INVESTING FOR SUSTAINABLE DEVELOPMENT:

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

**OBJECTIVE:**
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

Having homologated information is basic for comparison, consolidation and monitoring of public resources.
CORE ELEMENTS TO LINK BUDGETS AND SDG’s

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 (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

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

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

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:
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.
the budget that contributes to the SDGs?

3 EVERYONE PARTICIPATES
In order for all of us to understand the same, it 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**.
*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

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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 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.