

INVESTING FOR SUSTAINABLE DEVELOPMENT:

HOW DOES MEXICO INVEST IN THE SUSTAINABLE DEVELOPMENT GOALS



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**

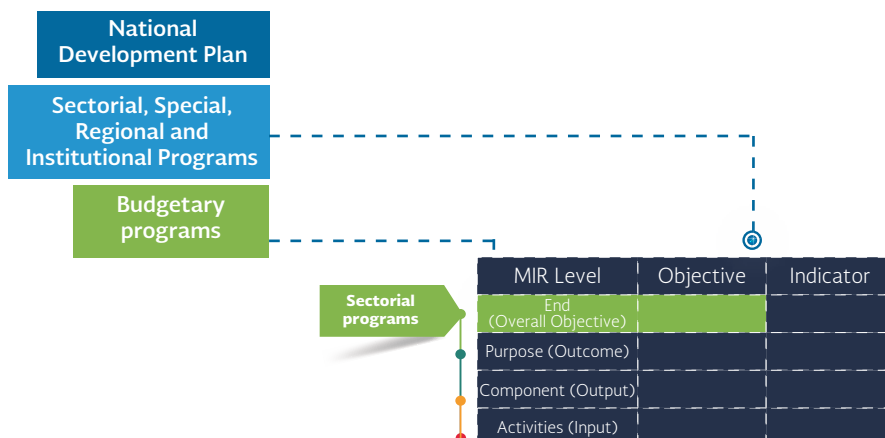
Indicators are structured in a **MIR**, built through the **Logical Framework Approach**.

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.

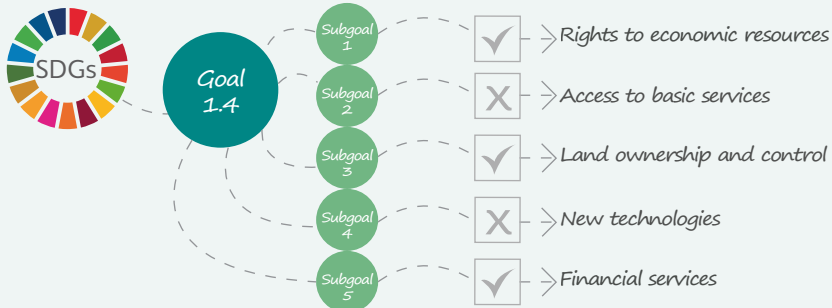


WHAT HAPPENS WHEN THE SDGs HAVE MANY PURPOSES?

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**.

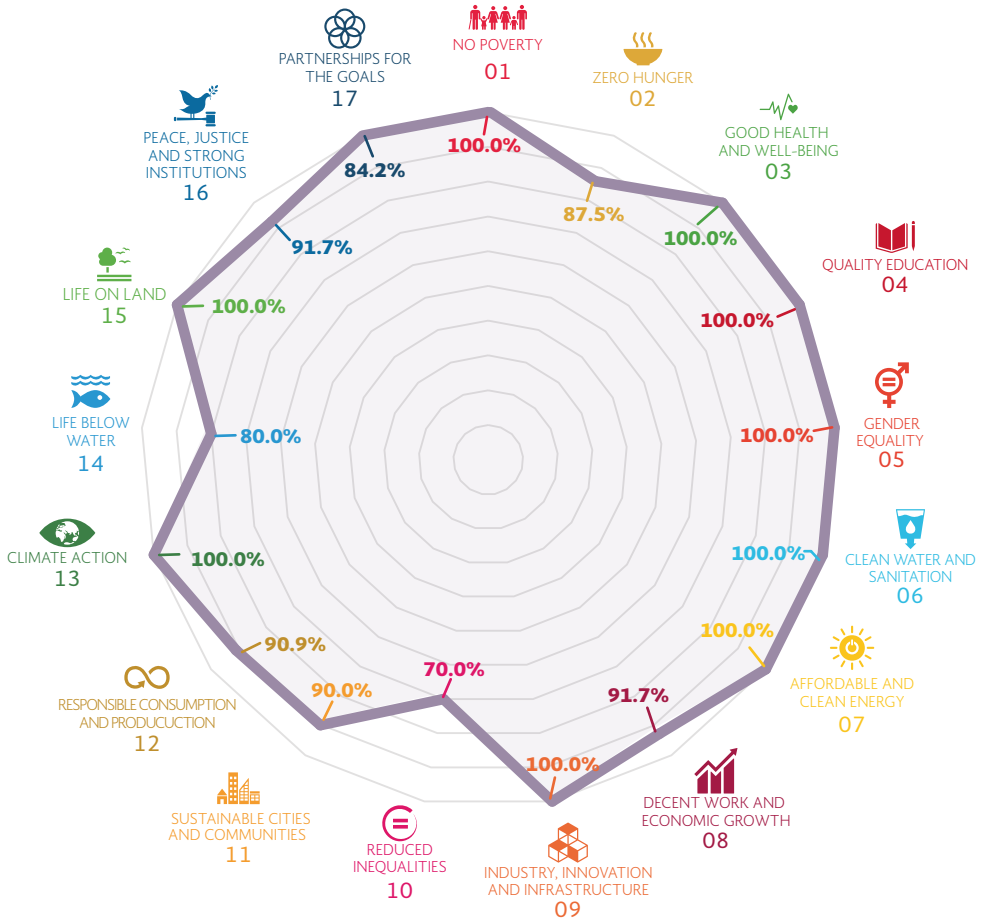
7 SYSTEMATIZE RESULTS

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**

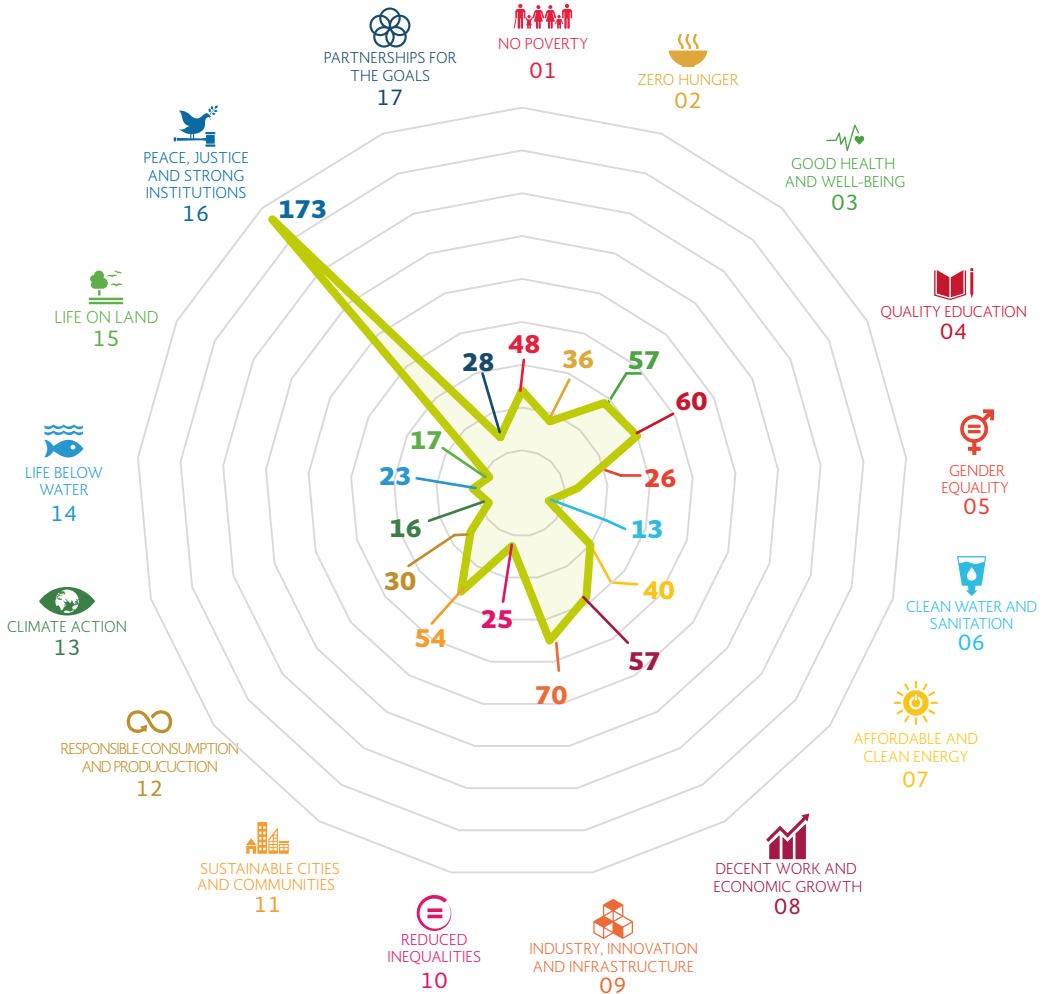


*Data proceeds from the linkage of SDGs with Federal Programs with proposed budget allocation at the 2018 Executive's Budget Proposal, and whose results are detailed in the Explanatory Memorandum.



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**.



 **SUSTAINABLE DEVELOPMENT GOALS**

