of public resources.



CORE ELEMENTS TO LINK BUDGETS AND SDGS

1) NATIONAL PLANNING

In Mexico, National Planning has **three** main levels:

1. “A nation project” which is the intended **image of the country**, which **expresses** our **national aspirations** and is stated through the National Development Plan (**NDP**).

2. The programs that stream down the NDP, which **stablish more specific, high level objectives**, through which the NDP will be accomplished.

3. The organization of the **resource allocations** through **budgetary** programs that **reflect** the **actions** to be done in order to **accomplish the objectives** of the programs that stream down the NDP.

2) PROGRAMMATIC STRUCTURE BASED IN BUDGETARY PROGRAMS

A **Budgetary program** (Bp), according to the World Bank, is a **spending category** based in **groups of goods** (or supporting services) with a **common objective**, which is often a result. The Bp is, therefore, the foundation stone of the **Performance Based Budgeting and the Performance Evaluation System**.

Also, in order to **systematize** the **public resources**, in Mexico we use a **programmatic structure** based in Budgetary programs which allows us to **group** the **public allocations representatively** and **homogenously**.



3) PERFORMANCE EVALUATION SYSTEM (PES)

It is an element within the Mexican institutional architecture that **inserts itself in** the **budgetary process** through the **Management for Results perspective**.

The PES is the ensemble of methodological elements that enable the **objective assessment** of **program performance through the verification** of the level of fulfillment of pre-established **targets** and **goals**, based in indicators **structured** in a **Matrix of Indicators** for Results (**MIR**).

The PES provides **performance information** in the framework of a **programmatic structure** based In Bp through two processes:

Monitoring

Of the programs' performance
through **indicators**

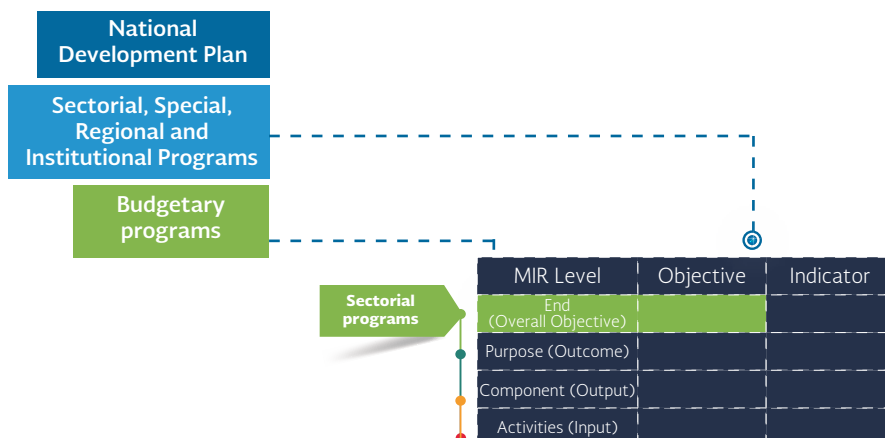
Indicators are structured in a **MIR**, built through the **Logical Framework Approach**.

Evaluation

Which is external, by
independent experts

Based in systematic, objective analysis of the federal programs, **to determine** their **congruence** and **analyze** the **fulfillment of** their **goals** and **targets**, as well as to **identify** their **efficiency**, **efficacy**, **quality**, **results**, **impact** and **sustainability**.

Through the **MIR** it has been possible **to link** the **Bp** to the **National Planning** with a **Management for Results** perspective, as shown by the following diagram:



What are the steps to take to estimate

Linking

1 - ANALYZE

Analyze the **linking** between SDG and National Planning.



2 MATCH THE BP

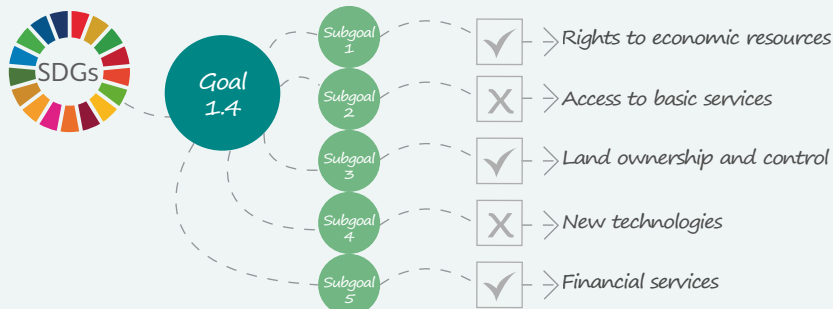
Match the Bp through the Performance Evaluation System, which will **automatically render the alignment** with the SDGs.



WHAT HAPPENS WHEN THE SDGs HAVE MANY PURPOSES?

We **identified sub-goals**. This allows the Bp's responsible to define in an exact way **to which of them (sub goal) their program is linked**, indicating that their **linkage is partial**.

5



Quantifying



the budget that contributes to the SDGs?

3 EVERYONE PARTICIPATES

In order for all of us to understand the same, is necessary to create a **glossary**. On the basis of the same definitions, **Ministries** and **Entities** review the proposal for **linkage** and **integrate possible** additional links not covered in step one.



4 WHERE TO APPLY IT?

Only to spending that fits into programs (**programmable spending**), that is, **not to debt or allocations that are not aligned to governmental offices'** objectives.



6 HOW DOES THE BUDGET CONTRIBUTE TO THE GOAL OR SUBGOAL?

There are two cases of linkage at the spending concept level: **1)** when the **contribution is direct** and **2)** when the budget can **generate conditions** to achieve the **goal or sub goal: indirect contribution**.

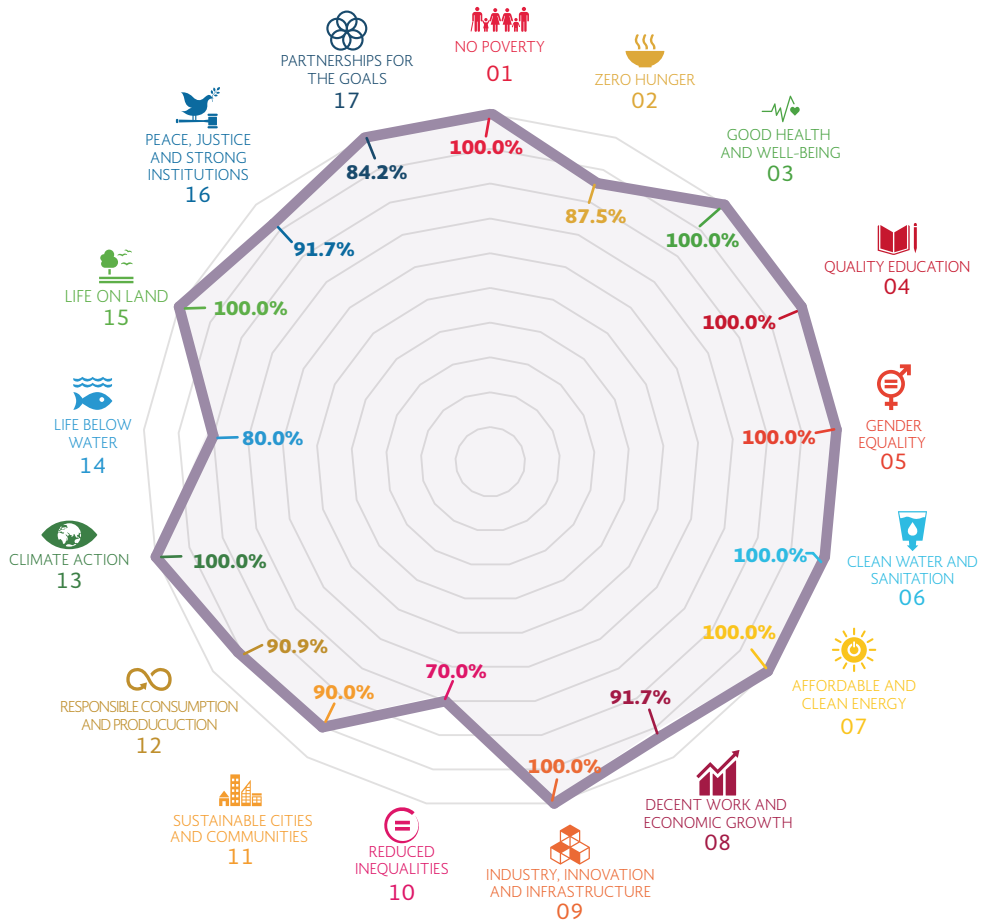
7 SYSTEMATIZE RESULTS

Create an **homologated instrument** to allow **analysis** of the **information** generated on **previous steps** so that the exercise is sustainable. For this purpose, an excel **macro** was developed with the information of the Bp and **sent** to the **governmental offices**, whom subsequently **reviewed** and **analyzed what is registered**.



SDG GOALS LINKED TO BUDGETARY PROGRAMS

 % of **SDG** goals linked to any **Bp**

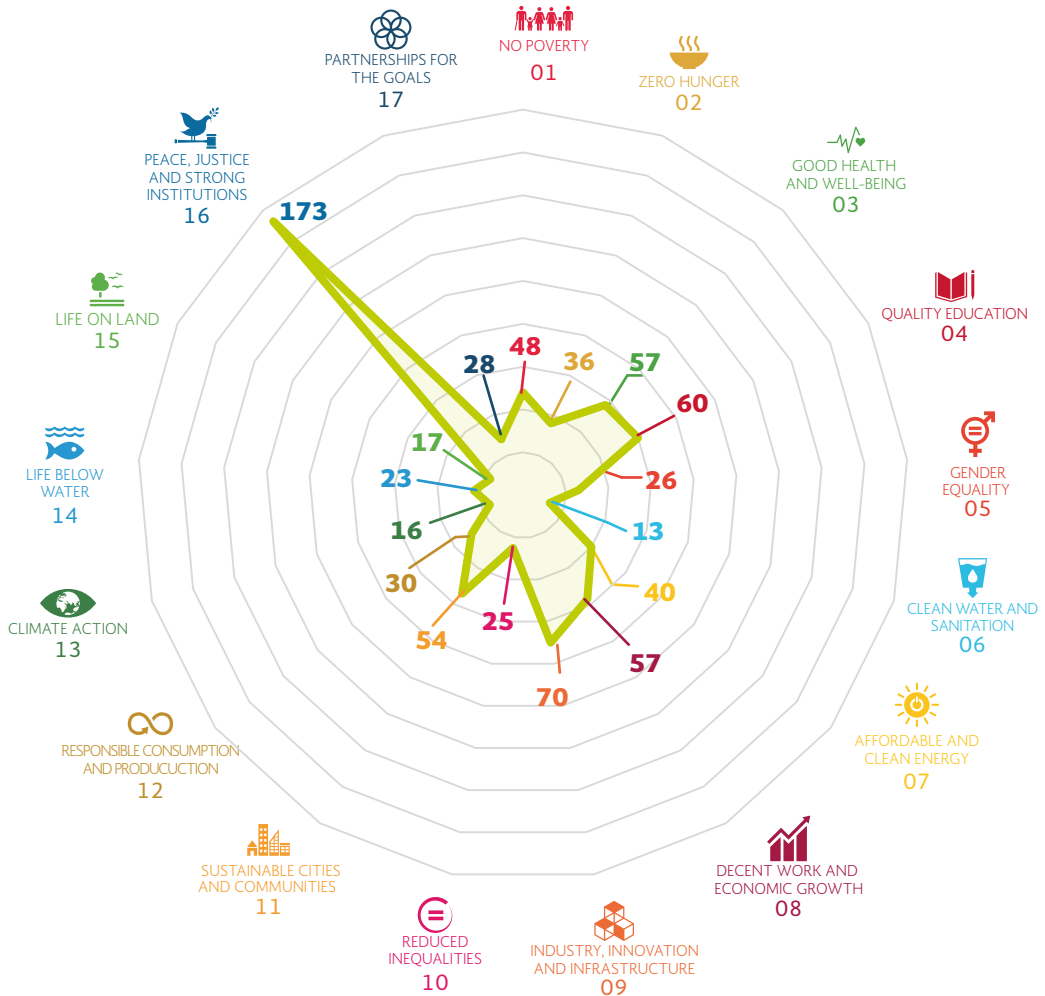


*Data proceeds from the linkage of SDGs with Federal Programs with proposed budget allocation at the 2018 Executive's Budget Proposal, and whose results are detailed in the [Explanatory Memorandum](#).



NUMBER OF BP LINKED TO EACH SDG

Number of **Bp** linked to each **SDG**



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NEXT STEPS...

SPREAD THE VOICE

To get the information and results closer to different sectors.

- ✓ **Show what has been done** until now and communicate our **starting point and what remains to be done.**
- ✓ **Spread the information public spending for every Sustainable Development Goal (SDG)** to identify **opportunities** for public deliberation without forgetting to foster **private investment.**
- ✓ **Incorporate subnational governments** to the implementation of the same mechanisms **to work together for a better country.**
- ✓ **Integrate student** and **youth associations** and **motivate** them to **act** for **their future.**

To **know more** about **Mexico's public spending** visit our **Fiscal Transparency Portal:**



transparenciapresupuestaria.gob.mx



START THE CONVERSATION

INCENTIVIZE THE PARTICIPATION OF OTHER SECTORS.

Once the information is available and widely known, it is possible for different sectors to **participate** effectively. With this information about where we are and which governmental **actions** already invest in the Agenda, we can talk about the road ahead:

📦 **Panel discussions** with civil society organizations specialized in each SDG, academy and different productive sectors.

📦 **Citizen participation** schemes monitor the progress made on the goals and targets.

📦 **Coordination strategies** with subnational governments, the Legislative and Judiciary.

📦 **International** cooperation.

These are just the first steps. To achieve the SDGs it is necessary **that everyone knows this information and takes action.**



To **reach** the **Sustainable Development Goals** represents a big challenge for a **better world**, but if **we work together**, we **will make it happen**.

