INVESTING FOR SUSTAINABLE DEVELOPMENT:

HOW DOES **MEXICO** INVEST IN THE **SUSTAINABLE DEVELOPMENT** G**O**ALS

In Mexico, within 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, with the feedback of the United Nations Development Programme, defined suitable **mechanisms** to **link the budget** with the **2030 Agenda**.

OBJETIVE:

To identify the actions (Budgetary programs [Bp]) that **contribute** to accomplish the **Sustainable Development Goals** (SDGs) from a **Management for Results perspective**.

BACKGROUND:

In 2015, the member countries 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 the **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**.

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

Sustainable Development Goals

National Planning

Programmatic Structure

Budget

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

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 **establish more specific, high level objectives**, through which the NDP will be accomplished.

3. The organization of the **resource allocations** through **Bp** 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 **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 Bp 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** within the framework of the **programmatic structure** based on Bp through two processes:

Monitoring
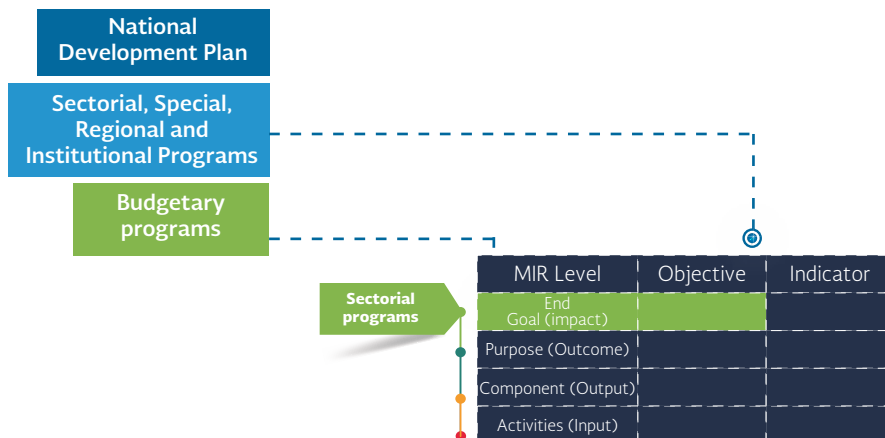Of the programs' performance through **indicators**

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

Evaluation
Which is external, by **independent experts**

Based in systematic and 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:

MIR Level	Objective	Indicator
End Goal (impact)		
Purpose (Outcome)		
Component (Output)		
Activities (Input)		

What are the steps to we followed estimate

Analyzing

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

Mexico in peace
Inclusive Mexico
Mexico with quality education
Prosperous Mexico
Mexico with global responsibility
Democratize Productivity
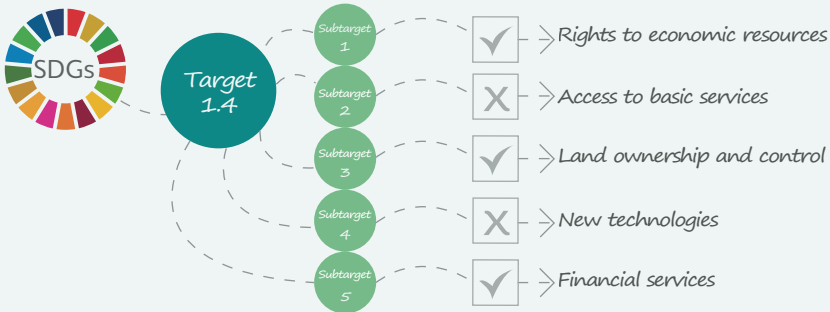Close and Modern Government
Gender Perspective

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

Linking

5 WHAT HAPPENS WHEN THE SDG´s HAVE MANY PURPOSES?
Identify subtargets. Each Bp **can determine** to which part of a target it contributes given that in many cases **a target can include** a wide range of **variety on the topics it addresses**.

SDGs → Target 1.4

- Subtarget 1 — ✓ → Rights to economic resources
- Subtarget 2 — ✗ → Access to basic services
- Subtarget 3 — ✓ → Land ownership and control
- Subtarget 4 — ✗ → New technologies
- Subtarget 5 — ✓ → Financial services

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 BUDGETARY PROGRAM CONTRIBUTE TO THE GOAL?

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 **target** or **subtarget: indirect contribution**.

7 SYSTEMATIZE RESULTS

To guarantee the **institutionalization** of the process and allow its **sustainability** over time, the defined **methodology** was implemented as part of the **programming** and **budgeting** process for 2018, both in norms and e-systems. Furthermore, the reforms to the National Planning Law make our advances sustainable in the long run.

RESULTS

☑ We **identified the link** of the **current national planning** (medium-term) with the **2030 Agenda** and its SDG's (long-term)".

☑ We know **which existing programs** contribute to SDG's achievement.

Therefore:

☑ **Mexican government** has the **necessary instruments and 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.
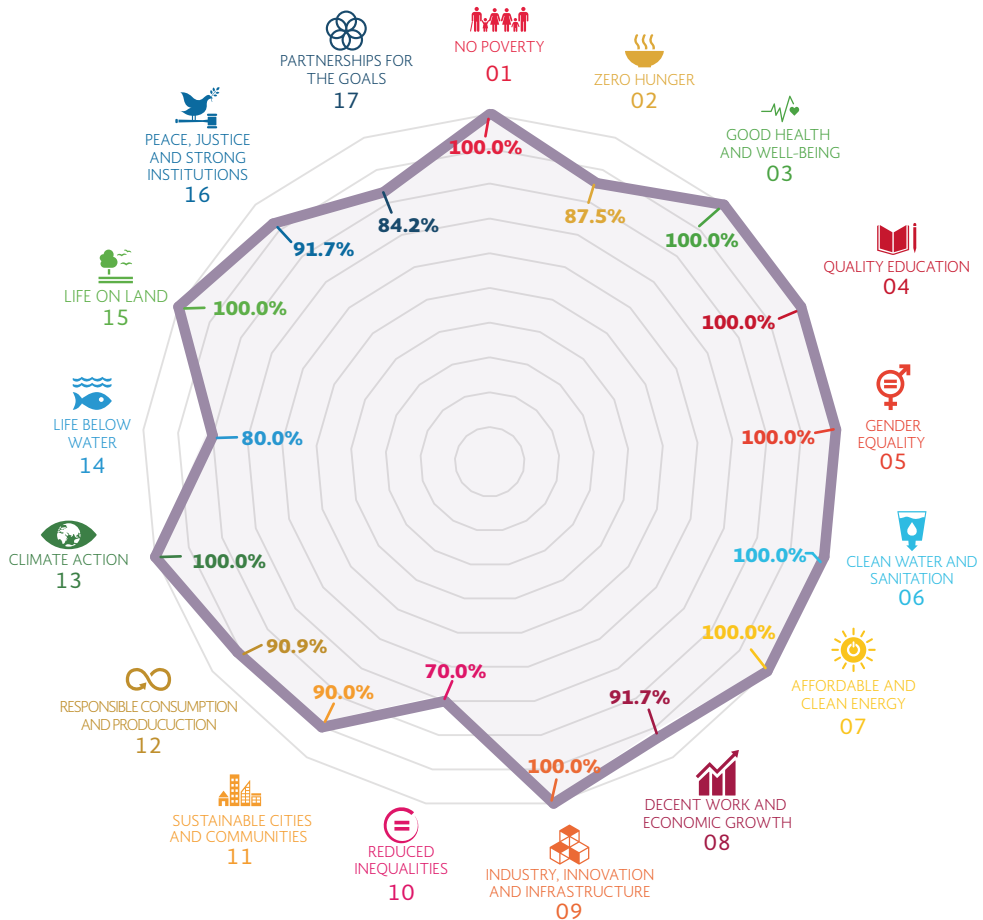
The **methodology** and **implemented actions** presented in this **document were designed** to be **replicated by other countries** or levels of **Government** with **similar institutional architectures**.

SDG´s GOALS LINKED TO Bp

☐ **% of SDG´s** goals linked to any **Bp**

PARTNERSHIPS FOR THE GOALS
17

NO POVERTY
01

ZERO HUNGER
02

GOOD HEALTH AND WELL-BEING
03

PEACE, JUSTICE AND STRONG INSTITUTIONS
16

QUALITY EDUCATION
04

LIFE ON LAND
15

GENDER EQUALITY
05

LIFE BELOW WATER
14

CLEAN WATER AND SANITATION
06

CLIMATE ACTION
13

AFFORDABLE AND CLEAN ENERGY
07

RESPONSIBLE CONSUMPTION AND PRODUCCTION
12

DECENT WORK AND ECONOMIC GROWTH
08

SUSTAINABLE CITIES AND COMMUNITIES
11

INDUSTRY, INNOVATION AND INFRASTRUCTURE
09

REDUCED INEQUALITIES
10

100.0% 87.5% 100.0% 100.0% 84.2% 91.7% 100.0% 100.0% 80.0% 100.0% 100.0% 100.0% 100.0% 90.9% 90.0% 70.0% 91.7% 100.0%
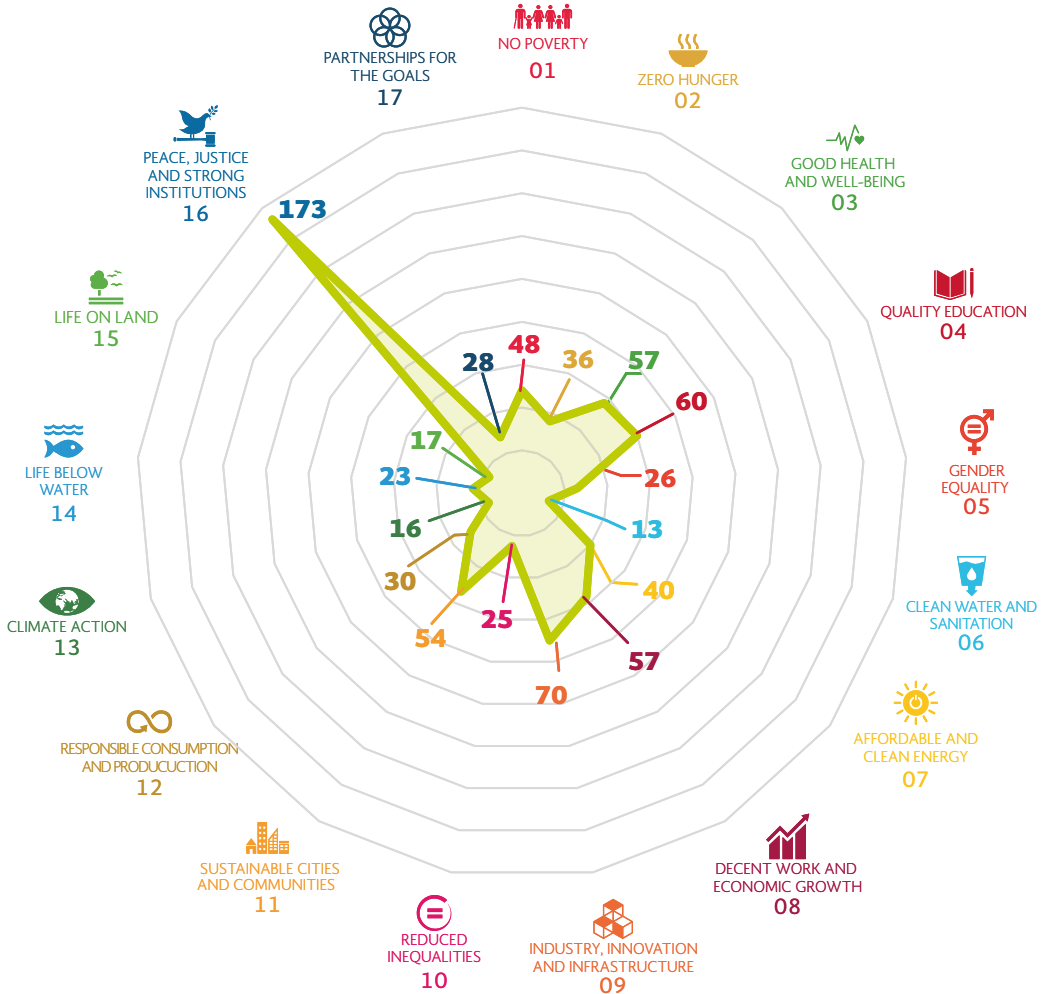
*Data was extracted from the linkage of SDGs with Federal Programs for the 2018 Executive's Budget Proposal, and whose results are detailed in the Explanatory Memorandum.

NUMBER OF BP LINKED TO EACH SDG

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

NO POVERTY
01

ZERO HUNGER
02

PARTNERSHIPS FOR
THE GOALS
17

GOOD HEALTH
AND WELL-BEING
03

PEACE, JUSTICE
AND STRONG
INSTITUTIONS
16

QUALITY EDUCATION
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11

REDUCED
INEQUALITIES
10

INDUSTRY, INNOVATION
AND INFRASTRUCTURE
09

Values: 173, 28, 48, 36, 57, 60, 26, 13, 40, 57, 70, 25, 54, 30, 16, 23, 17

*Data was extracted from the linkage of SDGs with Federal Programs for the 2018 Executive's Budget Proposal, and whose results are detailed in the Explanatory Memorandum.

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 regarding the linking results for every 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**:

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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 2030 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 to 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.**