Progress and Challenges of Mexico’s Social Policy

Towards the fulfilment of the 2030 Agenda

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Mexico: great challenges and opportunities

11o. most populated country in the World
120 millions of people; 1.7% of the world population

15a. Current World Economy.
1,144 BDD; 2° in Latin America.

5° megadiverse country for its flora and fauna

12o world exporter of food.

9o. Tourist destination worldwide.

9.4 millions (7.6%)
In extreme poverty (CONEVAL, 2017)

53.4 millions (43.6%)
moderate poverty (CONEVAL, 2017).

77o. (0.762)
place in the HDI, out of 188 countries (HDI, 2016).

44 millions
People served by SEDESOL through its social programs (in the Register of Beneficiaries, PUB)

32 States divided into 2,463 municipalities

44 millions
People served by SEDESOL through its social programs (in the Register of Beneficiaries, PUB)
I. Institutionality of social policy
25 years building a solid institutional framework

Creation of the Ministry of Social Development
SEDESOL (created in 1992)
combats extreme poverty in the most marginalized regions.

Establishes a new relationship between the State and society

1992

General Social Development Law (LGDS):
Poverty alleviation is not a question of charity.
The Law is result of the consensual agreement that allowed the recognition of social rights, Establishes standards, mechanisms, and specific criteria to define, identify and measure poverty and provides a solid legal framework by noting that each program must have Rules of Operation

2004

CONEVAL

2005

INEGI (created in 1983)
National Statistics and Geography Institute: Autonomous institution in charge of implementing the population census and economic surveys. Produces the inputs for the poverty measurements

2008

Multidimensional Measurement of Poverty
Allows a complete and integral analysis and evaluation of poverty

Helps to identify opportunity areas.

Contributes to a more efficient use of public resources, through strategic planning and assessment.

Fosters targeting, coordination, and dialogue to achieve social outcomes.

2
I. Multidimensional Measurement of Poverty in Mexico since 2010

In Mexico, the General Social Development Law considers the full exercise of six social rights, as well as income, to assess the population’s socioeconomic condition.

Income

Minimum Welfare Line = $78.19 dls.
Welfare Line = $152.6 dls.

Access to Food
Access to health services
Access to education
Access to Social Security
Quality and spaces housing
Basic services in the dwelling

In Mexico, the General Social Development Law considers the full exercise of six social rights, as well as income, to assess the population’s socioeconomic condition.
### Progress

Better life conditions for more Mexicans

**Between 2012 and 2017 (present government):**

<table>
<thead>
<tr>
<th>Count</th>
<th>People Overcame</th>
<th>Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3.6 millions</strong></td>
<td>Mexicans</td>
<td>overcame extreme poverty.</td>
</tr>
<tr>
<td><strong>4.5 millions</strong></td>
<td>Mexicans</td>
<td>are not poor and not vulnerable.</td>
</tr>
<tr>
<td><strong>6.2 Millions</strong></td>
<td></td>
<td>people overcame the lack of access to health services.</td>
</tr>
<tr>
<td><strong>3.4 Millions</strong></td>
<td></td>
<td>people overcame the lack of access to social security.</td>
</tr>
<tr>
<td><strong>2.8 Millions</strong></td>
<td></td>
<td>people overcame the lack of access to food.</td>
</tr>
<tr>
<td><strong>1.2 Millions</strong></td>
<td></td>
<td>people overcame the lack of access to household basics.</td>
</tr>
<tr>
<td><strong>1.2 Millions</strong></td>
<td></td>
<td>people overcame their educational gap.</td>
</tr>
<tr>
<td><strong>1.1 Millions</strong></td>
<td></td>
<td>people overcame the lack of households’ quality and spaces.</td>
</tr>
</tbody>
</table>
II. Progress

Social policy in Mexico has implied a long-term vision

<table>
<thead>
<tr>
<th>Year</th>
<th>Feeding</th>
<th>Education</th>
<th>Health</th>
<th>Social security</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>24.8%</td>
<td>26.6%</td>
<td>58.6%</td>
<td>65.1%</td>
</tr>
<tr>
<td>2015</td>
<td>21.7%</td>
<td>17.9%</td>
<td>16.9%</td>
<td>56.6%</td>
</tr>
</tbody>
</table>

Percentage of the population with lack

- Drainage: (from 40.3% to 7.1%)
- Overcrowding: (from 28.7% to 8.2%)
- Education: (from 26.6% to 17.9%)
- Water: (from 24.2% to 7.6%)
- Floors: (from 20.8% to 3.1%)
- Roofs: (from 12.4% to 1.6%)
- Electricity: (from 13.1% to 0.5%)
- Walls: (from 7.4% to 1.7%)

Fuente: CONEVAL.
II. Social Programs of SEDESOL

Objective: improve income and reduce social deprivation, address poverty and generate social inclusion

<table>
<thead>
<tr>
<th>Social Security +</th>
<th>Educational gap +</th>
<th>Healthcare service</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social Security</strong></td>
<td><strong>Educational gap</strong></td>
<td><strong>Healthcare service</strong></td>
</tr>
<tr>
<td>• Pension for the elderly program</td>
<td>• Seguro Popular and health services fairs to PROSPERA beneficiaries</td>
<td>• Scholarships for children and young people beneficiaries of PROSPERA</td>
</tr>
<tr>
<td>• Life insurance for women heads of households program</td>
<td>• Medical attention to INAPAM beneficiaries</td>
<td>• Scholarships for children and young people beneficiaries of Life insurance for women heads of households program</td>
</tr>
<tr>
<td>• Support for the Instances of Women in Federative Entities program (PAIMEF)</td>
<td></td>
<td>• Scholarships for children of farm worker assistance program</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Access to Food</th>
<th>Income Component</th>
<th>Services in the dwelling</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Community kitchens</td>
<td>• Temporary Employment</td>
<td>• Rehabilitation and creation of public spaces of the 3x1 Program for Migrants</td>
</tr>
<tr>
<td>• Social provision of milk program (Licosa)</td>
<td>• Pension for the elderly Program</td>
<td></td>
</tr>
<tr>
<td>• Rural supply program (Diconsa)</td>
<td>• Day Care centers to support working mothers program (PEI)</td>
<td></td>
</tr>
<tr>
<td>• Food for beneficiaries of the farm worker assistance program (PAJA)</td>
<td>• National Social Economy Institute (INAES)</td>
<td></td>
</tr>
<tr>
<td>• Nutrition program for Elderly with INAPAM credentials</td>
<td>• National Fund for the promotion of crafts (FONART)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Support for the purchase of food and products from the PROSPERA basic food basket</td>
<td>• Hostels for farm workers (PaJa)</td>
</tr>
</tbody>
</table>
III. Funding

The sustained increase in social spending is a factor that has contributed to the reduction of poverty.

Public social expenditures
1993-2017 (as a percentage of GDP)

Public social expenditures: 97% of SEDESOL Budget is intended for programs with a high incidence in the address poverty.
Total beneficiaries PUB: 67.4 millions (44 millions are from SEDESOL.)
Budget Ramo 20 (PEF 2018): $106,645,504,028MXN (5.6 billions of dollars)

Increases in public social expenditures are institutionalized and protected by law (article 18 LGDS*), and are a consequence of political consensus.

* General Social Development Law
Building Consensus

Horizontal and vertical coordination through the National Inclusion Strategy (ENI in Spanish)

One of the main challenges for the countries is to integrate efficient social protection systems through inter-institutional and multilevel coordination (federation, States and municipalities).

The National Inclusion Strategy (ENI) helps the Federation, states and local governments to coordinate their policies, in order to alleviate poverty and grant access to social rights.

Recognizes all Mexicans as holders of social rights.

Alligned with the Sustainable Development Goals (SDGs).

Monitors permanently the prices of the products that compose the basic food basket, to keep stability in prices and strengthen the families’ economy.

Horizontal coordination among programs and federal agencies in charge of implementing social policy (added to the reform of the Planning Law that integrates the 2030 Agenda principles).

Vertical coordination with local governments through specialized Working Groups, chaired by the Governor of each of the 32 states and with the participation of all federal, state and local authorities.
Building Consensus
An enhanced coordination, as a consequence of ENI, drives progress in social outcomes.

Commitment and consensus that call all actors to prioritize the superior interest of Mexico’s social policy, beyond political affiliation or private interests.

ENI Regional Working Groups
Established in 32 out of 32 states.

- 3.3 million formal jobs generated.
- 238 thousand extensions to the electric grid.
- 400 thousand stoves or ecological stoves.
- 890 thousand extensions to water services.
- 653 thousand extensions to biodigestors.
- 17.8 million enrollments and re-enrollments to Seguro Popular in two years.
- 2.3 million more adults certified their basic education.
- 44 million mexicans receive support from social programs.
- 36 million beneficiaries from access to food programs.

National Inclusion Strategy

<table>
<thead>
<tr>
<th>Year</th>
<th>44 million</th>
<th>11.7 million</th>
<th>6.1 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>4.7 million</td>
<td>11.7 million</td>
<td>6.1 million</td>
</tr>
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<td>2017</td>
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</table>

Lessons learned in Mexico's social policy
Social policy will continue to improve the conditions of millions

There are promising results for the social policy implemented in Mexico. However, there is still a lot in the agenda:

- Increase the coverage of social protection programs.
- Improve quality and focalization of social programs.
- Provide institutional support, and;
- Strengthen coordination, promote synergies and transversality.

**Building consensus**
Strengthen ENI to ensure horizontal and vertical coordination, in the design, implementation, regulation, and monitoring of social policy.

**Funding**
Poverty alleviation will continue to increase families’ income and grant access to social rights.

**Institutionalization**
Coordination requires a strong normative framework and sustained political support.

**Increase citizen participation**
Citizen ownership of social programs strengthens their operation and makes clear how social spending is used.

**Job and productive inclusion**
Investment in human capital to revert the structural problem of low productivity.

**Measuring and statistical information**
Establish common criteria and standards between Federation and states, as well as a strategy to target “at risk of poverty” people.

**Resilience to natural disasters**
Work with all levels of government to prevent regressions in poverty alleviation due to natural disasters. Improve urban planning and prevention capabilities.

Poverty alleviation will continue to increase families’ income and grant access to social rights.
The 2030 Agenda is a road map to align institutional efforts towards sustainable development through the following keys:

- Coordinación
- Fortalecimiento de Instituciones
- Focalización
- Ciudadanización
Challenges towards the achievement of 2030 Agenda

Greater economic growth through more **decent and formal jobs**, especially for the most vulnerable.

**Reduce inequality:**
inclusion, non-discrimination and productive opportunities.

**Reversing the structural problem**
of low productivity.

**Public Security and Rule of Law.**

Investment in human capital:
**education, training and professionalization.**
Towards... to no one left behind:

<table>
<thead>
<tr>
<th>Discussion on more <strong>effective and comprehensive social protection systems</strong></th>
<th>Concentrate efforts, have a vision and a shared goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dialogue on <strong>targeting, data use, innovation and technologies</strong></td>
<td>Make more effective and efficient social protection</td>
</tr>
<tr>
<td><strong>Rethink the design of social protection networks</strong> adapting to the <strong>technological revolution</strong> of the world of work.</td>
<td>A development model that guarantees opportunities for all.</td>
</tr>
<tr>
<td><strong>Cooperation and exchange of experiences</strong> on an ongoing basis</td>
<td>Institutional strengthening that provides better tools</td>
</tr>
</tbody>
</table>

**SUSTAINABLE DEVELOPMENT GOAL 1**

*End poverty in all its forms everywhere*
Thank you

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Social Programs of SEDESOL

Strategic investment in programs to improve the quality of life of the vulnerable population:

**PROSPERA Social Inclusion Program**

It is a Conditional Cash Transfers program, which has 6.8 million households served, made up of 28 million people, living in 113,586 localities in 2,457 municipalities of the 32 states of Mexico. 50.8% of the total beneficiary families are located in rural areas, 20.7% in semi-urban and 28.5% in urban beneficiaries with support in food, education, health and productive and financial inclusion.

**Day Care centers to support working mothers program (PEI)**

It contributes to providing the conditions of access and permanence in the labour market of mothers, single parents and guardians who seek employment, work or study, through access to care and child care services (children's rooms).

Attention is provided to 144,090 girls and 163,514 boys in 9,201 Children's Stations; In addition, 2,334 stays are attended to 4,175 girls and boys with some type of disability.
Social Programs of SEDESOL

Pension for the elderly program
It is a non-contributory type of pension, to ensure a minimum income and social security support to the elderly from 65 years old who do not receive monthly income over $1,092 Mexican pesos (approx 57 dollars) for retirement or contributory pension. 5.7 million people aged 65 or older receive a monthly income of $580 (approx 30.5 dollars) and social protection supports.

Life insurance for women heads of households program
Provides to orphaned children and adolescents, a monetary transfer (ranging from $330 [17 dollars] to $2,040 pesos [107 dollars] bimonthly), in order to encourage them entering and/or school stay. It is focused on families headed by women, in conditions of vulnerability due to social deprivation or poverty. It currently has more than 6.7 million women affiliated in the 32 states of the Mexican Republic.