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**.

**OBJECTIVE:**
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.
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 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 the budget that contributes to the SDGs?

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**.

**Quantifying**

- **Goal 1.4**
  - Subgoal 1
    - Rights to economic resources
  - Subgoal 2
    - Access to basic services
  - Subgoal 3
    - Land ownership and control
  - Subgoal 4
    - New technologies
  - Subgoal 5
    - Financial services
What are the steps to take to estimate the budget that contributes to the SDGs?

**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.

**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**.

**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**.

**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**.
*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

*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.*
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

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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 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**.

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**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.