



# MEXICO

## PUBLIC PARTICIPATION Mechanisms in Fiscal Matters

Mexico scored 66 out of a 100 on the Open Budget Index, a comparative measure of central government budget transparency.



In Mexico, public participation occurs at multiples stages of the national policy and budget cycle but it still lags behind in the legislative and executive branches. The Superior Auditing Institution is, however, increasingly committed to participation through a number of mechanisms.



### MINISTRY OF FINANCE - CIVIL SOCIETY ORGANIZATIONS PRE-BUDGET CONSULTATIONS/CREATION OF THE CITIZEN'S BUDGET



Annual budget cycle:  
Executive budget preparation.

#### OBJECTIVE



- Increase transparency and public participation.
- Create the **Citizens Budget**, a simple description of the national budget, how it is built, and how it is going to be distributed.

#### MECHANISM

- **Most direct involvement** takes place between CSOs specialized on budget issues and the Expenditures Undersecretary.
- **Direct participation** is informal and **occurs through private, unpublicized meetings with CSOs.**
- The CSOs and the Ministry organize **focus groups and obtain information for the Citizens Budget.**
- There was **collaboration with international financial institutions** that promote the Citizens Budget and continuous dialogue with CSOs.

#### RESULTS

The first **Citizens Budget** was published online by the Ministry in 2010 and **has been published every year since.**

Since 2014, the **Citizens Budget** has been accompanied by a citizens' version of the Year-end Report and a citizen's version of the Executive Proposal.

### MINISTRY OF FINANCE - CIVIL SOCIETY ORGANIZATIONS PRE-BUDGET CONSULTATIONS AND CREATION OF THE FISCAL TRANSPARENCY PORTAL



Annual budget cycle:  
Executive budget preparation.

#### OBJECTIVE



- Create the **Fiscal Transparency Portal**, a website with key public budget information in a summarized and **user-friendly format**, it is a one-stop shop that aggregates updated fiscal, financial, and monetary information.

- The portal has two functionalities: for investment projects and for federal transfers **to be subjected to review by any organization or citizen.**

#### MECHANISM

- **Informal consultations with CSOs** were undertaken.
- **The portal organizes key budget information** in both broad and granular categories, such as total budget and how it is distributed.
- It also includes **public works investments**, information on the Performance Evaluation System - including budgetary programs and impact indicators - and transfers to State governments.

#### RESULTS

Revised portal was launched in 2014 and visits increased from **92,256** in 2012 to **534,877** in 2015.

Increased **understanding and acceptance** of the relevance of budget transparency within the MoF leads to the Portal becoming "a common practice".

**Theme-specific sites and interactive maps and animations on the new website** have proven effective in attracting more visitors to the Portal.

**Increased understanding of the relevance of CSOs input:** although there is no "institutionalized" collaboration, the process through which the portal was built and fed resulted in a practice of consultation with CSOs.

**A formal agreement was concluded between the MoF and CSOs** to collaborate more closely with the objective of advancing budget transparency at all levels.

### MINISTRY OF PUBLIC ADMINISTRATION - CSO INVOLVEMENT IN THE DISCLOSURE OF OFFICIAL ADVERTISEMENT EXPENDITURES



Annual budget cycle:  
New policy initiatives regarding government expenditures.

#### OBJECTIVE



- **Publish reports on Official Advertisement Expenditures.**
- Provide **public access to the Social Communication Expenditures System (COMSOC)**, which is used by each federal public entity to register how much they estimate to spend on campaigns and how much they actually spent.

#### MECHANISM

- **Prior to CSOs efforts**, information on political advertisement spending was only obtainable through FOI requests.
- Now, **CSOs** such as Fundar and Article XIX, **monitor official advertisement allocation, disseminate findings, and launch campaigns and public messages in key moments.**
- There is an **open dialogue between CSOs and the government** and CSOs schedule meetings with "champions" within the executive, such as the Ministry of Public Administration, and legislative branches who can advance their cause.

#### RESULTS

Initially not open to the public, the **COMSOC is now available for public access.**

Direct and indirect impacts of CSO activity: In 2011, the **three main political parties in Mexico presented 3 initiatives to regulate official advertisement.**

President Peña Nieto committed to **create a "citizen organ" to oversee official advertising** at every level of government.

As of 2015, the **General Law on Transparency and Access to Information** requires all levels of government to **publish expenditures on official advertisement.** This amendment to the law is a result of CSOs' efforts.

### PUBLIC PARTICIPATION IN SCHOOL INFRASTRUCTURE AND EQUIPMENT PROJECTS



Annual budget cycle:  
Executive budget implementation and execution.

#### OBJECTIVE



- Strengthen **public participation** to improve infrastructure and equipment in vulnerable elementary schools.
- Strengthen school management by letting all stakeholders (**parents, teachers, and directors**) **decide how to invest federal funds.**

#### MECHANISM

- A **School Board of Social Participation in Education (CEPS)** exists in every school to lead participation (**parents, teachers, union representatives, students, school officials and other community representatives**) from allocation of resources to monitoring.
- **CEPS define the projects and generates an annual results report.**
- The **Committee of Social Accountability**, consisting of parents, **monitors the use of funds and whether goals are accomplished.**
- If an anomaly is detected, the Committee can **file a complaint with the Education Authority** by phone, generating a written report, or through the internet.
- The Ministry of Finance developed an **online platform where the public can track the projects, the use of funds and provide photographic evidence of progress.**

#### RESULTS

The program has benefited **20,537** schools with severe infrastructure deprivation.

The program is reviewed annually and will last beyond 2016. For 2016, the program's funding was boosted by a federal program of funds for subnational governments.

### LOWER HOUSE OF THE LEGISLATURE - THE BUDGET COMMITTEE: CSOs PRE-BUDGET CONSULTATIONS AND DISCUSSIONS



Annual budget cycle:  
Pre-budget consultations and exercises.

#### OBJECTIVE



- Create an opportunity for the Lower House to **evaluate, discuss, and approve the Executive Budget Proposal**, taking into account the public's feedback.
- Create an opportunity for CSOs to **push for changes in the budget.**

#### MECHANISM

- Budget negotiations start in September. **CSOs have 3 months to push for specific amendments to the Budget Decree.** The Legislative can request **disaggregated information** from the Executive through the Budget Decree, which CSOs use to obtain **generally unavailable budget information.** The legal framework does not provide for direct CSO involvement in the budget negotiations.
- **CSOs meet with legislators to push on specific topics and launch informative campaigns** to highlight the main issues identified in the budget negotiations.
- The Lower House holds **hearings on individual agency budgets and receives testimonials by the public** during the budget hearings.
- **CSOs develop collaborative work with Specialized Committees** within the Legislature.

#### RESULTS

**Public hearings and opportunities in the Legislature to provide information** during budget hearings do exist, but they are weak.

The meetings are not public and attendees must be invited in some cases they have a voice.

The **records of all testimonies and hearings** are publicly available.

**Inclusion of progressive articles in the budget decree**, including articles on migration policies, gender, and the General Governmental Accounting Law.



### SUPERIOR AUDIT INSTITUTION - CIVIL SOCIETY CONSULTATIONS ON THE APPROACH TO AUDIT



Annual budget cycle:  
Auditing and review.

#### OBJECTIVE



- **Audit all three branches of the federal government**, and all uses of federal resources.

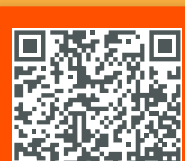
#### MECHANISM

- The Superior Audit Institution (SAI), as a legislative entity, is tasked with **auditing federal financial management** by relying on reports from the ministries and local governments.
- The **SAI collaborates with state and local-level institutions** to audit every program receiving federal funding.
- It **informs the public of its audits** through press releases, television programming and its annual report.
- It **promotes public participation** by encouraging the public and government officials to **report misuse of funds** through soliciting public comments online and operating a call center/fraud hotline for all expenditures.
- **Primary collaboration takes place with expert allies** in private meetings and more recently with individual whistleblowers within the government.

#### RESULTS

The reports are accurate and comprehensive, but **not timely.** They are only published two years after the fiscal year, which offers few possibilities of using the audits to alter spending in the two-year budget cycle.

There is a **failure to issue reports summarizing the public input** or describe how it uses the reports in the auditing process.



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