

REPORT

Mexico's progress in the implementation of the principles of effective development co-operation: Insights from a country with a dual role

INTRODUCTION

During the First High-Level Meeting (HLM 1) of the Global Partnership for Effective Development Co-Operation (GPEDC), held in Mexico City in April 2014, partner countries endorsed the effectiveness principles for International Development Co-operation (IDC) and assumed various commitments to promote their implementation. After this meeting, Mexico agreed to assume the co-chairmanship of the GPEDC (alongside Malawi and the Netherlands) on behalf of countries with a "dual role" in IDC, *i.e.*, that are both providers and recipients of co-operation.

The First Progress Report of the GPEDC reviewed the evolution of effectiveness in IDC between 2011 (when the Busan commitments were adopted) and 2015 (year set for the Millennium Development Goals). It involved 46 countries and provided substantial evidence for the discussions carried out during the HLM 1. In a similar fashion, the present report will contribute to the global effort directed towards the Global Partnership's second monitoring process, and will provide input for discussions during the HLM 2 in Nairobi, Kenya, in November 2016.

Mexico had not participated in previous effectiveness monitoring exercises due to its dual character in IDC and the fact that both Paris Declaration and GPEDC indicators are mainly focused on net recipient-donor relations. However, as part of its commitment as co-chair and in order to contribute – through its own perspective as a dual country – to the review process of the GPEDC Monitoring Framework, Mexico decided to make the present *Ad Hoc* Report and examine its progress in the implementation of the principles of effectiveness, particularly in South-South Co-operation (SSC).

SCOPE OF THE REPORT

The present report analyzes the relevance of each indicator in the context of a Middle-Income Country (MIC) like Mexico, both as recipient and provider of IDC. Thus, it provides information on the applicability of the indicators in its current design to SSC. Additionally, we suggest future revisions of the methodology in order to facilitate the delivery of information by Southern providers, which will allow analysis of the different concepts measured throughout the monitoring framework.

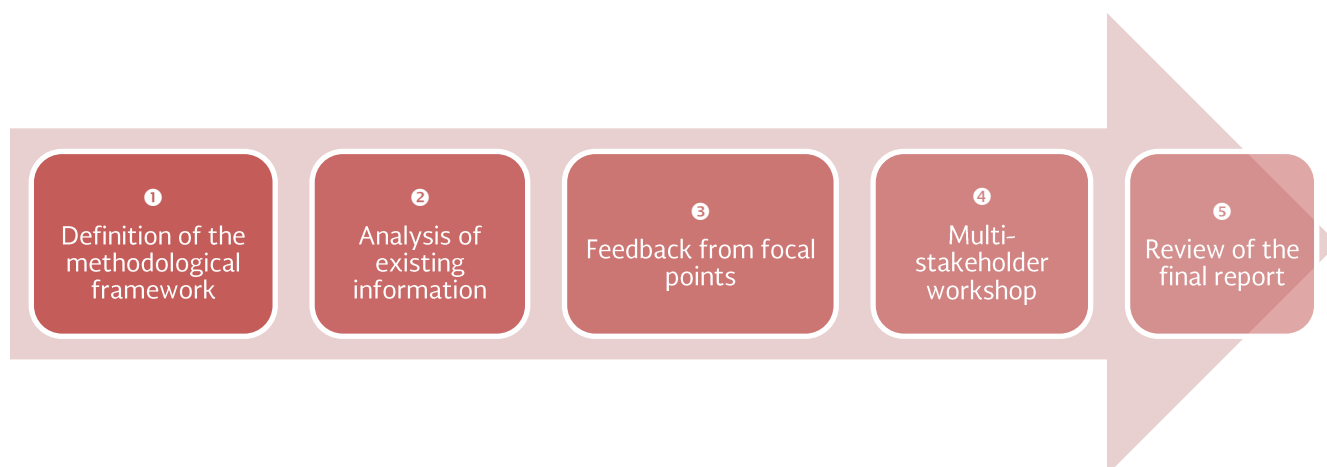
During a multi-stakeholder workshop held in June where the conclusions of the analysis were discussed, many comments surfaced about different aspects of co-operation received and provided by Mexico that could be measured, such as the impact of actions or the decentralization of co-operation. However, the present report solely analyzes the indicators currently used within the GPEDC monitoring framework, particularly in regards to the relation between provider and recipient based on the effectiveness principles. The ideas shared related to the measurement of other aspects of co-operation are inputs for future processes.

DATA COLLECTION PROCESS

The Mexican Agency for International Development Co-operation (AMEXCID for its acronym in Spanish) is the coordinator of development co-operation in Mexico; thus, it was the institution in charge of gathering information and drafting this report. The process had the following characteristics:

- The tools for current GPEDC Monitoring Framework were adjusted to reflect the characteristics of a country like Mexico.
- AMEXCID used its Technical Councils, created in 2014, as the main mechanism for consultation with other stakeholders. These are now institutionalized fora for dialogue with civil society, the private sector, local governments and academia.
- The process of gathering information maintained its multi-stakeholder character:
 - Civil Society: The Civil Society Organizations Partnership for Development Effectiveness (CPDE) was the focal point in the consultation process. The Technical Council on Social Affairs, AMEXCID and the General Directorate of Liaison with Civil Society Organizations (*Dirección General de Vinculación con Organizaciones de la Sociedad Civil, DGVOSC*) of the Secretariat of Foreign Affairs (*Secretaría de Relaciones Exteriores, SRE*) designed a survey with questions about the GPEDC Monitoring Framework and a set of additional questions about the participation of Mexican CSOs in development co-operation projects abroad.
 - Private Sector: Information was collected during the launch of the Alliance for Sustainability (*Alianza por la Sostenibilidad*), a platform created to collaborate with the private sector in order to promote international co-operation projects that help to implement the 2030 Agenda for Sustainable Development.
 - Local governments: The Technical Council, via local government associations at the State and municipal level, organized a survey for local governments regarding issues of ownership and mutual accountability.
- Providers: Based on the information by providers of co-operation in Mexico in 2015, consultations were extended in order to gather missing information related to projects of more than one million USD. The Secretariat of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público, SHCP*) informally participated in parts of the process given the fact that it is the focal point for financial co-operation.

A preliminary version of the *Ad-Hoc* Report was analyzed in a multi-stakeholder workshop held in June with the participation of representatives from civil society, private sector, local governments, parliamentarians, other ministries, as well as from diverse units of the SRE and AMEXCID. The integration process of the present report is summarized in Figure 1. As national coordinator, AMEXCID had the responsibility of defining the methodological framework and of analyzing the existing information obtained from consultations conducted by the Agency between 2014 and 2016.



Development is focused on results that meet developing countries' priorities

Indicator 1. Extent of use of country-owned results frameworks by providers of development co-operation

About the indicator: The indicator's methodology is new. The purpose of this indicator is to provide objective information on the extent to which, and the ways in which, existing country-led and country-level results frameworks are used by providers as a guiding tool to focus development co-operation on results that meet developing countries' priorities.

The indicator is partially applicable to Mexico

Provider: The majority of co-operation offered by Mexico is technical and its scale limits the use of indicators derived from national monitoring frameworks. We suggest incorporating an adjustable indicator to allow for the inclusion of SSC exchanges.

Recipient: We have achieved proper co-ordination between projects/financing and national development objectives. Furthermore, particularly in financial co-operation, other actors of international development co-operation are increasing their use of Mexican indicators.

As provider:

In 2014 and 2015, AMEXCID adjusted the tools used to present projects in order to promote a more advanced project design. The project documents used by Mexico for submitting co-operation proposals require proof of a link between the project, national public policies and the partner country priorities. Infrastructure development projects of over one million dollars funded by the Infrastructure Fund for Countries of Mesoamerica and the Caribbean (*Fondo de Infraestructura para Países de Mesoamérica y el Caribe*) have been granted based on the specific request by the partner country.

The implementation of Mexico's IDC is based on complementarity, sustainability and co-financing (according to partner capabilities). This enables ownership by recipient countries. On the other hand, there are horizontal co-operation projects, where co-operation benefits both countries and costs are shared. In this case, the alignment must be mutual.

If the objective of the current measurement is to link the programs of development co-operation with national policies and procedures, as well as to promote internal oversight and accountability of financial development co-operation, an adjusted indicator could provide information on how SSC exchanges contribute to the achievement of sectorial objectives.

As recipient:

Based on a survey conducted by AMEXCID in 2015 as part of the 1st coordination meeting of co-operating development partners of Mexico, together with the tools used for the 2nd Monitoring Round, Germany, USA, and the European Union (EU) are the main bilateral providers of programs/projects exceeding 1 million USD approved in 2015.

Concerning financial co-operation from international financial institutions most of the loans of more than 1 million dollars, considered for this period, are non-concessional and came from the Inter-American Development Bank (IDB), the World Bank (WB), the International Fund for Agricultural Development (IFAD), the Kreditanstalt für Wiederaufbau (KfW) and the Agence Française de Développement (AFD). There are concessional loans, but a smaller amount.

In all cases, the objectives of the project were aligned to the National Development Plan and the sectorial programs. This is specified in the project's documents.

The percentage of the indicators within the Mexican frameworks used by bilateral projects varies according to the provider. Most financial co-operation uses indicators taken directly from national frameworks. The EU is the bilateral provider that uses them most and Germany recognizes that there are indicators in the Mexican framework for most projects. Conversely, the US does not necessarily use Mexican performance indicators.

A survey among subnational states was conducted on the perception regarding ownership of IDC. Of the 10 States that provided information, most reported receiving technical co-operation. The majority of respondents reported that projects were jointly planned with the co-operation provider. Out of the

	<p>projects' objectives, 40% were designed using local planning tools, and 30% based on the partner's co-operation strategy. Nevertheless, the significance of these results is limited considering the number of respondents. Simultaneously to the data collection for this report, AMEXCID in collaboration with the UNDP is developing a mapping exercise on IDC at the subnational level. We expect this effort provides further information on the needs and scope of co-operation at the local level.</p>
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Considerations on national context:

- The Planning Act (*Ley de Planeación*) of 1983 establishes the basic rules and principles for the construction of the National Development Plan (*Plan Nacional de Desarrollo*, PND) and alignment of activities of the Federal Public Administration (*Administración Pública Federal*, APF). The act defines the methodology for the construction and monitoring of the PND every six years (i.e. every presidential term) as well as Sectorial and Special Programs, which include objectives, strategies, lines of action and indicators. The planning efforts are executed based on a results-oriented approach and are implemented through results-based budgeting and a performance evaluation system embodied in the Federal Budget and Fiscal Responsibility Act (*Ley Federal de Presupuesto y Responsabilidad Hacendaria*). Likewise, the General Social Development Act of 2004 (*Ley General de Desarrollo Social*) determined the creation of the National Council for the Evaluation of Social Development Policy (*Consejo Nacional de Evaluación de la Política de Desarrollo Social*, CONEVAL) whose purpose is "to regulate and coordinate the evaluation of Social Development Policies and Programs executed by public agencies"¹ in order to correct, modify, add, redirect or suspend them in a complete or partial manner, as appropriate.
- The International Co-operation for Development Act (*Ley de Cooperación Internacional para el Desarrollo*, LCID) mandates the establishment of the Programme for International Co-operation for Development (*Programa de Cooperación Internacional para el Desarrollo*, PROCID), an instrument that establishes the basis for planning and executing co-operation activities, both in the role of provider and recipient (geographic priorities, priority sectors, lines of action, and performance indicators.) The PROCID was approved for the period 2014-2018 and its implementation is a responsibility of all ministries and federal level entities that collaborate in development co-operation initiatives. It is worth noting that the health and environment sectors (particularly regarding water) include strategic lines of action on international co-operation in their respective sectorial programs which are reflected in the PROCID, as well.

¹ See "Quienes Somos", CONEVAL at <http://www.coneval.org.mx/quienessomos/Paginas/Quienes-Somos.aspx>

Civil society operates within an environment that maximizes its engagement in and contribution to development

Indicator 2. CSO Enabling Environment Assessment

About the indicator: The indicator's methodology is new. It seeks to assess the extent to which governments and providers of development co-operation contribute to an enabling environment for Civil Society Organizations (CSOs), and to which extent CSOs are implementing development effectiveness principles in their own operations. The indicator is structured around a 4-module questionnaire, covering the following dimensions: (1) Space for multi-stakeholder dialogue on national development policies; (2) CSO development effectiveness: accountability and transparency; (3) Official development co-operation with CSOs; and (4) Legal and regulatory environment.

The indicator could be applicable to Mexico but in a limited manner

The inclusion of civil society actors in national development planning, as well as the institutional building of civil society for its participation, began independently of the co-operation effectiveness processes.

Environment for CSO in Mexico:

AMEXCID established *ad hoc* **Technical Councils** in order to institutionalize spaces for dialogue with actors that are not subject to the International Development Co-operation Act (LCID). In 2014, five Technical Councils were established. The working plan for these Councils is being revised, with the aim of consolidating joint actions. The Councils are: i) Academic and Scientific Technical Council; ii) Business Technical Council; iii) Local Governments Technical Council; iv) Social Affairs Technical Council; and v) High Level Technical Council. The Social Affairs Technical Council is developing a work plan focused on fostering an enabling environment for CSOs and exploring potential collaboration with the AMEXCID as implementing partners of Mexican co-operation. In addition, the SRE has a General Directorate for Liaison with CSOs that aims to incorporate the voice of civil society in international fora.

For this exercise, 50 CSOs (of 125 consulted) responded to surveys about the enabling environment for CSOs in Mexico, according to the guide for the 2nd Monitoring Round. One survey was organized by the focal point of the CSO Partnership for Development Effectiveness (CPDE)² and another by the focal point of the Social Affairs Technical Council. The surveys' results revealed that civil society participates in defining priorities, objectives and goals of Mexico's co-operation, but if its involvement were more regular, inclusive and binding, the incidence would improve. Civil society has spaces for multilateral dialogue on national development policies, but the perception is that it is occasional, limiting their reliability and effectiveness. Furthermore, most CSOs identified relevant mechanisms for transparency and accountability; however, there is a need for greater coordination between government and civil society. As for the legal framework, it allows civil society to operate, but its application still has gaps.

Considerations in national context

- The Planning Act sets the basis for the establishment and operation of the National Democratic Planning System, which ensures the incorporation of proposals and opinions of federal agencies, local governments, social groups and indigenous communities during the development of the PND.
- The Federal Act for the Encouragement of Activities by Civil Society Organizations of 2004 (Ley Federal de Fomento a las Actividades Realizadas por Organizaciones de la Sociedad Civil) promotes the involvement of CSOs in national planning efforts as a complement to actions by the public sector in various areas of development.

² See the full report of the survey conducted by Mexico's CPDE focal point, at <http://equipopueblo.org.mx/descargas/ANALISIS%20ENCUESTA%20DE%20MONITOREO%20DA%20RONDA.pdf>

Engagement and contribution of the private sector to development

Indicator 3. Quality of public-private dialogue index

About the indicator: The indicator's methodology is new. The indicator focuses on the quality of public-private dialogue (PPD) at the country level. In doing so, it recognizes the importance of inclusive dialogue with the private sector for building a policy environment conducive to growth and sustainable development. The indicator is based on tools developed by the World Bank, although the process was adjusted in order to rely on a country-led, multi-stakeholder data gathering process that could ensure transparency and country ownership. It relies on a mix of globally-sourced and country-sourced data, in order to produce a snapshot of the situation of the country.

The indicator is not completely applicable to Mexico

The indicator is not entirely relevant to the Mexican context, particularly because of the general level of the qualitative questions of the survey related to public-private dialogue and the number of mechanisms, programs, focal points and interactions with the private sector that already exist in Mexico, both nationally and subnationally.

Country's readiness to organize public-private dialogue processes:

The National Institute of Entrepreneurship (*INADEM* in Spanish) was specifically created to encourage and support private sector development. Similarly, other ministries and national development banks also contribute to this goal from a specialized perspective. Chambers, associations, unions and groups of CEOs participate in regular dialogues with many governmental actors for a wide range of policy issues.

The report addresses two relevant processes related to dialogue with the private sector:

- 1) In an effort to know the opinion of the private sector on the new Development Agenda and nourish discussions prior to its adoption, Mexico, alongside Germany, carried out the "Living New Global Partnership event; The Post 2015 Development Agenda and Private Sector engagement" (April 2015). The event gathered more than a hundred representatives of business, academic and government sectors. This effort provided specific recommendations on different topics, such as the role of the state with regard to private sector participation, inclusive partnerships, monitoring private sector sustainability, inclusive businesses and inclusive integration of supply chains.
- 2) AMEXCID initiated a more structured process of dialogue with the private sector through the launch in May 2016 of the initiative "Partnership for Sustainability", a platform of business collaboration that establishes a permanent dialogue between AMEXCID and the private sector in Mexico to promote development co-operation projects aimed at addressing the 2030 Agenda. This platform is integrated by more than 80 members including companies, foundations and entrepreneurial organizations. The first meetings of the Partnership highlighted the interest by the private sector to interact with AMEXCID, the crucial role of chambers of commerce and associations in maintaining this dialogue, as well as the need to map and identify the ongoing efforts.

Considerations

- In accordance with the International Development Co-operation Act, an *ad hoc* Technical Council on Business was created to regularly share views with the private sector. This Council will also advise AMEXCID in defining policies, plans, programs and actions of international co-operation for development. Currently, the members of this Technical Council will be renewed after its first period.

Transparency

Indicator 4. Information on development co-operation is publically available (Implementation of the Common Standard)

About the indicator: The indicator's methodology is new. The purpose of this indicator is to provide information on the state of implementation by development co-operation providers of the "common, open standard" for electronic publication of timely, comprehensive and forward-looking information on IDC. The indicator assesses availability of information that is reported to the Creditor Reporting System (CRS)/ Forward Spending Survey (FSS) and International Aid Transparency Initiative (IATI). It is based on a composite approach combining the assessment of information reported to the CRS/FSS and to the IATI. The assessments are led by the Organization for Economic Co-operation and Development (OECD)/ Development Assistance Committee (DAC) and IATI secretariats, respectively.

The indicator is not completely applicable to Mexico

At present, Mexico does not participate in the IATI and does not report to the DAC, as it is not a full member. The approach used by these standards is not entirely compatible with all types of SSC exchanges, considering – for example— technical co-operation management and resources mobilized, as well as the stage of development of SSC data management systems.

As provider:

The difference between information systems of traditional donors and the Mexican system, as well as one of the reasons Mexico does not report to IATI, is that traditional co-operation and the measurement of Official Development Assistance (ODA) puts a bigger emphasis on financial flows. It would not reflect the true extent of co-operation provided if Mexico were only to record budgeted amounts and spending. In many cases, technical co-operation by Mexico is provided by sending civil servants specialized on public policy issues to share their knowledge, techniques and experience with other countries without any additional payment. In this case, there is no fixed budget for a full team to coordinate the project. Hence, an approximation of the value of co-operation can only be properly recorded if at least the opportunity cost incurred by the government is taken into account.

On the other hand, traditional providers have spent decades building measurement methodologies, information systems and, in general, have developed institutional capacity to carry out data collection, monitoring and tracking. Many Southern providers have relatively new agencies, and are still developing processes and systems to collect, analyze and disseminate information on IDC. In addition, in the case of Southern providers information is distributed along a long chain of actors (provided that line ministries are the suppliers of experts), unlike many traditional providers that have a director for each project and consultants hired to provide the technical co-operation as such.

In order to advance in the rigorous measurement and systematic analysis of development cooperation, AMEXCID developed a methodology to quantify the IDC provided by Mexico. This methodology includes a calculation of the opportunity cost of sending our experts in addition to the monetary expenses incurred by the experts' mobility; among other elements, it incorporates a methodology to calculate consessionality in the case of financial cooperation provided.

The LCID established the creation of the National Registry for International Development Co-operation (*Registro Nacional de Cooperación Internacional para el Desarrollo, RENCID*) which contains detailed information on programs, projects, expenses, results, evaluations and legal instruments of co-operation in which Mexico participates and that will feed the Information System for International Development Co-operation (*Sistema Internacional de Cooperación Internacional para el Desarrollo, SICID*).

The platform that hosts the RENCID and the Mexican co-operation quantification methodology was created based on previous measurement exercises conducted by AMEXCID. This process allowed publishing, for the first time, of the amount of Mexican development co-operation offered. This publication was possible in 2014 with data from 2011 and 2012.

The directives and the experience of creating our methodology and information systems have been shared with other southern providers that are also in the process of developing their own data management processes.

Considerations on the context

- There is no model agreed to by Southern providers to measure and record IDC. Globally, there are attempts to develop methodologies. The Ibero-American Program for the Strengthening of SSC has the most advanced exercise, as it has agreed to a model to analyze SSC projects. The annual report on SSC published by the Ibero-American Secretariat (SEGIB for its acronym in Spanish) is not focused on monetization.

Development is more predictable (annual predictability)

Indicator 5a. Proportion of development co-operation funding disbursed within the fiscal year within which it was scheduled by providers of development co-operation

Indicator 5b. Proportion of development co-operation funding covered by indicative forward spending plans provided at country level

About the indicator: The indicator focuses on predictability of development co-operation within a reporting year. In doing so, it recognizes that shortfalls in the total amount of funding for the government sector and delays in the annual disbursements of scheduled funds can have serious implications for a government's ability to implement development policies and strategies as planned. This indicator measures the gap between development co-operation funding scheduled by providers of development co-operation and development co-operation funding effectively disbursed as reported by the provider.

The indicator is partially applicable to Mexico

Provider: The indicator is not fully applicable for SSC, particularly in the case of technical co-operation. The budgets for this kind of co-operation only include the mobility cost of experts providing technical co-operation and the predictability does not only depend on this variable.

Recipient: In Mexico, at least in financial co-operation, the responsibility of disbursement is shared with the recipient. On the other hand, these indicators are focused on disbursements to the public sector and do not capture disbursements to other actors, such as CSOs.

As provider:

Project implementation often depends on the availability of common spaces in the agendas of both countries' institutions, as well as on the availability of skilled personnel and resources in both countries (especially in technical and scientific bilateral co-operation cost-sharing models).

In Mexico, technical co-operation is not "hired", but is instead "borrowed" from national public agencies. The national experts do not receive additional payment and the only flows recorded are those related to their transportation.

We must consider that management and coordination are important issues in South-South technical co-operation and significantly impact implementation.

As recipient:

Out of the providers of bilateral co-operation consulted, the EU reported to have disbursed 19% to the Mexican public sector and Germany 100%. The US did not channel funding to the public sector - implementation is generally done through CSOs and the private sector. In most cases regarding projects planned for the public sector, there is information on the use of the resources available at the request of the institution.

In the case of financial co-operation, policy-based loans granted in 2015 by KfW and AFD were fully disbursed in that same year. For investment loans by IFAD, IDB and WB, disbursements depend on the pace of implementation by the responsible Mexican institutions, and in all cases according to the federal government's financing needs and to the debt ceilings authorized by Congress.

Therefore, responsibility is commonly shared between the recipient and provider.

During the elaboration of this report, we discovered that even among and within Federal entities, the understanding of development co-operation dynamics varies. For the future, it will be important to consider the perspectives of all institutions and intermediary actors regarding predictability and effectiveness of development co-operation received.

Considerations

- The National Fund for International Development Co-operation (*Fondo Nacional de Cooperación Internacional para el Desarrollo, FONCID*) is the financial pillar of AMEXID and has unique characteristics that allow linking funds from traditional donors for national execution, contributions from the private sector to offer co-operation, creating mixed funds, and implementation of multiyear projects.

Aid is on budgets which are subject to parliamentary scrutiny

Indicator 6. Percentage of development co-operation funding scheduled for disbursement that is recorded in the annual budgets approved by the legislatures of developing countries

About the indicator: The formulation of the budget is a central feature of the policy process in all countries. So the degree to which financial contributions from providers of development co-operation to the government sector are fully and accurately reflected in the budget provides a significant indication of the degree to which there is a serious effort to connect development co-operation programmes with country policies and process and to support domestic oversight and accountability for the use of development co-operation funding and results. Other co-operation modalities, including project support, can and should be recorded by the indicator, even if funds do not pass through the country's treasury.

The indicator is partially applicable to Mexico

Provider: As a provider of mainly technical co-operation, the total amount of co-operation is not properly reflected in the budgets of the receiving country because the main asset is not always financial resources.

Recipient: The indicator could be applicable to non-concessional financial co-operation as it is considered within the debt ceilings of the annual national budget of Mexico.

As provider:

Mexico's co-operation is mainly technical, and usually provided by experts who work in the federal government and that do not receive any additional remuneration for their contribution in SSC. The budgets and planned agendas for SSC tend to be estimates because they depend on the availability of expert staff from Mexico and on when both sides' agendas coincide.

Parliamentarians are key players of international development co-operation. In that sense, AMEXCID undertakes strategic outreach efforts with these actors in order to raise awareness, as well as to inform and involve them in Mexico's IDC.

As recipient:

The debt ceilings approved by Congress include provisions for financial co-operation from international financial institutions and fall within the framework of the budgetary programs.

The Federal Budget and Fiscal Responsibility Act establishes that all resources from external sources (whether bilateral providers or IFIs) must be executed in compliance with the specific purpose for which they were granted, and must be included as part of an annual budget program of the recipient institution. The implication of this provision is that all external funding in support of public institutions must be included as part of the planned budget for each fiscal year and does not constitute an additional resource (except in the case of grants, where it may be additional but should also be reported in the budget).

The SHCP reports quarterly the resources disbursed from external credit.

Mutual accountability among co-operation actors is strengthened through inclusive reviews

Indicator 7. Percentage of countries that undertake inclusive mutual assessments of progress in implementing agreed commitments

About the indicator: The indicator seeks to measure progress made by developing countries in undertaking mutual assessment reviews. It takes the form of a modified version of indicator 12 of the Survey on Monitoring the Paris Declaration (OECD, 2011) to build on the lessons learned and evidence on national-level mutual accountability (including evidence generated by United Nations Department of Economic and Social Affairs (UNDESA) for the United Nations Development Co-operation Forum.

The indicator is measurable in the case of Mexico, but it could be adjusted

Provider: It is applicable; however, evaluation mechanisms already exist, so it could be adjusted in order to increase its relevance.

Recipient: There is a need to deepen the feedback exercise and the inclusion of all stakeholders. The aim is to increase the degree and amount of actors from outside the government.

As provider:

Once the themes of co-operation are defined and the proposals analyzed, the project portfolio, which integrates a new bilateral co-operation program, is approved at a Joint Commission Meeting (Comixta). The agreements reached at the Comixta include the monitoring and evaluation mechanism, amongst others.

Review/evaluation exercises are carried out before the Joint Committee Meeting takes place in order to approve new programs. These exercises focus on analyzing whether projects are underway and advancing at a satisfactory pace – they are not an evaluation of results, process or design. It should also be noted that, even though evaluations are carried out, not all Southern counterparts have their own formal evaluation processes.

In 2015, AMEXCID gave a leap forward with an initiative to start evaluation processes of co-operation outcomes provided by Mexico to its priority region. Mexico elaborated the **Evaluation Strategy 2015-2016**, that resulted in the first study of the outcomes of bilateral co-operation with Honduras. This was a pilot project that will allow AMEXCID to issue its own Evaluation Policy.

As recipient:

Most providers reported performing joint assessments, although the use and distribution of results are very limited, which also hinders the learning cycle and the accountability process. In 2015, AMEXCID conducted a survey among all co-operation providers in relation to their evaluation processes and the participation of all relevant actors in such evaluations. Not all providers responded. There is little feedback by the counterparts and evaluation exercises do not always involve all the actors at all levels. Finally, it is worth mentioning that some counterparts rarely ask for access to the assessments resulting from these exercises.

The 2014-2018 Programme for International Development Co-operation states that the principles and guidelines that Mexico should follow in its IDC are: ownership, alignment, harmonization, transparency, and mutual accountability.

Gender equality and women's empowerment

Indicator 8. Percentage of countries with systems that track and make public allocations for gender equality and women's empowerment

About the indicator: The indicator analyzes whether there is an official government declaration on a monitoring system for budgetary allocations for gender, whether there is systematic monitoring, leadership and oversight of the tracking system by a specific agency, and whether the information is public.

This is not an indicator to analyze co-operation relations

This indicator examines the adequacy of the country's system but is not fully linked to development co-operation. It seeks to know whether the country has official declarations on a tracking system for budgetary allocations to women, as well as systematic monitoring of the resources directed towards gender equality and women empowerment. Finally, it analyses whether the central government's agency directs and monitors the system, as well as if there is public access to that information.

National budget monitoring for gender equality:

The Federal Budget and Fiscal Responsibility Act (*Ley Federal de Presupuesto y Responsabilidad Hacendaria, LFPRH*) states that the draft Expenditure Budget contains: the expenditure projections for equality between women and men; annexes with information on the methodology, factors, variables and formulas used; and it establishes that reports on the development of the public expenditure must be delivered to Congress on a monthly and quarterly basis. The 2013-2018 National Development Plan establishes gender perspective as one of its three crosscutting axes. The consequence of this is the National Program for Equal Opportunity and Non-Discrimination against Women 2013-2018 (*Programa Nacional para la Igualdad de Oportunidades y no Discriminación contra las Mujeres, PROIGUALDAD*). The General Act for Women's Access to a Life Free of Violence (*Ley General de Acceso a las Mujeres a una Vida Libre de Violencia, LGAMVLV*) establishes the issuance of legal rules, as well as the appropriate budgetary and administrative measures, to ensure the right of women to a life free of violence. In Mexico, there is legislation concerning the inclusion of gender perspective in budgeting, which is monitored by the SHCP and is part of the federal budget since 2008. In addition, this information is available to the public.

The provisions for this indicator, as for civil society and regarding national results frameworks, did not originate with the aid effectiveness agenda.

Considerations

- The 2013-2018 Sectorial Programme of the SRE establishes that its IDC must contain equality as a strategic line of action, with gender equality and women's empowerment as crosscutting factors of development.
- In addition, the information system allows identification of projects that include gender perspective.
- AMEXCID, as coordinator of development co-operation received by Mexico, and as a decentralized body of the SRE, must adhere to PROIGUALDAD SRE.

Effective institutions: developing country systems are used and strengthened

Indicator 9a. Quality of developing country public financial management systems

Indicator 9b. Use of country public financial management and procurement systems

About the indicator:

9a: External analysis based on the evaluation by the World Bank of national policies and institutions (Country Policy and Institutional Assessment (CPIA)).

9b: This indicator combines indicator 5a of the Paris Declaration (use of national systems of public finances management) and indicator 5b (use of national procurement systems) to provide a single composite indicator, percentage of IDC disbursements directed towards the public sector using the public financial management and procurement systems (average use of the four components listed a-d) of the host country.

This analysis focuses on the indicator 9b and it can be measured. However, the importance is not the same for Mexico as it is for a net recipient country.³

Provider: The relationship between international financial institutions and Mexico is good and of mutual confidence. However, it would be worthwhile to analyze the degree of confidence and the flow of information between the SHCP and national stakeholders in order to improve and increase the use of national systems.

Recipient: It is measurable in the case of financial co-operation, but not for technical co-operation.

As provider:

Financial co-operation of Mexico for infrastructure projects funded by the Infrastructure Fund for Countries of Mesoamerica and the Caribbean is channeled through international financial institutions such as the Office of the United Nations for Project Services (UNOPS) and the Central American Bank for Economic Integration (BCIE). The use of international financial institutions is due to the difficulties that direct execution represents for Mexico to oversee the use of resources. Additionally, it is necessary to analyze to what extent there is interest on the recipient countries to use national resources systems to operate.

In the case of Mexico's technical co-operation, the indicator is not applicable since knowledge and best practices are shared directly from experts and Mexican institutions.

As recipient:

Regarding financial co-operation, non-concessional flows usually use national systems of budget implementation, financial reporting and audit procedures. Mexico has harmonized procurement systems with IDB and WB. It could be said that in certain cases such as policy-based loans, the use of country-systems is absolute. There is value added in the financial co-operation received, which is the technical assistance, the support and the advice of IFIs. The fiduciary control that is carried out by experts of the IFIs is also beneficial for strengthening Mexican institutions.

It is worth mentioning that the level of trust between financial institutions and the SHCP is high, and that the flow of information is efficient and transparent. This may be a feature of Middle-Income Countries with more advanced national systems. In the case of Mexico, the relevance of the indicator decreases, so it is necessary to identify which aspect needs to be measured regarding the use and development of national systems.

Similarly, when a subnational government wants access to external financing, it needs to receive it through a development bank, so even in decentralized financial co-operation, national systems are used.

³ The CPIA ratings help determine the relative sizes of the World Bank's concessional lending and grants to low-income countries and Mexico is a middle income country, therefore, it does not apply.

Aid is untied

Indicator 10. Percentage of aid that is fully untied

About the indicator: The indicator is based on self-reporting on the level of linkage by providers of development co-operation through the OECD-DAC Creditor Reporting System (CRS).

The indicator is debatable for SSC providers

The indicator does not apply to non-DAC countries that do not report to the CRS, like Mexico. On the other hand, there is a debate particularly among Southern providers regarding the fact that one of the principles of SSC is actually mutual benefit, as expressed in the Nairobi outcome document of the High-level United Nations Conference on South-South Co-operation in 2009⁴.

As provider:

Mexico's financial co-operation is fully untied. The rules of procedure of the Mesoamerican and Caribbean Countries Infrastructure Fund were modified in 2015, by which all financial co-operation in this category is untied.

Mexican co-operation that is requested is mainly technical and related to sharing experiences and know-how, particularly regarding public policy; thus, experts sent are Mexican.

⁴ A/RES/64/222, Nairobi outcome document of the High-level United Nations Conference on South-South Co-operation, held in December 2009, available at <http://ssc.undp.org/content/dam/ssc/documents/Key%20Policy%20Documents/Nairobi%20Outcome%20Document.pdf>