



<b>1. CPS Data</b>	
<b>Country: Mexico</b>	
<b>CPS Year: FY14</b>	<b>CPS Period: FY14 – FY19</b>
<b>CLR Period: FY14 – FY19</b>	<b>Date of this review: February 13, 2020</b>

<b>2. Ratings</b>		
	<b>CLR Rating</b>	<b>IEG Rating</b>
<b>Development Outcome:</b>	<i>Satisfactory</i>	<i>Moderately Satisfactory</i>
<b>WBG Performance:</b>	<i>Good</i>	<i>Good</i>

**3. Executive Summary**

- i. This review of Mexico's Completion and Learning Review (CLR) of the World Bank Group's Country Partnership Strategy (CPS) covers the CPS period FY14-FY19 and the Performance and Learning Review (PLR) of January 26, 2017.
- ii. Mexico is an upper-middle-income country with a gross national income (GNI) per capita (in current US\$) of US\$9,180 in 2018. During 2014-18, the average annual GDP growth rate was 2.2 percent in a show of resilience in the face of a complex external environment. In the first half of 2019, economic growth came to a virtual halt owing to policy uncertainty, tight monetary conditions and budget under-execution as well as slowing global manufacturing activity.<sup>1</sup> Over the longer term, Mexico's economic growth has been below the level needed to converge toward advanced country economies. The country's per capita GDP, which is closely related to productivity, stands at 34 percent of U.S. per capita GDP compared with 49 percent in 1980.<sup>2</sup> Poverty rates (share of individuals living on less than the 2011 PPP US\$1.90 per day poverty line) fell from 3.8 percent of the population in 2016 to 2.2 percent in 2016. There was a small decline in the Gini index from 48.7 percent in 2014 to 48.3 in 2016. IEG's Country Program Evaluation for Mexico (2018) indicates that Mexico's multidimensional poverty index for the extremely poor fell from 11.3 percent in 2010 to 7.6 percent in 2016, helping reduce the overall index from 46.1 percent to 43.6 percent. At the same time, income growth of the bottom 40 percent was below the population mean.
- iii. The CPS was congruent with the Government's 2013-18 National Development Plan (NDP).<sup>3</sup> It had four focus areas: (i) unleashing productivity, (ii) increasing social prosperity, (iii) strengthening public finances and government efficiency, and (iv) promoting green and inclusive growth. These focus areas address key development challenges, including improving productivity and reducing poverty. At PLR stage, several adjustments were introduced to improve the formulation of CPS objectives to better align them with what the CPS intended to achieve; in only one case was the design of the country program substantially changed. IBRD's exposure to Mexico

<sup>1</sup> IMF 2019 Article IV Consultation, IMF Country Report No. 19/336, Washington DC: November 2019, p. 5.

<sup>2</sup> World Bank, 2018. Mexico – Systematic Country Diagnostic (English). Washington D.C.: World Bank Group.

<sup>3</sup> The NDP had five pillars: (a) achieve peace; (b) make Mexico more inclusive; (c) improve the quality of education; (d) promote prosperity; and (e) consolidate Mexico as a responsible international player.

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was at about 80 percent of the single borrower limit of US\$19 billion during the program period. The authorities left a 20 percent headroom deliberately for potential borrowing in the event of a crisis.

iv. At the start of the CPS period, outstanding IBRD commitments amounted to US\$6.2 billion, consisting of 16 investment project financing (IPF) operations and a development policy loan (DPL) implemented during FY12-FY14. About 70 percent of commitments (US\$4.3 billion) were in the areas of social protection, education, and health and nutrition. During the CPS period, new IBRD commitments totaled US\$3.4 billion comprising 21 IPF operations, including one additional financing project. A significant portion of these new commitments (about 40 percent) supported financial inclusion and rural finance. During the CPS period, nine trust fund (TF)-financed projects were approved amounting to US\$105 million, supporting primarily environment-related objectives, housing, and education. The International Finance Corporation (IFC) made US\$1.4 billion in 71 long-term investments and had an average short-term trade finance guarantee exposure of US\$2.5 million under the Global Trade Finance Program. IFC's total investments active during FY14-FY19 amounted to US\$2.4 billion.<sup>4</sup> The Multilateral Investment Guarantee Agency (MIGA) approved a guarantee for a gross exposure of US\$963 million in the energy sector.

v. IEG rates the CPS development outcome as **Moderately Satisfactory**. Of the seven objectives, one was Achieved and six Mostly Achieved. The objective to improve financial inclusion was achieved. The objectives on improving access to and quality of education, enhancing the investment climate in target states, increasing access and integration of the social protection system, improving fiscal management capacity, improving capacity for low-carbon urban development management, and enhancing the sustainable management of key natural resources were mostly achieved.

vi. Overall, IEG rates World Bank Group performance as **Good**. The CPS design addressed important development challenges, and on the whole, the program had a focus on reducing poverty and improving shared prosperity. Three out of seven CPS objectives at PLR stage had a direct focus on improving living standards for the poor, including financial inclusion in underserved rural areas, and/or targeted low-income areas. Despite a rigorous selectivity exercise, the broad scope of some objectives made the original program less selective in terms of coverage than it appeared. In the original design, there was a weak link between some objectives and their results indicators. The PLR adjusted several objectives to improve the quality of the results framework and respond to changes in client demand. Still, after the PLR, some objectives (natural resources and renewable energy) were compound objectives that were broader in scope than the WBG interventions could achieve, and the PLR reduced the program's aspirations related to increased non-oil public revenues and improved expenditure equity (original Objective 6).

vii. In terms of implementation, project performance at exit was better than the LAC region and the World Bank overall.<sup>5</sup> Just three out of 17 projects that exited during the CPS were rated Moderately Unsatisfactory or lower. The World Bank was generally proactive through country portfolio performance reviews, which provided solutions to issues in the implementation of several projects. However, for some of the ongoing operations (e.g. Urban Transport Transformation project [FY10]) implementation issues were difficult to resolve despite the World Bank's proactivity. The programmatic approach to Advisory Services and Analytics (ASA) provided a strategic approach to activities (individual activities had to be coherent with the whole program) and its multi-annual framework permitted annual reviews to adjust the program as needed. IFC participated in three out of the four program pillars, and it contributed to progress in financial inclusion, opening

<sup>4</sup> This includes \$963 million in commitments made prior to FY14 that were active during the CPS period.

<sup>5</sup> Performance at exit, measured by outcomes rated Moderately Satisfactory or better by IEG: Mexico (75 percent of projects and 97 percent weighted by volume of commitments), Latin America region (73 percent of projects and 80 percent weighted by volume of commitments) and World Bank (76 percent of projects and 84 percent weighted by volume of commitments).



local markets to the private sector, education, housing, and renewable energy. MIGA also participated with a political risk guarantee in the energy sector.

viii. The CLR provided four lessons: (i) flexibility in the WBG's engagement was key to responding rapidly to the country's development needs, (ii) supporting Mexico's role as a global knowledge leader provides important insights for the global public goods agenda, (iii) close collaboration within the WBG has been critical to creating an appropriate business environment and succeeding in crowding in private sector solutions, and (iv) the use of the full suite of WBG services and instruments of engagement with the public and private sectors is a good example of the WBG's relevance in upper-middle-income countries, such as Mexico.

ix. IEG broadly agrees with these lessons, with nuances. On flexibility, indeed there was some refocusing of resources at PLR stage as explained in footnote 9, but this was minor compared with the radical changes under the previous (FY08-FY13) strategy in response to the effects of the global financial crisis. On collaboration within the WBG, the role of IFC was significant, and MIGA played its part, but the CLR only briefly mentions how IBRD, IFC, and MIGA coordinated under the program.

x. Under the Mexico CPS for FY14-FY19, World Bank Group supported the government of Mexico to implement interventions that were targeted to addressing the country's development goals and were broadly focused on reducing poverty and improving shared prosperity. There was a degree of selectivity, and there was strong ownership of the CPS by the authorities. World Bank, IFC, and MIGA interventions complemented each other, but the degree to which the institutions worked together was not explained explicitly in the CLR. There were shortcomings in measuring the program's intended results and outcomes. There was a weak link between some of the CPS objectives and their indicators, especially in the original design, and there could have been a greater outcome orientation in some cases. For instance, access to education was measured, but quality was not, and aspects of fiscal management capacity were measured, but the quality of fiscal management itself was not. Nevertheless, the program made important contributions to Mexico's development – telecommunications backbone infrastructure (*Red Compartida*) and access to finance for individuals and firms stand out in particular.

#### 4. Strategic Focus

##### Relevance of the WBG Strategy:

1. **Congruence with Country Context and Country Program.** A new government assumed office in December 2012—about a year before the start of the CPS period—and launched a reform program to boost growth and reduce poverty. The initial set of reforms proposed by the government covered telecommunications, education, financial services, public finance and energy. The country was facing challenges that included accelerating productivity growth, raising living standards by reducing poverty and inequality, improving states' public finances, and promoting green growth. Between 1991 and 2016, the contribution of total factor productivity (TFP) to growth was negative (-1 percent), signaling structural challenges.<sup>6</sup> States were reliant on federal transfers, which accounted for 90 percent of subnational public revenues, and sometimes resorted to unregistered debt. Public finances remained vulnerable to natural disasters.<sup>7</sup> According to the Union of Concerned Scientists, Mexico was the largest contributor of carbon dioxide (CO<sub>2</sub>) emissions in Latin America in 2016, and ranked 12<sup>th</sup> in the world (445.5 metric megatons). In addition to diverging from U.S. per capita GDP, Mexico suffers from significant regional differences. One out of three Mexicans in poverty lives in Chiapas, Guerrero, or Oaxaca, and 14 states out of 32 have populations with extreme monetary poverty rates above 30 percent.<sup>8</sup> These challenges were complicated by uncertainties associated with

<sup>6</sup> Systematic Country Diagnostic (2018), p. 24.

<sup>7</sup> Mexico Country Partnership Strategy (October 2013), p. 9.

<sup>8</sup> Mexico Country Partnership Strategy (2013), pp. 3-4.



trade frictions with the United States and adjustments in policy priorities from the administration that took office in December 2018.

2. The CPS pillars—unleashing productivity, increasing social prosperity, strengthening public finances and government efficiency, and promoting green and inclusive growth—were congruent with Mexico’s National Development Plan 2013-18 by addressing explicitly NDP pillars to make Mexico more inclusive, improve the quality of education, and promote prosperity (see footnote 3).

3. **Relevance of Design.** The World Bank used primarily IPF operations and ASA to support the CPS objectives. The new IPF operations supported especially the areas of education, social protection, health, and water supply. The complementary ASA program was organized initially around seven Programmatic Approaches and subsequently expanded, where the Bank provided inputs on climate change, financial sector, poverty reduction, urban development, public sector strengthening, and health. Reimbursable Advisory Services (RAS) were used at both the federal and sub-national levels. The WBG worked with both public and private sector clients at the federal level and with some of the poorest states, such as Oaxaca. IFC contributed significantly to the program—through both investments and Advisory Services in support of unleashing productivity, increasing social prosperity, and promoting green and inclusive growth—and its contributions were well captured in the results framework. On the whole, the emphasis on ASA was appropriate for an upper middle-income country. The proposed WBG interventions could reasonably be expected to contribute towards the achievement of the CPS objectives and the country’s development goals. However, in some cases the objectives and associated indicators in the original CPS were formulated more broadly than the WBG program aimed, or could be expected, to achieve. While the four pillars of the original CPS were kept at PLR stage, the number of objectives was reduced from 12 in the original CPS to seven, with 25 indicators (from 29 in the original CPS). The Bank acknowledged that it was not on a position to support the broad scope of some objectives. Objective 4 on skilled labor participation was appropriately changed to relate it more directly to the support the WBG planned to provide as documented in the original results framework, which was mainly related to education. The original objective 6 on non-oil public revenue and improved expenditure equity was merged with objectives 7 and 8, and changed. The intention of original Objective 6 (increasing non-oil public revenues and improving expenditure equity) was pared down, and the intention of original Objectives 7 and 8 were maintained or slightly reduced. Apart from the reduction in expectations on original Objective 6, the other changes appear to be consistent with the original CPS and the program’s overall aims. The changes improve the quality of the results framework and reflect some changes in client demand.

#### Selectivity

4. The World Bank team went through a rigorous selectivity exercise based on WBG comparative advantage, client demand, and alignment to WBG goals. As a result, it exited Bank activities in trade competitiveness, customs, judicial, and influenza support programs primarily due to weak client demand and unsuccessful engagements during the previous CPS period. It also shifted the knowledge program to multi-year/multi-sector Programmatic Approaches, each with one common development objective aligned with CPS objectives (innovation strategies for poor states, integration of social protection systems, managing fiscal challenges, and disaster risk management and urbanization). The CPS contained an indicative lending envelope for FY14-FY15, and over the course of CPS implementation nine additional projects were approved. Around half of these started before the PLR was conducted and were incorporated in the results framework at PLR stage. The new projects contributed to the country program objectives (1, 2, 4, 5, and 6), and the PLR also appears to have been used appropriately to make some adjustments in the country program based on client demand.<sup>9</sup> However, the broad scope of some objectives made the original program less selective in terms of coverage than it appeared as in the case of objectives 4, 6, 7, and 8, on skilled labor

<sup>9</sup> The original CPS envisaged support for infrastructure development under pillar 1 in view of possible requests from the new National Infrastructure Plan, which did not materialize. Therefore, at PLR stage, support for infrastructure was replaced by a deepening engagement on financial inclusion, support for developing special economic zones (SEZ) in the poor south and southeastern states, strengthening productivity in agriculture, and linking the social protection system to productive programs.



participation, non-oil public revenue and expenditure equity, public sector management, and the risk management framework.

#### Alignment

5. On the whole, the program had a focus on reducing poverty and improving shared prosperity. Three out of seven CPS objectives at PLR stage focused directly on these goals, including financial inclusion in underserved rural areas, and/or targeted low-income areas. The Bank supported programs, such as PROSPERA,<sup>10</sup> that target the most vulnerable citizens for social assistance. In addition, targeted interventions in poor states under the unleashing productivity pillar benefited remote areas and lagging regions, such as Oaxaca, where extreme poverty is concentrated. The Special Economic Zones agenda—cancelled by the new administration due to a change of priorities—specifically targeted the lagging south and southeastern states. Disaster risk management addressed risks that affect primarily the poor and vulnerable families.

### **5. Development Outcome**

#### Overview of Achievement by Objective:

#### **Focus Area I: Unleashing Productivity**

6. Focus Area I had two objectives: (i) improve financial inclusion for productive purposes, and (ii) improve the investment climate in target states and select infrastructure development for productive purposes.

7. **Objective 1: Improve financial inclusion for productive purposes.** This objective was supported by the Savings and Credit Sector Consolidation and Financial Inclusion Project (FY12) and the Expanding Rural Finance project (FY16). Several ASA products supported the objective: Catalyzing Financial Sector Development (FY19), Sound Financial Sector Development Programmatic Approach (FY16), RAS Banxico Programmatic (FY17), Financial Sector Assessment Program (FSAP) Update (FY17), Mexico Financial Capabilities Assessment (FY14), and Oaxaca Engagement Mexico Programmatic Approach (FY16). The objective also was supported by several IFC investments in financial institutions: Compartamos, Agrofinanzas, Banco del Bajío, Progresemos, CAMESA, Mifel, Konfio and Contigo. In addition, IFC provided two advisory services: Progresemos and PBGI Learning & RE. Objective 1 had four indicators:

- Number of clients [persons] mainstreamed into the formal financial sector: The April 2017 ISR of the Savings and Credit Sector Consolidation and Financial Inclusion Project (FY12) reports that 9.35 million of clients were mainstreamed into the formal sector as of December 2016 (compared with a target of 8 million in 2016). That number increased to 9.5 million by June 2017 according to IEG's ICR review of the project. Twenty percent of the additional clients (from baseline of 7.12 million in 2014) received credit, savings, and /or insurance in addition to a guaranteed bank account. *Achieved*
- Number of additional MSMEs in the rural economy with access to credit (of which 60 percent are female-owned) (cumulative). The May 2019 ISR of the Expanding Rural Finance project (FY16) reports that there were 118,107 microfinance beneficiaries financed by the project as of December 2018, of which 86 percent were female (compared with target of 22,222 in 2018, of which 13,333 female). The indicator measures the total number of MSMEs that received credit through the Bank's project. IEG notes that the term "additional" may be imprecise as this does not measure first-time borrowers or MSMEs that would not have been able to access credit through other means. However, as the Country Team has defined it the target is *Achieved*.

<sup>10</sup> PROSPERA is a social protection program based on conditional cash transfers that serves about 7 million poor and vulnerable families, or about a fourth of the total population. It is one of the grant programs with the largest allocations in the Federal Public Administration (0.5 percent of GDP).





- IFC: Number and volume (US\$) of MSME loans in outstanding portfolio. During the CPS period IFC-supported investments generated 3.7 million loans with a volume of US\$4.1 billion (compared with a target of 4.07 million loans, and US\$4.3 billion). *Mostly Achieved*
- IFC: Number of new issuers in the capital markets with IFC's support. There were three bond issuances supported by IFC (compared with a target of four), all with the *Consortio de Asistencia al Microemprendedor (CAMESA)*, a microfinance institution. IFC supported one two-year bond issue and one three-year bond issue in 2015, and one three-year bond issue in 2017. *Mostly Achieved*

8. There was progress in the number of clients mainstreamed into the formal financial sector, and increased financing for rural MSMEs. IFC contributed to MSME financing and helped a micro-finance institution and a lead developer of housing for low- and middle-income families to tap the domestic financial market. Additional evidence provided by the country team beyond the CLR clarifies that the Bank's lending and IFC's investments in microfinance and financial inclusion were complementary. IFC supported commercial players in expanding the range of financial instruments and access to them, while the Bank's work focused on the policy environment, capacity-building, and lending in poorer and remote areas. Regarding the second part of the objective (productive purposes), three out of four results indicators imply that the results achieved were for productive purposes through their focus on MSMEs. However, the first indicator, on clients mainstreamed into the formal financial system, did not track how many clients used the financial services for productive purposes versus household consumption. In addition, for the second indicator under this objective, IEG notes that the indicator used (MSMEs receiving credit) measures a narrower segment of the market than the indicator name (MSMEs with access to credit). An MSME with access to credit may or may not choose to take on credit. On balance, Objective 1 was **Achieved**.

9. **Objective 2: Improve the investment climate in target states and select infrastructure development for productive purposes.** This objective was supported by ASA on Mexico Productivity Democratization Programmatic Approach (FY19), Supporting Mexico's SEZ (FY19), Oaxaca Regulatory Barriers to Competition (FY14), and Oaxaca Judiciary RAAP (FY16). IFC supported the objective with several investments: APM TEC II (ports), Tuxpan (ports), Agrofinanzas (finance), Norson (agriculture/ forestry), Acuagranjas (agriculture/forestry), Bioparques (agriculture/forestry), Red Compartida (broadband), Citla Energy (oil), Solem Dos (electricity), and Potrero Solar (electricity). Objective 2 had four indicators:

- Number of recommended regulations/amendments/codes adopted in SEZ states. The Bank provided advisory support to the preparation of the Federal Law on Special Economic Zones, which was adopted on June 1, 2016, and its implemented regulations, which were adopted on June 30, 2016. The authorities accepted at least 18 specific provisions recommended by the WBG (compared with a target of 9). Following the change in the national government in December 2018, the SEZ program was cancelled reflecting a change in Mexico's priorities. However, elements of the SEZ one-stop-shop (*Ventanilla Unica*) and the supplier development program supported by the World Bank are currently being piloted at the subnational level in various of the states that had been included in the SEZ program. *Achieved*
- IFC: Containers handled (Millions TEU Containers)/Port Operations. The IFC DOTS database show that IFC investments resulted in 0.36 Million TEU containers handled as of 2017 and 0.76 million TEU handled in 2018 (compared with a target of 1.67 million in 2018). IFC client Manzanillo served 0.9 million TEUs in 2017; however, IFC's investment was canceled after the expansion it was to fund was delayed, and therefore these results are not included. *Partially Achieved*
- IFC: Number of farmers integrated into the agribusiness value chain through projects financed by IFC. During the CPS period, IFC investments in three agribusiness clients and one financial services client focused on the agribusiness sector reached 12,013 farmers (compared with a target of 8,630 for 2018). IFC clarified that its standard indicator of farmers integrated into the agribusiness value chain encompasses results of companies that have been leading their



respective agribusiness subsectors via supply chain creation by SME onboarding, and/or standard setting, contributing to improvements in the agribusiness investment climate that do not necessarily come from improved federal or local regulation. *Achieved*

- IFC: New private sector investments facilitated by IFC in opportunities generated by Mexican reforms. The IFC Mexico Strategy FY20-25 document reports that there were US\$1.3 billion (IFC's own account) or US\$2.3 billion (IFC's own account plus mobilization) of new private sector investments as of FY19 (against target of US\$700 million, and US\$1.5 billion, respectively). Three IFC investments in the electricity and oil & gas sectors (Potrero Solar, Solem, and Citla) were made possible by a reform that opened these sectors to private investment. IFC's support to Altan Redes enabled it to enter into a concession with TELECOM to develop and operate the wholesale network and provide telecommunication services to retailers. This was made possible by a constitutional reform to improve the competitiveness of the telecommunication markets. These four investments totaled US\$148.9 million in net commitments from IFC's own account, plus US\$410 million in mobilization, for a total of US\$558.9 million (IFC's own account plus mobilization). Three of these projects have a total value of US\$1,158.9 million, and the fourth is projected to reach US\$7 billion. Beyond these four projects, it is unclear how much of the mobilization due to IFC's investment during the CPS period was in investments from opportunities generated by the Mexican reforms. *Partially Achieved.*

10. On balance IEG rates Objective 2 as **Mostly Achieved**.

11. IEG rates Focus Area I as **Satisfactory**. There was progress in improving financial inclusion for productive purposes. The authorities accepted 18 WBG-recommended specific provisions for the SEZ law, and although the SEZ program was cancelled in 2019 under the new government, some elements of the WBG's advice are being implemented at the sub-national level. The number of farmers integrated into agribusiness value chains increased significantly, and IFC invested and mobilized substantial resources into Mexico, particularly in the finance, agriculture, and energy sectors. However, IFC investments fell short of the container capacity targeted under the WBG program. While IFC's investments reached impressive levels, only four projects were identified that had an explicit link to opportunities generated by reforms undertaken by the Mexican government, and IFC's investment from its own account plus mobilization fell well short of the target. However, it is notable that the total value of these projects is projected to reach over US\$8 billion. IEG did not review XPSRs of IFC investments in the agriculture or energy sectors. The XPSRs of the two investments that IEG reviewed related to the financial sector were Mostly Successful.

### **Focus Area II: Increasing Social Prosperity**

12. Focus Area II had two objectives, to improve: (i) access to and quality in target education programs, and (ii) access to and integration of the social protection system.

13. **Objective 3: Improve access and quality in target education programs.** This objective was supported by the School Based Management project (FY15) and the Reducing Inequality of Educational Opportunity project (FY15), and ASA on Knowledge Agenda of the Educational Reform in Mexico. The objective also was supported by several IFC investments: FINEM and FINAE (education financing), UAG University, and Harmon Hall (education services). However, the development outcomes of the investments in UAG University and in Harmon Hall were considered Unsuccessful according to IEG's reviews of the projects' XPSRs. In addition, IFC provided two advisory services: EduMex and Laureate Results Measurement. Objective 3 had three indicators:

- Gross failure rate (%) among basic (primary and secondary) education schools in programs to strengthen School-Based Management (SBM). IEG's ICR review reports that the gross failure rate for both the *Programa de Reforma Educativa* (PRE) and the *Programa de Escuelas de Tiempo Completo* (PETC) were 1.44 percent for primary school and 7.84 percent for secondary school. Neither the ICR nor the ICR review report gross failure rates separately for the two programs, as targeted under the results framework. However, the actual failure rates in



2018 were above (worse than) the 2014 baselines of 1.1 percent (primary) and 7.79 percent (secondary). *Not Achieved*

- Transition rate (%) from primary to secondary education for graduates of CONAFE administered schools in selected National Crusade against Hunger (CNCH) municipalities. The ICR of the Reducing Inequality of Educational Opportunity project (FY15) reports that the transition rate from primary to secondary education for graduates of CONAFE schools in selected National Crusade against Hunger (CNCH) municipalities was 70 percent as of December 2018 (compared with a target of 70 percent). *Achieved*
- Number of students enrolled in higher level institutions financed by IFC (baseline 52,000 of which 26,000 female in 2012). IEG can confirm from the IFC REACH database that as of 2017, IFC supported investments resulted in 89,377 students reached (of which 46,420 were female); compared with a target of 105,000 (of which 52,000 female). *Mostly Achieved*

14. The indicators measure access. For quality, it would have been more appropriate to have the results in exams that indicate level of attainment. The gross failure rate targets by program could not be verified by IEG, but aggregate performance is worse than the baselines. The CLR cites results from an impact evaluation that suggests improved learning in seven states where it assessed the impact of project supported activities such as school grants and capacity building upon learning. On balance, Objective 3 is **Mostly Achieved**.

15. **Objective 4: Improve access and integration of the social protection system.** This objective was supported by the Social Protection System project (FY15). Several ASA products supported the objective: Social Protection and Labor Engagement (FY20), Support for Strengthening of the Social Protection System and its Focus on Wellbeing, Nutritional Status and Food Security (FY18), Social Protection System Programmatic Approach II (FY17), and Social Protection and Health (FY14). The objective also was supported by IFC's UAG University investment (although IEG's review considered this Unsuccessful). Objective 4 had four indicators:

- Number of PROSPERA beneficiaries that participate in social programs (baseline: 465,842 in 2014). The June 2019 ISR of the Social Protection System project (FY15) reports that 1,797,097 beneficiaries participated in social programs as of December 2018 (compared with a target of 726,779). *Achieved*
- Number of PROSPERA beneficiaries that participate in productive programs<sup>11</sup> (baseline: 14,370 in 2014). The June 2019 ISR of the Social Protection System project (FY15) reports that 318,217 beneficiaries participated in productive programs as of December 2017 (compared with a target of 22,402). *Achieved*
- Number of instruments implemented for an integrated social information system (baseline: 0 in 2014). The June 2019 ISR of the Social Protection System project (FY15) reports that there were 7 instruments implemented for an integrated social information system as of December 2018 (compared with a target of 5). *Achieved*
- Number of low-income patients treated by private health care providers financed by IFC (baseline: 226,000 in 2012). IFC-supported investments resulted in 348,341 patients (inpatients and outpatients) reached/served. However, it is unclear what the share of low-income patients is, as the IFC projects supported low to middle-income patients. The target was 260,000. *Not Verified*

16. The indicators do not measure access of the social protection program (number of participants vs those that are eligible) but rather the participation of beneficiaries of one program (PROSPERA) in social and productive programs. Further, there is no evidence that the number of patients treated by

<sup>11</sup> The objective of productive programs is for beneficiary families to increase their income through profitable productive activities.





private health care providers financed by IFC were specifically low-income patients. On balance, IEG rates Objective 4 as **Mostly Achieved**.

17. IEG rates Focus Area II as **Moderately Satisfactory**. Access in target education programs improved, but the quality of such programs could not be assessed adequately. A substantial number of instruments was introduced to integrate the social information system, and PROSPERA beneficiaries participated in social and productive programs in significant numbers.

### **Focus Area III: Strengthening Public Finances and Government Efficiency**

18. Focus Area III had one objective: to improve fiscal management capacity and increase adoption of modern public financial or information management mechanisms in selected states.

19. **Objective 5: Improve fiscal management capacity and increase adoption of modern public financial or information management mechanisms in selected states.** This objective was supported by ASA on Subnational Fiscal Topics (FY19), TA on Strengthening Subnational Governments (FY19), Strengthening Unplanned Debt Prevention for Subnational Governments (FY18), Fiscal Challenges PKS (FY15), Programmatic Approach for Public Sector (FY16), Agriculture Risk Management (FY15), Strengthening DRM (FY16), RAS Programmatic Engagement in DRM (FY15), Strengthening Public Sector Management Systems in Mexico City (FY18), RAS on Improving Evidence Based Policy (FY17), RAS for Strengthening Public Sector Management, and Fostering Accountability and Efficiency in Public Service Delivery (FY16). Objective 5 had three indicators:

- Number of states that are in compliance with reporting requirements under the new Fiscal Discipline Law for Subnational Entities. The Secretariat of Finance and Public Credit reports on its website that 31 states were in compliance with reporting requirements under the new Fiscal Discipline Law for Subnational Entities (compared with a target of at least five). *Achieved*
- Number of states that have joined the disaster risk transfer pool proposed by the Federal Government. The activity completion summary of Strengthening DRM in Mexico (FY16) reports that three states (Oaxaca, San Luis de Potosi, and Hidalgo) implemented the pilot mechanism creating a pool to transfer their disaster risk to the market (compared with a target of six). *Partially Achieved*
- Number of states that have adopted at least one new recommended mechanism to improve their public financial or information system. Recommendations have been adopted in Oaxaca, Guanajuato, Jalisco, Morelos, Veracruz, and Puebla, compared with a target of at least five states. *Achieved*

20. The results show that fiscal management capacity and compliance with reporting and public financial or information systems have mostly been improved. While the first result indicator measures compliance with reporting requirements only, the CLR states that the impact goes beyond purely reporting, as the law established a fiscal rule for states and municipalities that links fiscal balances to indebtedness levels, and this has resulted in tightening debt management practices and controls at the subnational level. This has not been independently verified by IEG. Mexico issued a catastrophe risk bond which, according to the CLR, was the largest government catastrophe bond in history, the first catastrophe bond in South America, and the second-largest catastrophe bond deal ever. However, the number of states joining the disaster risk transfer pool proposed by the Federal Government was lower than expected. IEG notes that the improvements in fiscal management capacity do not necessarily mean that fiscal management itself has been improved. On balance, Objective 5 was **Mostly Achieved**.

21. IEG rates Focus Area III as **Moderately Satisfactory**. A significant number of states are in compliance with reporting requirements under the new fiscal discipline, states are participating in disaster risk pooling and/or developing associated financing strategies, and several states have improved their public financial or information systems.

**Focus Area IV: Promoting Green and Inclusive Growth**

22. Focus Area IV had two objectives: (i) improve capacity for low-carbon urban development management, and (ii) improve management of key natural resources.

23. **Objective 6: Improve capacity for low-carbon urban development management.** This objective was supported by the Urban Transport Transformation Program (FY10), Efficient Lighting and Appliances project (FY11), Sustainable Transport and Air Quality project (FY16), and the Municipal Energy Efficiency project (FY16) and its additional financing (FY18). Several ASA products contributed to the objective: Programmatic Approach for the Agenda on Sustainable Transport (FY19), Social Risk Management and Benefit Sharing Analysis for Wind Power Sector in Oaxaca (FY18), Greening Electricity Generation (FY14), Urban and Housing Programmatic Approach (FY17), Urban Environmental Services, and the TRACE Model in Pilot Cities in Latin America (FY15). In addition, IFC invested in Group Vinte and City Express. Objective 6 had three indicators:

- GHG emissions avoided or reduced in cities supported by Bank projects in the energy and transport sectors (tCO<sub>2</sub>e). At least 1.7 million tons of CO<sub>2</sub> were reduced during the CPS period, against a target of 827,919 for 2018. *Achieved*
- Number of large and intermediate cities using the Municipal Energy Diagnostics Tools developed by the Bank (Tool for Rapid Assessment of City Energy-TRACE, Climate Action for Urban Sustainability-CURB). The ICR review of the Efficient Lighting and Appliances project (FY11) reports that more than 30 additional cities across the country used TRACE to diagnose potential energy efficiency investments. IEG was able to validate that an additional two cities implemented TRACE. Thus, a total of 32 additional cities implemented TRACE, compared with target of 42 additional cities by 2018. Thirteen municipalities and two states participated in a CURB training supported by the WB in April 2018 (CURB Training Final Report, P149872); however, the project did not monitor municipalities' implementation of CURB as a diagnostic tool. *Mostly Achieved*
- Number of projects with Excellence in Design for Greater Efficiencies (EDGE) certification (target five by 2018). The CLR reports that IFC contributed to the final certification of four projects (two in the State of Mexico and two in the State of Veracruz). IEG can verify that three projects received certification during the CPS period. One certificate had been issued prior to the CPS period. *Mostly Achieved*

24. With Bank support, Mexico reduced GHG emissions, and increased its capacity for low-carbon urban management. On balance, Objective 6 was **Mostly Achieved**.

25. **Objective 7: Improve sustainable management of key natural resources (forests, biodiverse areas, water, and combined renewable energy).** This objective was supported by the Forests and Climate Change project (FY12), the Sustainable Production Systems and Biodiversity (FY13), the Coastal Watersheds Conservation in the Context of Climate Change (FY14), the Efficiency Improvement Program (FY11), the Sustainable Rural Development (FY09), GEF Large Scale RE Development—La Venta 3 (FY06), Hybrid Solar Thermal—Agua Prieta (FY07), the Sustainable Energy Technologies Development for Climate Change (FY15), and Integrated Energy Services (FY08). Several ASA products contributed to the objective: Forests and Climate Change: Building Low-Carbon and Resilient Landscapes (FY19), National Center for Hydrocarbon Information (FY15), Strengthening 18) Security and Resilience (FY19), Water Sector Adaptation Technical Cooperation Program (FY14), RAS Development of an Improved Management Plan for the Cutzamala Water System, Phase II (FY16), Programmatic Approach for the Energy Sector: Supporting a Low-Carbon Economy (FY18), and Programmatic Approach for Environmental and Climate Change (FY16). In addition, IFC investments in Eurus, Puertas Finas, Solem (I and II), Potrero Solar, Solem Solar, Bioappel, Perote II, IEnova Corp, and advisory services provided to Puertas Finas for resource efficiency<sup>12</sup> also supported the objective. MIGA provided a US\$963 million political risk guarantee to

<sup>12</sup> IEG assessed the Development Outcome of the Puertas Finas AS as Successful.



Fisterra Energy Holdings' (Spain) investment in Ciclo Combinado Tierra Mojada S.A. (Zapotlanejo, Jalisco). Objective 7 had five indicators:

- Forest area under sustainable management practices and conservation schemes (hectares). In 2016, Mexico increased the area under sustainable management practices to 4.45 million hectares, but this result was not sustained. The ICR review for the Forests and Climate Change project reports that as of February 2018 about 3.9 million hectares were under sustainable management practices, a negligible increase over a baseline of 3.86 million hectares in 2014 (the target was 4.5 million hectares in 2017). *Partially Achieved*
- Area brought under enhanced biodiversity protection (hectares). In total, 1,323,564 hectares were brought under enhanced biodiversity protection (compared with a target of 1,134,500 hectares in 2018). *Achieved*
- Number of water utilities whose global efficiency increases by two percent. The ICR review for the Efficiency Improvement Program (FY11) reports that eight water utilities increased their global efficiency by two percent as of June 2016 (compared with a target of five in 2016). *Achieved*
- Power in GWh generated from renewable sources supported by WBG projects (eolic, solar, combined, biomass). WBG projects resulted in at least 3,407 GWh generated from renewable resources, compared with a target of 3,838 GWh in 2018 (the baseline was 1,005 GWh in 2014). *Mostly Achieved*
- GHG emissions in tCO<sub>2</sub>e avoided or reduced from renewable sources supported by WBG projects (eolic, solar, combined, biomass). Taking into account reduction or avoidance of GHG emissions by WBG projects, the total emission reduction was at least 6 million tCO<sub>2</sub>e (compared with a target of 4.5 million). *Achieved*

26. The objective should have been disaggregated into two – one for sustainable management of natural resources and the other for GHG emissions from renewable energy sources as these are distinct efforts. On balance, Objective 7 is **Mostly Achieved**.

27. IEG rates Focus Area IV as **Moderately Satisfactory**. A number of cities are using energy diagnostic tools, and GHG emissions were reduced through renewable energy sources supported by WBG projects. A significant area was brought under enhanced biodiversity protection, and substantial GHG emissions were avoided or reduced in cities supported by Bank projects in the energy and transport sectors (tCO<sub>2</sub>e). However, there was a negligible increase of forest area under sustainable management practices.

#### Overall Assessment and Rating

28. IEG rates the CPS development outcome as **Moderately Satisfactory**. Of the seven objectives, one was Achieved and six Mostly Achieved. On Focus Area I there was good progress in improving financial inclusion for productive purposes, and a significant number of farmers were integrated into agribusiness value chains. However, IFC investments fell short of the targeted container capacity. On Focus Area II, education access in target programs improved although their quality is hard to assess. The social information system became more integrated, and PROSPERA beneficiaries showed active participation in social and productive programs. Under Focus Area III, fiscal reporting by states improved, there was progress in disaster risk pooling, and states enhanced their public financial or information systems. From the information available, it is unclear whether states improved their fiscal management. Under Focus Area IV, GHG emissions were reduced through renewable energy sources supported by WBG projects, but there was a meager increase of forest area under sustainable management practices.



Objectives	CLR Rating	IEG Rating
<b>Focus Area I: Unleashing Productivity</b>	<i>Satisfactory</i>	<i>Satisfactory</i>
Objective 1: Improve financial inclusion for productive purposes	Achieved	Achieved
Objective 2: Improve the investment climate in target states and select infrastructure development for productive purposes.	Mostly Achieved	Mostly Achieved
<b>Focus Area II: Increasing Social Prosperity</b>	<i>Satisfactory</i>	<i>Moderately Satisfactory</i>
Objective 3: Improve access and quality in target education programs	Mostly Achieved	Mostly Achieved
Objective 4: Improve access and integration of the social protection system	Achieved	Mostly Achieved
<b>Focus Area III: Strengthening Public Finances and Government Efficiency</b>	<i>Satisfactory</i>	<i>Moderately Satisfactory</i>
Objective 5: Improve fiscal management capacity and increase adoption of modern public financial or information management mechanisms in selected states.	Achieved	Mostly Achieved
<b>Focus Area IV: Promoting Green and Inclusive Growth</b>	<i>Satisfactory</i>	<i>Moderately Satisfactory</i>
Objective 6: Improve capacity for low-carbon urban development management	Mostly Achieved	Mostly Achieved
Objective 7: Improve sustainable management of key natural resources (forests, biodiverse areas, water, and combined renewable energy).	Achieved	Mostly Achieved

## 6. WBG Performance

### Lending and Investments

29. At the start of the CPS period, outstanding IBRD commitments amounted to US\$5.6 billion consisting of 16 IPF operations approved during FY08-FY10. About 77 percent of the commitments (US\$4.3 billion) were in focus area II (increasing social prosperity), for social protection, education, and health and nutrition. The rest were distributed in transport, energy and extractives, water, environment, finance and competitiveness, macroeconomics, trade and investment, and agriculture. During the CPS period, new IBRD commitments totaled US\$3.4 billion comprising 13 IPF operations including one additional financing project and 2 DPLs. Most of the commitments (47 percent) supported focus area II (increasing social prosperity) for education and social protection and focus area II (unleashing productivity) (39 percent) for financial inclusion and rural finance. ASA supported all the objectives under the program, and objectives 2 (investment climate/select infrastructure development) and 5 (fiscal management/public financial information) were exclusively supported by ASA. Almost all trust-funded activities (11 out of 13) supported pillar 4 (promoting green and inclusive growth), primarily for climate change, energy efficiency, and forest management. The remaining two operations were for education and affordable housing.

30. During the CPS period, twelve trust-funded projects<sup>13</sup> amounting to US\$187 million were approved (nine for US\$111.9 million) or closed (four for US\$74.7 million), with twelve supporting focus area four on green and inclusive growth, and one supporting education. Seventy-five percent of the volume went to five Global Environmental Fund (GEF) financed projects. They helped develop renewable energy, reduce green-house gas (GHG), induce policy changes in favor of sustainable transport projects, promote adaptation to the consequences of climate impacts in the coastal wetlands of the Gulf of Mexico, assess the impacts of climate change on Mexico's national resource planning, and strengthen the sustainable management of productive landscapes. Four of the GEF-funded

<sup>13</sup> Recipient Executed Trust Funds of at least US\$5 million.



projects achieved their development objectives at closure, and the one that remains open is making adequate progress.

31. During the CPS period, a total of 16 operations were closed, all of which were reviewed by IEG. Mexico's performance at exit, measured by outcomes rated Moderately Satisfactory or better by IEG, was slightly better (75 percent of projects and 97 percent weighted by commitments)<sup>14</sup> when compared to the Latin America region (73 percent of projects and 80 percent weighted by commitments) and World Bank (76 percent of projects and 84 percent weighted by commitments) averages. Most of the projects that closed and were rated Moderately Satisfactory or better supported focus areas IV (6) (promoting green and inclusive growth) and II (4) (increasing social prosperity).

32. Of the three projects rated Moderately Unsatisfactory or lower, one was in the water sector, one was in energy, and one in results-based management and budgeting. Under the energy project, the solar facility was not yet commissioned by the project's closing date and thus did not deliver any of the targeted benefits. Even for a sophisticated client like Mexico, projects with innovative technologies have greater risks than conventional infrastructure projects. Additional time for completing this type of projects could be needed to handle all the complications that may be encountered along the way. One lesson from the water project is that time and effort were spent on processing a number of small procurement packages instead of focusing on knowledge sharing and sector policy dialogue. To advance innovative approaches that require small-scale procurement, the project's ICRR recommends that the Bank could consider grouping procurement items or taking other approaches (more flexible procurement rules with higher thresholds) that promote efficiency without compromising quality.

33. Overall, IBRD's Mexico active portfolio performed well. The share of projects at risk (by number of projects) averaged 17 percent, lower than the LAC region (24 percent) and the World (21 percent). The share of commitments at risk was lower in Mexico (11.4 percent) than in the LAC region (18.6 percent) and the World (21.5 percent). Self-ratings of ongoing projects were satisfactory, in line with the generally good performance of projects at exit in Mexico.

34. At the start of the CPS period, IFC had US\$963 million of investments in 23 active projects. During the CPS period, US\$1.44 billion in new commitments were made. Of the US\$2.4 billion in investment active during the period, the largest sectoral exposure was in the finance and insurance sector (with 26 percent), followed by chemicals and industrial & consumer projects (17 percent each). Thirty-eight percent of the new commitments made during the CPF period were in the finance and insurance sector, followed by transportation and warehousing with 15 percent and chemicals with nine percent. IFC's average outstanding short-term commitments under the Global Trade Finance Program (GTFP) was US\$2.5 million. IFC's portfolio in Mexico is the fourth-largest IFC portfolio in the Latin America region and the eighth-largest worldwide.

35. During the CPS period, IEG validated 13 Expanded Project Supervision Reports (XPSRs) wherein nine projects (69%) were rated Moderately Unsuccessful or lower for not reaching their development objectives. Of the seven XPSRs that corresponded to investments active during the CPS period, four were rated Moderately Unsuccessful or lower (in the education, industrial & consumer products, and construction and real estate sectors). Three were rated Moderately Satisfactory or higher. The substantial proportion of poorly-performing investments (from a development perspective) stands in contrast to the fact that most of the CPS indicators to which IFC contributed were achieved. Only two of the poorly-performing investments were cited in the results indicators in section 5 above. Of the nine projects rated Moderately Unsuccessful or worse, three went into bankruptcy, four had slower business than expected, one was impacted by a hurricane, and in one management changed strategic direction. Of the four projects rated Mostly Successful or higher, two were in microfinance, one was in a growth equity fund, and one was in miscellaneous and industrial ores.

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<sup>14</sup> By volume, 92 percent of projects were rated Satisfactory, with one large project (Support to Oportunidades Project (FY09) amounting to 64 percent of the total.



36. MIGA underwrote a political risk guarantee to a power project amounting to US\$962.9 million during the review period.

#### Analytic and Advisory Activities and Services

37. During the CPS period, the World Bank delivered 111 ASA products. Through FY18, for which a breakdown is available, 12 were economic and sector work (ESW) and 78 were technical assistance (TA). The ESW included a Public Expenditure Review (PER-FY16) and an Urbanization Review (FY16). Through the PER the World Bank provided inputs to fiscal consolidation, the 2016 budget preparation, and helped enhance subnational fiscal discipline. IEG's Country Program Evaluation (2018) underscored that government financing of the PER demonstrated ownership.

38. The ASA program was organized around programmatic multi-year approaches that provided advice on sustainable development and infrastructure (12 activities), human development (8 activities), and equitable growth, finance, and institutions (8 activities). The programmatic approach allowed a strategic approach to ASA activities (individual activities had to be coherent with the whole program) and its multi-annual framework permitted annual reviews to adjust the program as needed. Under the Bank program, there was substantial demand for Reimbursable Advisory Services (26 in all). IEG's Country Program Evaluation (2018) noted the significance of the technical assistance exercise for the Cutzamala River Basin, which included RAS activities and developed a management plan for safeguarding a critical water supply source for both Mexico City and the Toluca metropolitan area, benefiting an estimated 5 million people.

39. The World Bank utilized ASA as a major instrument in engaging the authorities in areas such as financial sector development, fiscal challenges, and urbanization and housing. It was also helpful in the design of projects such as Expanding Rural Finance (FY19) and Improving Access to Affordable Housing Program (FY17). The ASA supported virtually all the objectives under the program. Notably, the Sound Financial Sector Development PA (FY16) and the RAS Banxico Programmatic (FY17) underpinned the objective on financial inclusion. The PA on Strengthening Subnational Governments (FY19) and PA for the Public Sector in Mexico (FY16) underpinned objective 5 on fiscal management.

40. During the CPS period, IFC began 15 new Advisory Service (AS) projects amounting to US\$11.5 million of IFC funds. Nine projects were terminated due to client disinterest, re-organization or modification of original project scope. Of these terminated projects, eight were public-private partnership (PPP) transaction advisory projects. Only one of these projects had mobilized more than 25 percent of its funding (mobilized 59%), and only one had spent more than US\$100,000 (US\$187,000). Of the active projects, two are PPP advisory projects, one is regional business development for PPPs, and one is in the financial sector. Two additional AS projects were implemented and closed, in the education and manufacturing sectors (the latter focusing on energy efficiency). IEG validated only two Project Completion Reports (PCRs), of which one was rated Successful in development effectiveness (Puertas Finas energy efficiency) and the other was rated as Highly Unsuccessful. The latter attempted to develop new financing instruments with Mexican financial institutions, but there was lack of demand for such instruments, and regulatory issues impeded their feasibility.

#### Results Framework

41. The results framework reflected reasonably well the links between the government's strategy, the CPS objectives and indicators, and the supporting World Bank Group's interventions. Generally, the objectives addressed critical constraints based on analytical work, were congruent with the government's strategy, and indicators were measurable. However, there were shortcomings, particularly in targeting outcomes that the World Bank Group can influence through its interventions. As a result, several of the baselines and targets were changed at PLR stage, and some of the indicators were modified or dropped at that stage. Some objectives were significantly broader than the Bank's engagement under those objectives. For example, objective 4 on increased skilled labor market participation, where the Bank's interventions were geared to improved access to education under some programs. Therefore, at PLR stage the objective was replaced by one focusing on education. Similarly, objective 6—increase non-oil public revenues and improve expenditure equity—



was broader than Bank interventions, which focused on transparency and accountability, and subnational fiscal issues. At PLR stage objective 6 was merged with 7 (public sector management and information systems) and 8 (comprehensive risk management framework), and replaced by a new objective focused on fiscal management capacity and adoption of modern information management systems in selected states. Yet, even after the PLR, in some instances the scope of the objective was broader than indicator coverage. The new objective 6—improve capacity for low-carbon urban development management—has a broad scope referring to urban development management, while indicators refer to transport and energy diagnostic tools. Finally, objective 7—improve sustainable management of key natural resources (forests, biodiverse areas, water, and combined renewable energy)—tried to cover too much ground. The objective should have been disaggregated into two – one for sustainable management of natural resources and the other for GHG emissions from renewable energy sources.

#### Partnerships and Development Partner Coordination

42. The CPS did not articulate any partnership coordination strategy, and the CLR did not report on cooperation with development partners.

#### Safeguards and Fiduciary Issues

43. Seventeen projects were closed and validated by IEG during the CPS, of which fifteen triggered at least one safeguard policy in the education, energy, social protection, transport and ICT, water, environmental and natural resources, agriculture, and the finance sectors. According to the CLR, environmental and social risks were generally low in all IBRD operations. The CLR also reports compliance with the safeguards requirements as achieved throughout the portfolio, and credits WB oversight, close supervision, and capacity building activities for all the stakeholders. Project ICRs and ICR reviews confirm these findings with additional details indicating careful attention to the safeguards by the Bank and the country teams. Operations were faced with environmental waste disposal issues, poor budgeting, delays, weak reporting on safeguards and inadequate coordination between government agencies. The mitigation measures applied by the Bank and the country included consultations with stakeholders, staffing, and alignment of safeguards instruments with the Mexican legislation. By project closure, all negative impacts are reported to have been mitigated and safeguards compliance is rated satisfactory, in both the ICRs and the ICR reviews, with positive outcomes on the indigenous population.

44. In April 2016, a request for investigation was submitted to the Inspection Panel by representatives of people resettled during the implementation of a Bank project. After conducting its due diligence, the Inspection Panel found that the claims were not associated with a WB-financed operation.

#### Ownership and Flexibility

45. Overall, ownership of the CPS was strong. Consultations—which were extensive with the government and stakeholders—were carried out while the authorities that had taken office about a year earlier were developing specific sector implementation plans and strategies that complemented the National Development Plan 2013-18. This allowed the WBG to align its interventions with those of the authorities. According to the CLR, at the time of the PLR the WBG engagement was adjusted to reflect changes in government demand, which enhanced ownership. The original CPS envisaged support for infrastructure development in view of possible requests from the new National Infrastructure Plan, which did not materialize. Therefore, support for infrastructure was replaced by a deepening engagement on financial inclusion, support for developing special economic zones (SEZ) in the poor south and southeastern states, strengthening productivity in agriculture, and linking the social protection system to productive programs.

#### WBG Internal Cooperation

46. There are examples that show that the World Bank Group cooperated well internally under the program. IFC participated in three out of the four program pillars (financial inclusion, opening local markets to private sector, education, housing, and renewable energy). World Bank Group support for

*Red Compartida*<sup>15</sup> is an illustration of World Bank and IFC cooperation. The World Bank provided technical advice to the telecommunications regulator on sectoral competition policies for the *Red Compartida* program to ensure fair market access. IFC made an equity investment, along with the China-Mexico Fund, to *Altán Redes*, the company awarded the contract to build and operate the network. In the case of ASA, The World Bank and IFC collaborated in providing technical assistance to improve the efficiency of the Municipal Solid Waste Program, and the World Bank contributed to the review of the national legal framework for integrated waste management with a view to reducing GHG emissions. MIGA also participated through a political risk guarantee in energy sector.

#### Risk Identification and Mitigation

47. The CPS identified key risks – sluggish economic performance affecting pace of reform, little room for countercyclical lending in the event of global or local shocks, limited institutional capacity (particularly subnational level), and crime and violence. Failure of reform implementation would affect the program, and be mitigated by the flexibility embedded in the program. An adverse international context would likely require additional quick disbursing IBRD financing. Portfolio implementation could be affected given expansion of engagement at sub-national level, which the WBG would address through close management of portfolio and programmatic approaches. WBG engagements are concentrated in areas where there is less crime and violence, and therefore the impact of crime and violence risks on the program was limited. Lack of counterpart funds affected the implementation of some projects such as the Urban Transport Transformation Project (FY10). The WBG response was to restructure projects to deal with lack of counterpart funds and adjust the scope of projects. At the subnational level, weak capacity and complex institutional arrangements contributed to project implementation delays. Regular pipeline meetings were established with the Secretariat of Finance and Public Credit to discuss subnational external borrowing and weak subnational capacity.

#### Overall Assessment and Rating

48. Overall, IEG rates World Bank Group performance as **Good**.

#### Design

49. The CPS design addressed important development challenges and was congruent with Mexico's National Development Plan 2013-18. On the whole, the program had a focus on reducing poverty and increasing shared prosperity. Three out of seven CPS objectives at PLR stage had a direct focus on reducing poverty and sharing prosperity, including financial inclusion in underserved rural areas, and/or targeted low-income areas. The team went through a rigorous selectivity exercise. However, the broad scope of some objectives made the original program less selective in terms of coverage than it appeared, as in the case of skilled labor participation, non-oil public revenue and expenditure equity, public sector management, and risk management framework. In the original design, there was a weak link between some objectives and their indicators. The PLR recognized that the coverage of objectives was broader than the program's intentions and merged and/or changed a number of objectives. The program's expectations to increase non-oil public revenues and improve expenditure equity were reduced, and its original expectations to put in place an integrated and comprehensive risk management framework were slightly reduced. Still, after the PLR, some objectives (natural resources and renewable energy) were compound objectives with broad coverage that would require trimming for more selectivity.

#### Implementation

50. In terms of implementation, project performance at exit was better than the LAC region and the overall World Bank. Just three out of 17 projects that exited during the CPS were rated Moderately Unsatisfactory or lower. The World Bank was generally proactive through country portfolio performance reviews, which provided solutions to issues in the implementation of several projects. Such issues arose from expenditure cuts that affected project implementation after 2016, to weak capacity and complex institutional arrangements at the subnational level. However, for some of the

<sup>15</sup> *Red Compartida* is the network resulting from the Mexican Government's 2014-2016 effort to overhaul its telecommunications industry by introducing competition into the marketplace.





World Bank ongoing operations (e.g. Urban Transport Transformation project [FY10]) implementation issues were difficult to resolve despite the World Bank's proactivity. The programmatic approach to ASA allowed a strategic approach to activities (individual activities had to have coherence with the whole program) and its multi-annual framework permitted annual reviews to adjust the program as needed.

51. IFC participated in three out of the four program pillars, and its contributions helped with financial inclusion, opening local markets to private sector, education, housing, and renewable energy. However, five out of eight XPSRs for IFC investments active during the CPS period that validated by IEG were Unsuccessful or Highly Unsuccessful. They were in education services, industrial and consumer products, and construction and real estate. This had a limited impact on the achievement of CPS objectives but indicates some shortcomings in the IFC portfolio. Likewise, several Advisory Services projects were terminated (although before much work was done as evidenced by the low level of spending on them) due to lack of client interest, mostly for public-private partnership transactions. MIGA also participated with a political risk guarantee in the energy sector.

52. The CLR did not provide a sufficient description of how IFC, MIGA, and World Bank coordinated their work in areas where they had complementary activities, such as energy.

## **7. Assessment of CLR Completion Report**

53. The CLR provided an assessment of CPS design and World Bank Group implementation performance, but the evidence and analysis provided was uneven. First, it did not provide an assessment of the results framework, and the discussion of the substantial ASA program contribution to objectives was inadequate. Under some objectives, ASA contributions were not discussed. Second, the CLR did not provide a sufficient discussion of how IFC, MIGA, and World Bank coordinated their work in areas where they had complementary activities, such as energy and finance.

## **8. Findings and Lessons**

54. The CLR provided four lessons: (i) flexibility in the WBG's engagement was key to responding rapidly to the country's development needs, (ii) supporting Mexico's role as a global knowledge leader provides important insights for the global public goods agenda, (iii) close collaboration within the WBG has been critical to creating an appropriate business environment, and succeeding in crowding in private sector solutions, and (iv) the use of the full suite of WBG services and instruments of engagement with the public and private sectors is a good example of the World Bank's relevance in upper-middle-income countries, such as Mexico.

55. IEG broadly agrees with these lessons, with nuances. On flexibility, indeed there was some refocusing of resources at PLR stage as explained in footnote 9, but this was minor compared with the radical changes under the previous (FY08-FY13) strategy in response to the effects of the global financial crisis. On collaboration within the WBG, the role of IFC was significant, and MIGA played its part, but the CLR only briefly mentions IBRD, IFC, and MIGA coordination under the program.

56. Under the Mexico CPS for FY14-FY19, World Bank Group supported the government of Mexico to implement interventions that were targeted to addressing the country's development goals and were broadly focused on reducing poverty and improving shared prosperity. There was a degree of selectivity, and there was strong ownership of the CPS by the authorities. World Bank, IFC, and MIGA interventions complemented each other, but the degree to which the institutions worked together was not explained explicitly in the CLR. There were shortcomings in measuring the program's intended results and outcomes. There was a weak link between some of the CPS objectives and their indicators, especially in the original design, and there could have been a greater outcome orientation in some cases. For instance, access to education was measured, but quality was not, and aspects of fiscal management capacity were measured, but the quality of fiscal management itself was not. Nevertheless, the program made important contributions to Mexico's development –



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telecommunications backbone infrastructure (*Red Compartida*) and access to finance for individuals and firms stand out in particular.

Annex Table 1: Summary of Achievements of CAS Objectives – Mexico

Annex Table 2: Planned and Actual Lending for Mexico FY14-19 (US\$, millions)

Annex Table 3: Advisory Services and Analytics Work for Mexico, FY14-FY19

Annex Table 4: Mexico Trust Funds Active in FY14-FY19 (US\$)

Annex Table 5: IEG Project Ratings for Mexico, FY14-FY19

Annex Table 6: IEG Project Ratings for Mexico and Comparators, FY14-FY19

Annex Table 7: Portfolio Status for Mexico and Comparators, FY14-FY19

Annex Table 8: Total Net Disbursements of Official Development Assistance for Mexico FY14-FY19  
(US\$, millions)

Annex Table 9: Economic and Social Indicators for Mexico, FY14-FY19

Annex Table 10: List of IFC Investments in Mexico (US\$, millions)

Annex Table 11: List of IFC Advisory Services in Mexico (US\$, millions)

Annex Table 12: IFC net commitment activity in Mexico, FY14 - FY19 (US\$, millions)

Annex Table 13: List of MIGA Projects Active in Mexico, FY14-FY19 (US\$, millions)







Annex Table 1: Summary of Achievements of CPS Objectives – Mexico

	CPS FY14-FY19: Focus Area I: Unleashing Productivity	Actual Results	IEG Comments
<b>Major Outcome Measures</b>	<b>1. CPS Objective: Improved financial inclusion for productive purposes</b>		
	<p><b>Indicator 1:</b> Number of clients [persons] mainstreamed into formal financial sector.</p> <p><b>Baseline:</b> 7.12 million (2014) <b>Target:</b> 8 million (2016)</p>	<p>The April 2017 ISR: S of P123367 reports that 9.35 million clients were mainstreamed into the formal sector as of December 2016. The IEG ICRR: S of P123367 reports that by June 2017, the number of clients mainstreamed was 9.5 million.</p> <p><b>Achieved</b></p>	<p>The objective was supported by the Savings and Credit Sector Consolidation and Financial Inclusion Project (P123367, FY12) and the following ASAs: Catalyzing Financial Sector Development and its subtasks (P161933, FY19), PA Sound Financial Sector Development and its subtasks (P133788, FY16), RAS Banxico Programmatic and its subtask (P154294, FY17), Financial Sector Assessment Program (FSAP) Update (P159016, FY17), Mexico Financial Capabilities Assessment (P122665, FY14), and the Oaxaca Engagement Mexico Programmatic Approach and its subtask (P150063, FY16).</p> <p>At the PLR stage, the indicator baseline/target was modified from the original: <b>Baseline:</b> NA <b>Target:</b> 1.6 million (July 2015)</p>
	<p><b>Indicator 2:</b> Number of additional MSMEs in the rural economy with access to credit (of which 60 percent are female) (cumulative).</p> <p><b>Baseline:</b> 0 (2015) <b>Target:</b> 22,222 (2018) (of which 13,333 female)</p>	<p>The May 2019 <a href="#">ISR: S</a> of P153338 reports that there were 118,107 unique MSME beneficiaries financed by the project as of December 2018, of which 86.04% were female (101,619). IEG notes that this indicator captures the number of borrowers supported through this project specifically, regardless of whether they had access to credit through other sources.</p> <p><b>Achieved</b></p>	<p>The objective was supported by the Expanding Rural Finance (P153338, FY16).</p>
<p><b>Indicator 3:</b> IFC: Number (#) and volume (US\$) of MSME loans in outstanding portfolio.</p> <p>Number <b>Baseline:</b> 2.2 million (2012) <b>Target:</b> 4.07 million (2018)</p> <p>Volume <b>Baseline:</b> 3.72 billion (2014) <b>Target:</b> 4.3 billion (2018)</p>	<p>The CLR reports that as of December 2017, that there were 3.79 million loans with a volume of US\$4.08 billion to MSMEs generated by investments supported by IFC. These figures include the clients <i>Compartamos</i>, <i>Banco del Bajío</i> and <i>Bankaool</i> which exited IFC's portfolio before 2017.</p> <p>IEG can confirm from the IFC DOTS database that during the CPS period,</p>	<p>The objective was supported by the following investments: Compartamos Loan (29634), Agrofinanzas RI (32065), Bajío (35032), Progresemos IV (36410), DCM CAMESA PCG II (37284), Mifel (29030), Konfio Debt (40491) and Contigo I (38960) and the following advisory services Progresemos DFS (603142) and PBGI Learn&amp;RF (599630).</p>	



	CPS FY14-FY19: Focus Area I: Unleashing Productivity	Actual Results	IEG Comments
		<p>IFC supported investments generated 3.7 million loans with a volume of US\$4.1 billion.</p> <p><b>Mostly Achieved</b></p>	<p>At the PLR stage, the indicator was modified from the original: <i>Volume of new loans to SMEs in the portfolio of financial intermediaries.</i> <i>Baseline: 2.9 million (2012)</i> <i>Target: 3.4 million</i></p>
	<p><b>Indicator 4: IFC:</b> Number of new issuers in the capital markets with IFC's Support.</p> <p><b>Baseline:</b> 1 (2012) <b>Target:</b> 4 (2018)</p>	<p>IFC supported three bond issuances by Camesa during the CPS period, two in 2015 and another in 2017 (IFC client supervision report).</p> <p><b>Mostly Achieved</b></p>	<p>The objective was supported by investments in Camesa (34538, 37284).</p> <p>At the PLR stage, the indicator baseline/target was modified from the original: <i>Number of new issuances in the capital markets.</i> <i>Baseline: 1</i> <i>Target: 4</i></p>
<p><b>2. CPS Objective: Improved investment climate in target states and select infrastructure development for productive purposes</b></p>			
	<p><b>Indicator 1:</b> Number of recommended regulations/amendments/codes adopted in SEZ states.</p> <p><b>Baseline:</b> 0 (2013) <b>Target:</b> 9 (2018)</p>	<p>The CLR reports that 9 recommendations/amendments/code were adopted. The completion report of P158466, a subtask of P146293, show that:</p> <ul style="list-style-type: none"> <li>• The recommended Federal Law on Special Economic Zones informed by WBG advisory support was adopted on June 1, 2016.</li> <li>• The recommended implementing regulations for the Federal Law on Special Economic Zones informed by WBG advisory support were adopted on June 30, 2016.</li> <li>• At least 18 specific provisions recommended for incorporation by the WBG were accepted in the final SEZ law and implementing regulations.</li> </ul> <p><b>Achieved</b></p>	<p>The objective was supported by the following ASA Mexico Productivity Democratization Programmatic Approach and its subtasks (P146293, FY19), Supporting Mexico's SEZ (P160599, FY19), Oaxaca Regulatory Barriers to Competition (P150476, FY14), and the Oaxaca Judiciary RAAP (P155064, FY16).</p> <p>At the PLR stage, the indicator was modified from the original: <i>Number of recommended laws/regulations/amendments/codes enacted or government policies adopted to improve competition at subnational level.</i> <i>Baseline: 0</i> <i>Target: 30</i></p>
	<p><b>Indicator 2: IFC:</b> Containers Handled (Millions TEU Containers)/Port Operations.</p> <p><b>Baseline:</b> 0 (2014) <b>Target:</b> 1.67 (2018)</p>	<p>The IFC DOTS database show that IFC investments resulted in 0.36 Million TEU containers as of 2017 and 0.76 Million TEU in 2018.</p> <p><b>Partially Achieved</b></p>	<p>The objective was supported by the following investments: APM TEC (31939) and Tuxpan (32817).</p>
	<p><b>Indicator 3: IFC:</b> Number of farmers integrated into the</p>	<p>The CLR reports that as of December 2017, that 11,022 farmers integrated into the agribusiness value chain</p>	<p>The objective was supported by the following investments: Agrofinanzas RI (32065), NORSON (32826),</p>



	CPS FY14-FY19: Focus Area I: Unleashing Productivity	Actual Results	IEG Comments
	<p>agribusiness value chain through projects financed by IFC.</p> <p><b>Baseline:</b> 5,300 (2012) <b>Target:</b> 8,630 (2018)</p>	<p>through investments supported by IFC. This figure includes the client <i>Bankaool</i> which exited IFC's portfolio before 2017.</p> <p>IEG can confirm from the IFC DOTS database that during the CPS period, IFC investments reached 12,013 farmers.</p> <p><b>Achieved</b></p>	<p>Acuagranjas Exp (34073) and Bioparques 3 (37826).</p> <p>At the PLR stage, the indicator baseline/target was modified from the original: <i>Baseline: 5,500</i> <i>Target: 7,000</i></p>
	<p><b>Indicator 4: IFC:</b> New private sector investments facilitated by IFC in opportunities generated by the Mexican reforms.</p> <p><b>Baseline:</b> US\$285 million (IFC's own account) and US\$630 million (IFC's own account plus mobilization) (2014) <b>Target:</b> US\$700 million (IFC's own account) and US\$1.5 billion (IFC's own account plus mobilization) (2019)</p>	<p>The IFC's Mexico Strategy FY20-25 document reports that there were US\$1.3 billion (IFC's own account) or US\$2.3 billion (IFC's own account plus mobilization) of new private sector investments in FY19. The IFC team identified four investment projects specifically linked to the Mexican reforms, totaling US\$148.9 million in net IFC commitments (IFC's own account) and US\$410 million in mobilization, for a total of US\$558.9 million (IFC's own account plus mobilization). Three of these projects have a total value of US\$1,158.9 million, and the fourth is projected to reach US\$7 billion. Beyond these four projects, it is unclear how much of the IFC's investment during the CPS period was in opportunities generated by the Mexican reforms.</p> <p><b>Partially Achieved</b></p>	<p>The objective was supported by IFC investments Potrero Solar (41297), Solem (40372, 40373, 40374, 40375), Citta Energy (37179), and Wave Catcher (38474).</p> <p>At the PLR stage, the indicator was modified from the original: <i>New private sector investment in oil, gas, petrochemicals and telecommunications sectors.</i> <i>Baseline: US\$600 million</i> <i>Target: US\$1.5 billion</i></p>

	CPS FY14-FY19: Focus Area II: Increasing Social Prosperity	Actual Results	IEG Comments
	<b>3. CPS Objective: Improved access and quality in target education programs</b>		
<u>Major Outcome Measures</u>	<p><b>Indicator 1:</b> Gross failure rate (%) among basic (primary &amp; secondary) education schools in programs to strengthen School based Management (SBM).</p> <p><i>Programa de la Reforma Educativa</i> <b>Baseline:</b></p> <ul style="list-style-type: none"> <li>• Primary: 1.10 (2014)</li> <li>• Secondary: 3.32 (2014)</li> </ul> <p><b>Target:</b></p> <ul style="list-style-type: none"> <li>• Primary: 0.95 (2018)</li> <li>• Secondary: 2.5 (2018)</li> </ul>	<p>The <a href="#">IEG ICRR:S</a> of P147185 reports that the gross failure rate were the following as of December 2018 for both the <i>Programa de la Reforma Educativa</i> (PRE) and <i>Programa de Escuelas de Tiempo Completo</i> (PETC):</p> <ul style="list-style-type: none"> <li>• Primary: 1.44%</li> <li>• Secondary: 7.84%</li> </ul> <p>Both the <a href="#">ICR</a> and ICRR did not report the gross failure rates separately for the two programs as a result of project restructuring. The</p>	<p>The objective was supported by the MX School Based Management Project (P147185, FY15) and the ASA Knowledge Agenda of the Educational Reform in Mexico (P164777, FY19).</p> <p>At the PLR stage, the indicator modified from the original: <i>Improvements in ENLACE scores (Math and Spanish in primary and secondary schools, including students living in marginalized areas). 2-year moving average of</i></p>



	CPS FY14-FY19: Focus Area II: Increasing Social Prosperity	Actual Results	IEG Comments
	<p><i>Programa de Escuelas de Tiempo Completo</i></p> <p><b>Baseline:</b></p> <ul style="list-style-type: none"> <li>• Primary: 1.00 (2014)</li> <li>• Secondary: 3.85 (2014)</li> </ul> <p><b>Target:</b></p> <ul style="list-style-type: none"> <li>• Primary: 0.92 (2018)</li> <li>• Secondary: 3.18 (2018)</li> </ul>	<p>new baseline of the project-level indicator was:</p> <ul style="list-style-type: none"> <li>• Primary: 1.1% (2014)</li> <li>• Secondary: 7.79% (2013/14)</li> </ul> <p>Considering even the new baselines, the results of P147185 show a marginal increase in failure rates.</p> <p><b>Not Achieved</b></p>	<p><i>ENLACE test scores across school years (SY).</i></p> <p><i>Baseline: (SY11 &amp; SY12)</i></p> <p><i>Spanish primary: 546</i></p> <p><i>Math Primary: 557</i></p> <p><i>Spanish secondary: 490</i></p> <p><i>Math secondary: 522</i></p> <p><i>Target (SY2017 &amp; SY2018)</i></p> <p><i>Spanish primary: 610</i></p> <p><i>Math Primary: 620</i></p> <p><i>Spanish secondary: 550</i></p> <p><i>Math secondary: 570</i></p> <p>IEG evaluates the achievement of the indicator using the targets as reported in the PLR.</p>
	<p><b>Indicator 2:</b> Transition rate (%) from primary to secondary education for the graduates of CONAFE administered schools in selected National Crusade against Hunger (CNCH) municipalities.</p> <p><b>Baseline:</b> 63 (2014)</p> <p><b>Target:</b> 70 (2018)</p>	<p>The <a href="#">ICR: MS</a> of P149858 reports that the transition rate from primary to secondary education for the graduates of CONAFE administered schools in selected National Crusade against Hunger (CNCH) municipalities was 70% as of December 2018.</p> <p><b>Achieved</b></p>	<p>The objective was supported by the Mexico Reducing Inequality of Educational Opportunity Project (P149858, FY15).</p> <p>At the PLR stage, the indicator baseline/target was modified from the original:</p> <p><i>% of Oportunidades/PROSPERA youth registered with the Servicio Nacional de Empleo.</i></p> <p><i>Baseline: Does not exist</i></p> <p><i>Target: 2% in 2018</i></p> <p><i>(Disaggregated by sex)</i></p>
	<p><b>Indicator 3:</b> IFC: Number of students enrolled in higher level institutions financed by IFC (of which female).</p> <p><b>Baseline:</b> 52,000 (of which 26,000 female) (2012)</p> <p><b>Target:</b> 105,000 (of which 52,000 female) (2018)</p>	<p>The CLR reports that as of 2017, that there were 92,122 students (of which 47,862 were female) enrolled as a result of investments supported by IFC. This figure includes <i>Finem</i> which exited IFC's portfolio before 2017.</p> <p>IEG can confirm from the IFC DOTS database that during the CPS period, IFC supported investments resulted in 92,224 enrolled students (of which 47,725 were female).</p> <p><b>Mostly Achieved</b></p>	<p>The objective was supported by the following investments: FINEM SME (28680), UAG University (30445), Harmon Hall (29753), the advisory services EduMex (602355) and Laureate Results Measurement (600356).</p> <p>At the PLR stage, the indicator baseline/target was modified from the original:</p> <p><i>Baseline: 52,000 (26,000 female)</i></p> <p><i>Target: 70,000 (37,000 female)</i></p>
<p><b>4. CPS Objective: Improved access to and integration of the social protection system</b></p>			
	<p><b>Indicator 1:</b> Number of PROSPERA beneficiaries that participate in social programs (of which female)</p>	<p>The June 2019 <a href="#">ISR: S</a> of P147212 reports that were 1,797,097 beneficiaries that participated in</p>	<p>The objective was supported by the Social Protection System (P147212, FY15) and the following</p>





	CPS FY14-FY19: Focus Area II: Increasing Social Prosperity	Actual Results	IEG Comments
	<p><b>Baseline:</b> 465,842 (of which X female) (2014) <b>Target:</b> 726,779 (of which X female) (2018)</p>	<p>social programs as of December 2018.</p> <p><b>Achieved</b></p>	<p>ASAs: Mexico Social Protection and Labor Engagement (P163477, FY20), Support the strengthening of the Mexico SP System and its focus on wellbeing, nutritional status and food security (P156025, FY18), Social Protection System Programmatic Approach II and its subtasks (P148162, FY17), and the Social Protection and Health (P129698, FY14).</p> <p>At the PLR stage, the indicator was modified from the original: <i>% of eligible PROSPERA families registered in the PROSPERA program.</i> <i>Baseline: does not exist. (methodology changed in 2014)</i> <i>Target 30%</i></p>
	<p><b>Indicator 2:</b> Number of PROSPERA beneficiaries that participate in productive programs.</p> <p><b>Baseline:</b> 14,370 (2014) <b>Target:</b> 22,402 (2018)</p>	<p>The June 2019 <a href="#">ISR: S</a> of P147212 reports that were 318,217 beneficiaries that participated in productive programs as of December 2017.</p> <p><b>Achieved</b></p>	<p>The objective was supported by the Social Protection System (P147212, FY15).</p> <p>At the PLR stage, the indicator was modified from the original: <i>Average unsatisfied basic needs of the extreme poor population</i> <i>Baseline: 3.7 (2009)</i> <i>Target: 3.0 (2018)</i></p> <p>As per the shared approach, IEG evaluates the achievement of the indicator using the targets in the PLR.</p>
	<p><b>Indicator 3:</b> Number of instruments implemented for an integrated social information system.</p> <p><b>Baseline:</b> 0 (2014) <b>Target:</b> 5 (2018)</p>	<p>The June 2019 <a href="#">ISR: S</a> of P147212 reports that were 7 instruments implemented for an integrated social information system as of December 2018.</p> <p><b>Achieved</b></p>	<p>The objective was supported by the Social Protection System (P147212, FY15).</p> <p>At the PLR stage, the indicator was modified from the original: <i>Percentage of poor registered in the Unified Registry of Beneficiaries.</i> <i>Baseline: Not available (2014)</i> <i>Target: 40% (2018)</i></p>
	<p><b>Indicator 4: IFC:</b> Number of low-income patients treated by private health-care providers financed by IFC.</p> <p><b>Baseline:</b> 226,000 (2012)</p>	<p>The CLR reports that as of 2017, that there were 319,873 patients treated as a result of investments supported by IFC. This figure includes results from the client <i>Controladora de Servicios Médicos</i></p>	<p>The objective was supported by the investments Centro Médico Puertas de Hierro (26323/27603), Hospitalaria (30281), Sala Uno (33770), and UAG University (30445).</p>



	CPS FY14-FY19: Focus Area II: Increasing Social Prosperity	Actual Results	IEG Comments
	Target: 260,000 (2018)	<p>which exited IFC portfolio before 2017.</p> <p>IEG can confirm from the IFC DOTS database that during the CPS period that 348,341 patients were reached/served. However, it is unclear what the share of low-income patients is to the total as the IFC projects supported low to middle-income patients.</p> <p><b>Not Verified</b></p>	At the PLR stage, the baseline and target years were added.
	CPS FY14-FY19: Focus Area III: Strengthening Public Finances and Government Efficiency	Actual Results	IEG Comments
<b>Major Outcome Measures</b>	<p><b>5. CPS Objective: Improved fiscal management capacity and increased adoption of modern public financial or information management mechanisms in selected states.</b></p> <p><b>Indicator 1:</b> Number of states that are in compliance with reporting requirements under the new Fiscal Discipline Law for Subnational Entities.</p> <p><b>Baseline:</b> 0 (2014) <b>Target:</b> at least 5 (2018)</p>	<p>The Secretary of Finance and Public Credit report that 31 states were in compliance with reporting requirements under the new Fiscal Discipline Law for Subnational Entities as of June 2018 (<a href="#">website</a>).</p> <p><b>Achieved</b></p>	<p>The objective was supported by the following ASAs: Subnational Fiscal Topics (P156737, FY19), TA-Strengthening Subnational Governments in Mexico (P162751, FY19), Strengthening Unplanned Debt Prevention for Subnational Governments in Mexico (P162975, FY18), Fiscal Challenges PKS and its subtasks (P143967, FY15), and the Programmatic Approach for Public Sector in Mexico and its subtasks(P132906, FY16).</p> <p>At the PLR stage, the indicator was modified from the original: <i>Taxes as a percentage of GDP</i> <i>Baseline: Non-oil Federal revenues as a percentage of GDP: 15.0%</i> <i>Subnational revenues as a percentage of GDP: 0.93% (2012)</i> <i>Target: Non-oil Federal revenues as a percentage of GDP: 18%</i> <i>Subnational revenues as a percentage of GDP: 2.0 % (2019)</i></p>
	<p><b>Indicator 2:</b> Number of states that have joined the disaster risk transfer pool proposed by the Federal Government.</p> <p><b>Baseline:</b> 0 (2014) <b>Target:</b> 6 (2018)</p>	<p>The activity completion summary of P146241 reports that three states (Oaxaca, San Luis Potosi and Hidalgo) implemented the pilot mechanism creating a pool to transfer their disaster risk to the market.</p>	<p>The objective was supported by the following ASAs: Agriculture Risk Management in Mexico (P132987, FY15), Strengthening DRM in Mexico (P146241, FY16), and the RAS Programmatic Engagement in DRM (P130848, FY15).</p>



	CPS FY14-FY19: Focus Area III: Strengthening Public Finances and Government Efficiency	Actual Results	IEG Comments
		Partially Achieved	At the PLR stage, the indicator was modified from the original: <i>Integrated system for risk management adopted by Federal Government.</i> <i>b) Comprehensive disaster risk management strategy adopted that balances efforts in risk identification, risk prevention and management, and post-disaster reconstruction.</i> <i>c) Comprehensive agriculture risk management (ARM) strategy adopted that improves the efficiency of agricultural insurance markets and sets effective mechanisms to manage risks arising from price volatility in agricultural commodities.</i>
	<p><b>Indicator 3:</b> Number of states that have adopted at least one new recommended mechanism to improve their public financial or information management.</p> <p><b>Baseline:</b> 0 (2014) <b>Target:</b> at least 5 (2018)</p>	<p>CLR reports that the states of Oaxaca, Mexico City, Veracruz, Jalisco, Morelos, Guanajuato, and Puebla have adopted at least one recommendation to improve their public financial or information system. IEG cannot verify that recommendations have been adopted for Mexico City as the completion reports of P157558 notes that the recommendations of the RAS were medium to long-term in nature.</p> <p>IEG can confirm that recommendations have been adopted/implemented in Oaxaca (P129050), Guanajuato, Jalisco and Morelos (P152808 and its subtasks), Veracruz (P156949), and Puebla (P144701).</p> <p><b>Achieved</b></p>	<p>The objective was supported by the following ASAs: Strengthening Public Sector Management Systems in Mexico City (P157558, FY18), RAS Improving Evidence Based Policy and its subtasks (P152808, FY17), Reimbursable Advisory Services for Strengthening Public Sector Management (P129050, FY16), Fostering accountability and efficiency in public service delivery in Puebla (P144701, FY16)</p> <p>At the PLR stage, the indicator was modified from the original: <i>Increase in transparency and Access to Fiscal Information Index</i> <i>Baseline: average 70.8 (2012)</i> <i>Target: 10% increase (2018)</i></p>
	CPS FY14-FY19: Focus Area IV: Promoting Green and Inclusive Growth	Actual Results	IEG Comments
<u>Major Outcome Measures</u>	<b>6. CPS Objective: Improved capacity for low-carbon urban development management</b>		
	<b>Indicator 1:</b> GHG emissions avoided or reduced in cities supported by Bank projects in the	The CLR reports that 936,846 tCO <sub>2</sub> e from P107159 and P114012, 1,753,171 tCO <sub>2</sub> e from	The objective was supported by the Urban Transport Transformation Program



	CPS FY14-FY19: Focus Area IV: Promoting Green and Inclusive Growth	Actual Results	IEG Comments
	<p>energy and transport sectors (tCO<sub>2</sub>e).</p> <p><b>Baseline:</b> 58,000 (2014) <b>Target:</b> 827,919 (2018)</p>	<p>P106424/P120654, and 32,600 tCO<sub>2</sub>e from P149872 of GHG emissions were avoided and reduced (total of 2,722,617 tCO<sub>2</sub>e). However, the figures cited for P107159/P114012 are for projected lifetime GHG emission reductions.</p> <p>Based on project documents, the GHG emissions avoided or reduced:</p> <ul style="list-style-type: none"> <li>• 0.15 million tCO<sub>2</sub>e/year was avoided as of November 2018 (December 2018 <a href="#">ISR: MU</a> of P107159). By April 2019, emissions reductions were reduced to 46,842 tCO<sub>2</sub>e/year as a result of adjusting former estimates with known demand of levels in project areas (<a href="#">ICR: U</a>)</li> <li>• 5,074,000 tons of CO<sub>2</sub> reductions as of June 2014 (<a href="#">IEG ICRR: S of P106424</a>). The June 2014 <a href="#">ISR: S</a> reports that 3,320,829 tons of CO<sub>2</sub> has been reduced as of December 2013. The total accumulated reduction during the CPS period then is 1.7 million tons of CO<sub>2</sub>.</li> <li>• 62,864 tCO<sub>2</sub>e per year as of November 2011 (<a href="#">IEG ICRR: MS of P114012</a>)</li> <li>• 32,600 tons/year of CO<sub>2</sub> as of December 2018 (December 2018 <a href="#">ISR: MS</a> of P149872)</li> </ul> <p>The projects cited by the CLR does not measure the emission reductions using the same unit as the indicator. The results of P106424 show that at least 1.7 million tons of CO<sub>2</sub> reduced during the CPS period. It should be noted, however, that the emissions reduction from P106424 occurred early in the between December 2013 and June 2014, early in the CPS period.</p> <p><b>Achieved</b></p>	<p>(P107159, FY10), Efficient lighting and appliances (P106424/P120654, FY11), Sustainable Transport and Air Quality (P114012, FY10), the Municipal Energy Efficiency Project (P149872, FY16) and its additional financing (P160778, FY18) and the following ASAs: Programmatic Approach for the Agenda on Sustainable Transport (P164937, FY19), Social risk management and benefit sharing analysis for wind power sector in Oaxaca, Mexico (P161977, FY18), Greening Electricity Generation (P132533, FY14), Urban and Housing PA and its subtasks (P147899, FY17), and the Urban Environmental Services and its subtasks (P149131, FY16).</p> <p>At the PLR stage, the indicator was modified from the original: <i>Reduction in GHG emissions attributable to:</i></p> <p>(i) the energy efficiency projects <i>Baseline: 0 (2012)</i> <i>End Target: 9 MtCO<sub>2</sub>e (2019)</i></p> <p>(ii) other initiatives: <i>PMR, CCS, and GV &amp; FR (each program to set specific baselines and targets)</i></p> <p>As per the shared approach, IEG evaluates the achievement of the indicator using the targets in the PLR.</p> <p>The different projects measured emission reductions differently: tons vs tons/year.</p>
	<p><b>Indicator 2:</b> Number of large and intermediate cities using the Municipal Energy Diagnostics Tools developed by the Bank (i.e. Tool for Rapid Assessment of City</p>	<p>The CLR reports that municipal energy diagnostics using tools developed by the World Bank were deployed in 35 Mexican municipalities, and another 12 municipalities participated in a CURB</p>	<p>The objective was supported by the Efficient lighting and appliances (P106424/P120654, FY11), the Municipal Energy Efficiency Project (P149872,</p>



	CPS FY14-FY19: Focus Area IV: Promoting Green and Inclusive Growth	Actual Results	IEG Comments
	<p>Energy-TRACE, Climate Action for Urban Sustainability-CURB).</p> <p><b>Baseline:</b> 2 pilot cities (2013) <b>Target:</b> 42 additional cities (2018)</p>	<p>capacity building training under P149872.</p> <p>IEG can verify the following:</p> <ul style="list-style-type: none"> <li>• The <a href="#">IEG ICRR: S</a> of P106424 reports that more than 30 cities across the country used TRACE to diagnose potential energy efficiency investments.</li> <li>• The Aide Memoire of P149872 (<a href="#">July 10-14, 2017</a>) reports that Huajuapán de León implemented TRACE.</li> <li>• Penjamo conducted TRACE analysis with support from the WB (<i>Evaluación Rápida del Uso de la Energía – Penjamo</i>).</li> <li>• The December 2018 <a href="#">ISR: MS</a> of P149872 reports that there were 213 participants in consultation activities (including CURB training) as of December 2018. However, the project does not monitor if the municipalities implemented the CURB diagnostic tool.</li> <li>• Thirteen municipalities and two states participated in a CURB training supported by the WB in April 2018 (CURB Training Final Report, P149872).</li> </ul> <p>Overall, IEG can verify that TRACE was implemented in 32 cities. Thirteen municipalities and two states participated in a CURB training, but IEG could not verify if the CURB diagnostic tool was implemented after the training.</p> <p><b>Mostly Achieved</b></p>	<p>FY16) and its additional financing (P160778, FY18), and the ASA TRACE Model in Pilot Cities in Latin America (P133060, FY15).</p> <p>At the PLR stage, the indicator was modified from the original: <i>Expanded use of TRACE to several large and intermediate cities</i> <i>Baseline: 2 pilot cities</i> <i>End Target: 10 additional cities</i></p>
	<p><b>Indicator 3: IFC:</b> Number of projects with Excellence in Design for Greater Efficiencies (EDGE) certification.</p> <p><b>Baseline:</b> 2 (2012) <b>Target:</b> at least 5 (2018)</p>	<p>The CLR reports that IFC contributed to the final certification of four projects (2 in the State of Mexico and 2 in the State of Veracruz). IEG can verify from the documents of 601095 that 3 projects received certification during the CPS period. Another EDGE certificate was issued to Vinte, however it was issued in FY12 (prior to the CPS period).</p> <p><b>Mostly Achieved</b></p>	<p>The objective was supported by the IFC AS EDGE LAC Voluntary Program (601095).</p> <p>At the PLR stage, the baseline was changed from 2 to 3 and baseline/target years were added.</p>





CPS FY14-FY19: Focus Area IV: Promoting Green and Inclusive Growth	Actual Results	IEG Comments
7. CPS Objective: Improved sustainable management of key natural resources (i.e., forests, biodiverse areas, water, and combined renewable energy)		
<p><b>Indicator 1:</b> Forest area under sustainable management practices and conservation schemes (hectares).</p> <p><b>Baseline:</b> 3,860,331 (2014) <b>Target:</b> 4,500,000 (2017)</p>	<p>In 2016, Mexico increased the area under sustainable management practices to 4.4 million hectares, but this result was not sustained. The IEG <a href="#">ICRR: S</a> reports that as of February 2018, 3,935,984 ha were under sustainable management practices.</p> <p><b>Partially Achieved</b></p>	<p>The objective was supported by the Mexico Forests and Climate Change Project (P123760, FY12) and the following ASA: Forests and Climate Change: Building Low-Carbon and Resilient Landscapes and its subtasks (P160730, FY19).t the PLR stage, the indicator was modified from the original: <i>Increase in Forest under improved management and reduced carbon emissions.</i> <i>Baseline: 163 million ha (2012)</i> <i>Target: 10% Improvement in 5 years</i></p> <p>As per the shared approach, IEG evaluates the achievement of the indicator using the targets in the PLR.</p>
<p><b>Indicator 2:</b> Area brought under enhanced biodiversity protection (hectares).</p> <p><b>Baseline:</b> 0 (2013) <b>Target:</b> 1,134,500 (2018)</p>	<p>The CLR reports that there were 1,816,694 ha. brought under enhanced biodiversity: 68,490 ha. from P121116 and 1,748,204 ha. from P131709. However, the 68,490 ha. figure is actually the target for the project indicator of P121116, not the actual result. In addition, the figure from P131709 was measured as of May 2019, whereas the target year for the indicator is 2018.</p> <p>Areas brought under enhanced biodiversity protection:</p> <ul style="list-style-type: none"> <li>• 67,345 ha. as of September 2018 (December 2018 <a href="#">ISR: MS</a> of P121116)</li> <li>• 1,256,219 ha. as of October 2018 (November 2018 <a href="#">ISR: S</a> of P131709)</li> </ul> <p>In total, 1,323,564 ha. were brought under enhanced biodiversity protection.</p> <p><b>Achieved</b></p>	<p>The objective was supported by the Sustainable Production Systems and Biodiversity (P121116, FY13) and the Coastal Watersheds Conservation in the Context of Climate Change Project (P131709, FY14).</p>
<p><b>Indicator 3:</b> Number of water utilities whose global efficiency increases by 2 percent.</p>	<p>The <a href="#">IEG ICRR: MU</a> of P121195 reports that 8 water utilities increased their</p>	<p>The objective was supported by the Efficiency Improvement Program (P121195, FY11) and</p>



CPS FY14-FY19: Focus Area IV: Promoting Green and Inclusive Growth	Actual Results	IEG Comments
<p>Baseline: 0 (2010) Target: 5 (2016)</p>	<p>global efficiency by 2 percent as of June 2016.</p> <p><b>Achieved</b></p>	<p>the following ASA Strengthening Water Security and Resilience in Mexico (P162473, FY19), Water Sector Adaptation Technical Cooperation Program (P122166, FY14), and the RAS Development of an Improved Management Plan for the Cutzamala Water System, Phase II (P157058, FY16).</p> <p>At the PLR stage, the indicator baseline and target were added.</p>
<p><b>Indicator 4:</b> Power generated from renewable sources supported by WBG projects (i.e. eolic, solar, combined, biomass) (GWh).</p> <p>Baseline: 1,005 (2014) Target: 3,838 (2018)</p>	<p>The CLR reports that 221.62 GWh from P106261, 1,311 GWh from P077717, and 949 GWh from the IFC renewable energy investments (28434) (total 2,482 GWh). However, the CLR states that the figure from P077717 includes extrapolated data from August 2016-August 2018. P077717 closed in April 2016.</p> <p>Based on project documents, the power generated from renewable sources:</p> <ul style="list-style-type: none"> <li>• 221,624 MWh from biomass as of June 2018 (<a href="#">ICR: S</a> of P106261)</li> <li>• 287 GWh/year from renewable energy sources as of December 2015 (<a href="#">IEG ICRR: S</a> of P077717) or 1,069 GWh until July 2016 (<a href="#">ICR: S</a>)</li> <li>• 1,167 GWh from solar energy as of April 2017 (<a href="#">IEG ICRR: U</a> of P066426)</li> <li>• 949 GWh produced as of 2015 (28434 DOTS).</li> </ul> <p>WBG interventions resulted in at least 3,406.6 GWh was generated from renewable resources.</p> <p><b>Mostly Achieved</b></p>	<p>The objective was supported by the Sustainable Rural Development (P106261, FY09), GEF Large Scale RE Development (La Venta 3) (P077717, FY06), Hybrid Solar Thermal (Agua Prieta) (P066426, FY07) and the ASA Programmatic approach for the energy sector in Mexico: Supporting a low-carbon economy and its subtasks (P150562, FY18). In addition, the IFC investment Eurús (28434) and the AS Puertas Finas Resource Efficiency (600332) also supported the objective.</p> <p>At the PLR stage, the indicator was modified from the original: <i>Increased eolic energy production and avoided emission of MtCO<sub>2</sub> (La Venta III) Production</i> Baseline: 0 Target: 2,200 GW</p>
<p><b>Indicator 5:</b> GHG emissions avoided or reduced from renewable sources supported by WBG projects (eolic, solar, combined, biomass) (tCO<sub>2</sub>e).</p> <p>Baseline: 594,973 (2014) Target: 4,500,000 (2018)</p>	<p>The CLR reports that 6,021,967 tCO<sub>2</sub>e from P106261; 809,120 tCO<sub>2</sub>e from P077717; and 821 tCO<sub>2</sub>e from P066426 of GHG emissions were reduced for a total of 6,831,907.9 tCO<sub>2</sub>e (2018). However, the CLR states that the figure from P077717 includes extrapolated data from August</p>	<p>The objective was supported by the Mexico Forests and Climate Change Project (P123760, FY12), Sustainable Energy Technologies Development for Climate Change (P145618, FY15), Sustainable Rural Development (P106261, FY09), GEF Large Scale RE</p>



	CPS FY14-FY19: Focus Area IV: Promoting Green and Inclusive Growth	Actual Results	IEG Comments
		<p>2016-August 2018. P077717 closed in April 2016.</p> <p>GHG emissions avoided or reduced from renewable sources:</p> <ul style="list-style-type: none"> <li>• Average reduction was 10,907 gigagrams of CO<sub>2</sub>e as of February 2018 (<a href="#">ICR: S</a> of P123760)</li> <li>• 3.17 million metric ton CO<sub>2</sub>e of potential future emission reductions from the project as of December 2018 (December 2018 <a href="#">ISR: MS</a> of P145618).</li> <li>• 6,021,967 tons of CO<sub>2</sub>e reduced as of June 2018 (<a href="#">IEG ICRR: S</a> of P106261)</li> <li>• 659,634 tCO<sub>2</sub>e reduced as of July 2016 or an average of 177,594 tons of CO<sub>2</sub>e reduced per year as of December 2015 (<a href="#">IEG ICRR: S</a> of P077717)</li> <li>• 139 thousand tons of CO<sub>2</sub>e per year reduced as of October 2015 (<a href="#">IEG ICRR: MU</a> of P088996/P095038)</li> <li>• 11,833 tCO<sub>2</sub>e as of April 2017 (<a href="#">IEG ICRR: U</a> of P066426)</li> <li>• 127,928 tCO<sub>2</sub>e per year as of 2017 from IFC investments (DOTS).</li> </ul> <p>Given the differences in the unit of measurement of emissions reduction, the total emission reductions were at least 6.7 million tCO<sub>2</sub>e.</p> <p><b>Achieved</b></p>	<p>Development (La Venta 3) (P077717, FY06), Integrated Energy Services (P088996/P095038, FY08), Hybrid Solar Thermal (Agua Prieta) (P066426, FY07), and the following ASAs: Programmatic Approach for Environmental and Climate Change Policies and its subtasks (P146340, FY16). The IFC investments CPLF PuertasFin (36529), Solem Uno (40372), Solem Dos (40374), Potrero Solar (41297), Solem Solar (36041), Solem Solar 2 (40341), Perote II (41041), IEnova Corp. (42260) and the AS Puertas Finas Resource Efficiency (600332) also supported the objective.</p> <p>At the PLR stage, the indicator was modified from the original: <i>Increased eolic energy production and avoided emission of MtCO<sub>2</sub> (La Venta III) Emissions</i> <i>Baseline: 0</i> <i>Target: 1.15 MtCO<sub>2</sub>e</i></p> <p>The different projects measured emission reductions differently: tons vs tons/year, average vs cumulative. In addition, P145618 measures potential emissions reductions and not actual.</p>



**Annex Table 2: Planned and Actual Lending for Mexico FY14-19 (US\$, millions)**

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed IBRD Amount	Proposed IBRD Amount	Approved IBRD Amount
<b>Project Planned Under CPS/PLR FY14-19</b>					<i>CPS</i>	<i>PLR</i>	
P145578	MX Oaxaca WSS Sector Modernization	FY14	FY14	FY21	50		55
P147244	Third Upper Secondary Education DPL	FY14	FY14	FY16	300		300.75
P147185	MX School Based Management Project III	FY15	FY15	FY19	300		350
P160570	Agricultural Services for Food Security and Competitiveness (ASERCA)		FY17	FY22			120
P160309	Mexico Higher Education Project		FY17	FY22			130
P157932	Access to Affordable Housing Project		FY17	FY21			100
<b>Total Planned</b>					<b>650</b>	<b>0</b>	<b>1,055.75</b>
<b>Unplanned Projects during the CPS Period</b>			<b>Approval FY</b>	<b>Closing FY</b>			<b>Approved IDA Amount</b>
P147212	MX Social Protection System		FY15	FY21			350
P149858	MX Reducing Inequality of Educat Opportunity		FY15	FY19			150
P149872	EE in Public Facilities -PRESEMEH		FY16	FY22			100
P153338	MX: Expanding Rural Finance		FY16	FY24			400
P164152	MX SP System Additional Financing		FY18	#			300
P164661	Forest Management and Entrepreneurship		FY18	FY21			56
P165585	EE in Public Buildings, PRESEMEH		FY18	#			50
P167674	Mexico Financial Inclusion DPF		FY19	FY20			500
P169156	Expanding Rural Finance		FY19	#			400
<b>Total Unplanned</b>						<b>0</b>	<b>2,306.00</b>
<b>On-going Projects during the CPS/PLR Period</b>			<b>Approval FY</b>	<b>Closing FY</b>			<b>Approved IDA Amount</b>
P088996	MX (CRL2) Integrated Energy Services		FY08	FY15			15
P106261	MX Sustainable Rural Development		FY09	FY18			50
P106528	MX Results-based Mgmt. and Budgeting		FY09	FY14			17
P106589	MX IT Industry Development Project		FY09	FY16			80
P115067	MX Support to Oportunidades Project		FY09	FY14			1504
P101369	MX Compensatory Education		FY10	FY14			100
P107159	MX Urban Transport Transformation Progr		FY10	FY19			150



P115347	MX (APL2) School Based Management		FY10	FY14		220
P106424	MX Efficient lighting and appliances		FY11	FY14		251
P121195	MX Efficiency Improvement Program		FY11	FY16		100
P122349	Additional Financing for the Support to Oportunidades		FY11	FY14		1250
P123367	MX Savings and Credit Sector Loan		FY12	FY18		100
P123760	MX Forests and Climate Change (SIL)		FY12	FY18		350
P126487	MX MOMET for Improved Climate Adaptation		FY12	FY16		105
P130623	MX (AF) Sust. Rural Development		FY13	FY18		50
P116226	MX Social Protection in Health		FY10	FY14		1250
	<b>Total On-going</b>					<b>5,591.89</b>

Source: CPS and PLR, WB BI as of 10/10/2019

\*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.

**Annex Table 3: Advisory Services and Analytics Work for Mexico, FY14-FY19**

Proj ID	Project Name	Fiscal year	Product Line	Practice
P117624	MX Urban Transport Sector MoU	FY14	TA Non-Lend	Transport
P122166	MX Water Sector Adapt. Tech. Coop. Progr	FY14	TA Non-Lend	Water
P122665	MX Financial Capabilities Assessment	FY14	TA Non-Lend	Finance, Competitiveness and Innovation
P128775	MX Improving Skills for Labor Prod PKS	FY14	TA Non-Lend	Education
P129698	MX PKS - Social Protection and Health	FY14	TA Non-Lend	Social Protection & Jobs
P130161	MX Agriculture Insurance Market Review	FY14	TA Non-Lend	Agriculture and Food
P132533	MX TF Greening Electricity Generation	FY14	ESW	Energy & Extractives
P145817	MX JIT Fin Literacy IE Mucho Corazon	FY14	TA Non-Lend	Finance, Competitiveness and Innovation
P147313	Mexico-Innovative Entrepreneur Forum	FY14	TA Non-Lend	Macroeconomics, Trade and Investment
P150097	MX Energy consumption and Income	FY14	ESW	Energy & Extractives
P150391	National Competition Commission Support	FY14	TA Non-Lend	Finance, Competitiveness and Innovation
P150476	Oxaca Regulatory Barriers to Competition	FY14	TA Non-Lend	Macroeconomics, Trade and Investment
P119024	MX RAS Federal Urban Transport Policy	FY15	TA Non-Lend	Transport
P130848	MX RAS Programmatic Engagement in DRM	FY15	TA Non-Lend	Urban, Resilience and Land
P144364	Mexico#10288 Contingency Plan for CFIs.	FY15	TA Non-Lend	Finance, Competitiveness and Innovation
P145045	Subnational Doing Business in Mexico V	FY15	ESW	Macroeconomics, Trade and Investment
P146961	MX Acapulco WSS \ MX Urban Env. Services	FY15	TA Non-Lend	Water
P147308	Competition Reform in Tabasco State	FY15	TA Non-Lend	Macroeconomics, Trade and Investment
P147382	Competition reform in Mexico State	FY15	TA Non-Lend	Macroeconomics, Trade and Investment





Proj ID	Project Name	Fiscal year	Product Line	Practice
P148281	MX Baseline for sectoral GHGs offsets	FY15	TA Non-Lend	Environment, Natural Resources & the Blue Economy
P148624	MX SFP Strengthening the Govt Ext. Audit	FY15	TA Non-Lend	Governance
P148625	Oaxaca: Gov. Accounting Harmonization	FY15	TA Non-Lend	Governance
P151148	MX Fiscal Challenges - Revenues	FY15	TA Non-Lend	Macroeconomics, Trade and Investment
P151149	MX Fiscal Challenges - Expenditure	FY15	TA Non-Lend	Macroeconomics, Trade and Investment
P151150	MX Subnational Fiscal Challenges	FY15	TA Non-Lend	Macroeconomics, Trade and Investment
P151210	MX RAS: IFT - Shared Wholesale Network	FY15	TA Non-Lend	Transport
P151415	National Center for Hydrocarbons Informa	FY15	TA Non-Lend	Energy & Extractives
P151724	MX Migrants	FY15	TA Non-Lend	Poverty and Equity
P151725	MX Gender	FY15	TA Non-Lend	Poverty and Equity
P152128	Guanajuato RAS Evidence for Policy	FY15	TA Non-Lend	Poverty and Equity
P152165	Oaxaca Increasing Social Prosperity	FY15	TA Non-Lend	Social Protection & Jobs
P153947	MX Poverty & Equity Diagnostics	FY15	TA Non-Lend	Poverty and Equity
P153949	MX Productivity	FY15	TA Non-Lend	Poverty and Equity
P153992	MX Poverty Eradication	FY15	TA Non-Lend	Poverty and Equity
P154122	Unemployment Insurance	FY15	TA Non-Lend	Social Protection & Jobs
P154124	Studies to Support Oportunidades Progra	FY15	TA Non-Lend	Social Protection & Jobs
P154971	Knowledge Sharing Workshop on SEZ	FY15	TA Non-Lend	Trade & Competitiveness
P155777	Integration of Mexico Health System	FY15	TA Non-Lend	Health, Nutrition & Population
P129050	MX RAS Oaxaca Public Sector Management	FY16	TA Non-Lend	Governance
P131200	MX TF Carbon Capture, Utilization & Stor	FY16	TA Non-Lend	Energy & Extractives
P133243	MX Urbanization Review	FY16	ESW	Urban, Resilience and Land
P147194	MX Institutional Work on Env Safeguards	FY16	TA Non-Lend	Environment, Natural Resources & the Blue Economy
P147311	MX Solid Waste Mgmt	FY16	TA Non-Lend	Urban, Resilience and Land
P147906	Gas Flaring Reduction in Mexico	FY16	TA Non-Lend	Energy & Extractives
P148273	MX Green Inclusive Growth in Hidalgo	FY16	TA Non-Lend	Environment, Natural Resources & the Blue Economy
P148277	MX Green incl. growth-Yucatan Peninsula	FY16	TA Non-Lend	Environment, Natural Resources & the Blue Economy
P148278	MX CC & Cross-Sector Env. Mgmt.	FY16	TA Non-Lend	Environment, Natural Resources & the Blue Economy
P149767	IMSS efficiency and effectiveness	FY16	TA Non-Lend	Health, Nutrition & Population
P149899	Regional Event on Health Promotion/ PSIA	FY16	TA Non-Lend	Health, Nutrition & Population
P150092	MX RAS Mgmt Plan for Cutzamala Water Sys	FY16	TA Non-Lend	Water
P150341	Study on Tax Compliance in Mexico City	FY16	TA Non-Lend	Governance
P150380	MX RAS Housing Policy & Housing Finance	FY16	TA Non-Lend	Urban, Resilience and Land
P150408	The SPSH governance and accountability	FY16	ESW	Health, Nutrition & Population
P150637	Strengthening Banking RBS	FY16	TA Non-Lend	Finance, Competitiveness and Innovation
P150646	Mexico Public Expenditure Review	FY16	ESW	Macroeconomics, Trade and Investment
P150675	Addressing Contaminated Sites	FY16	TA Non-Lend	Environment, Natural Resources & the Blue Economy
P153095	Sovereign DRFI: evaluation and evidence	FY16	TA Non-Lend	Other



Proj ID	Project Name	Fiscal year	Product Line	Practice
P153340	Env. support to Hydrocarbon Agency	FY16	TA Non-Lend	Environment, Natural Resources & the Blue Economy
P154663	Minimum wage and productivity	FY16	TA Non-Lend	Social Protection & Jobs
P154972	Building Shock Absorbers	FY16	ESW	Trade & Competitiveness
P154980	Financial services by non-banks	FY16	ESW	Finance, Competitiveness and Innovation
P155064	Oaxaca Judiciary RAAP	FY16	TA Non-Lend	Macroeconomics, Trade and Investment
P155079	Productivity catch up at firm-level	FY16	ESW	Macroeconomics, Trade and Investment
P155180	Anti-money Laundering Certification	FY16	TA Non-Lend	Finance, Competitiveness and Innovation
P157021	Commercial Real Estate Price Index CREPI	FY16	TA Non-Lend	Finance, Competitiveness and Innovation
P157058	MX RAS Phase 2: Cutzamala	FY16	TA Non-Lend	Water
P158513	Assessment of Baja California's IP	FY16	TA Non-Lend	Macroeconomics, Trade and Investment
P159370	Building regional knowledge networks	FY16	TA Non-Lend	Urban, Resilience and Land
P160052	MX Audit Regulation Initial TA CNBV	FY16	TA Non-Lend	Finance, Competitiveness and Innovation
P146483	MX RAS Jalisco Evidence Policy Making	FY17	TA Non-Lend	Poverty and Equity
P147354	MX RAS Support to INADEM	FY17	TA Non-Lend	Other
P154121	National Beneficiary Registry	FY17	TA Non-Lend	Social Protection & Jobs
P155080	How markets work: analysis using prices	FY17	ESW	Other
P155282	Subnational Doing Business in Mexico 6	FY17	ESW	Other
P155477	MX RAS Guanajuato II-Evidence for Policy	FY17	TA Non-Lend	Poverty and Equity
P155528	MX RAS Des. Standard Oral Com. Lawsuits	FY17	TA Non-Lend	Governance
P156729	Mexico Informal Transit Reform Support	FY17	TA Non-Lend	Transport
P156949	MX RAS Veracruz Public Sector Management	FY17	TA Non-Lend	Governance
P157342	MX RAS Morelos - Evidence for Policy	FY17	TA Non-Lend	Poverty and Equity
P158402	MX RAS Support to INADEM II	FY17	TA Non-Lend	Other
P159016	Mexico FSAP Update	FY17	ESW	Finance, Competitiveness and Innovation
P159062	LC1: Access to Green Climate Fund	FY17	TA Non-Lend	Climate Change
P159589	CL4D SEZ in Mexico	FY17	TA Non-Lend	Governance
P162591	DB Reform Memorandum	FY17	TA Non-Lend	Other
P163166	Oaxaca DB Reform Memo	FY17	TA Non-Lend	Other
P157212	MX RAS Connectivity Plan for Mexico City	FY18	TA Non-Lend	Transport
P157558	MX RAS Strength PSM Systems in Mex.City	FY18	TA Non-Lend	Governance
P158466	SEZ Initiative Implementation Support	FY18	TA Non-Lend	Finance, Competitiveness and Innovation
P164806	National Digital Strategy Policy Note	FY18	TA Non-Lend	Other
P164892	Renewable energy	FY18	TA Non-Lend	Energy & Extractives
P146293	MX - Productivity Democratization	FY19	AA	Competitiveness and Innovation
P156100	Mexico Payment for Environmental Services Scheme: A Retrospective Evaluation	FY19	AA	Other
P156617	MX Poverty and Equity PA	FY19	AA	Poverty and Equity



Proj ID	Project Name	Fiscal year	Product Line	Practice
P156737	Subnational Fiscal Topics	FY19	AA	Macroeconomics, Trade and Investment
P159490	Mexico and Productivity Diagnostics	FY19	AA	Poverty and Equity
P159491	Mexico Distributional Impacts Analysis	FY19	AA	Poverty and Equity
P160599	Supporting Mexico's Special Economic Zones	FY19	AA	Finance, Competitiveness and Innovation
P160730	MX Forests and Climate Change: Building Low-Carbon and Resilient Landscapes	FY19	AA	Environment, Natural Resources & the Blue Economy
P161933	Catalyzing Financial Sector Development	FY19	AA	Finance, Competitiveness and Innovation
P162112	MITIGATING CLIMATE CHANGE TO MEET MEXICO'S NATIONAL DETERMINED CONTRIBUTION	FY19	AA	Environment, Natural Resources & the Blue Economy
P162473	Strengthening Water Security and Resilience in Mexico	FY19	AA	Water
P162751	Mexico Technical Assistance - Strengthening Subnational Governments in Mexico	FY19	AA	Governance
P163587	Catalyzing Asset-Based Lending	FY19	AA	Finance, Competitiveness and Innovation
P163627	Mexico Policy Notes	FY19	AA	Macroeconomics, Trade and Investment
P164777	Knowledge Agenda of the Educational Reform in Mexico	FY19	AA	Education
P164937	Programmatic Approach for the Agenda on Sustainable Transport	FY19	AA	Transport
P166668	Mexico's Conceptual Framework for a National Strategy on Food Loss and Waste	FY19	AA	Environment, Natural Resources & the Blue Economy
P166743	Gender-informed Low Carbon Rural Development	FY19	AA	Environment, Natural Resources & the Blue Economy
P167037	Studies of PROSPERA's long-term results	FY19	AA	Social Protection & Jobs
P167919	Mexico Fiscal and Trade Policies for Competitiveness	FY19	AA	Macroeconomics, Trade and Investment
P168264	MX Strengthening the delivery of primary care	FY19	AA	Health, Nutrition & Population
P163477	Mexico Social Protection and Labor Engagement	FY20*	AA	Social Protection & Jobs
P166393	Support for Safe School Reconstruction	FY20*	AA	Urban, Resilience and Land
P166832	Mexico - National Diagnosis on Solid Waste Management	FY20*	AA	Urban, Resilience and Land
P169278	MX Improving Housing Resilience	FY20*	AA	Urban, Resilience and Land

Source: WB BI as of 11/10/2019. Data available only up to FY18. Standard Reports as of Dec 9, 2019. Data available up to FY20.

\*For Info Only



**Annex Table 4: Mexico Trust Funds Active in FY14-FY19 (US\$)**

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount
P066426	MX Hybrid Solar Thermal (Agua Prieta)	TF 23346/TF57033	FY07	FY16	46,390,000
P077717	MX GEF LargeScale RE Dev	TF 56781	FY07	FY16	25,300,000
P114012	MX-GEF Sust. Transp & Air Quality	TF 95695	FY10	FY16	5,370,000
P100438	MX GEF Adaptation to Climate Change	TF 96681	FY11	FY17	4,500,000
P131709	Coastal Watersheds Conservation in the Context of Climate Change Project	TF 15475	FY14	FY19	39,518,000
P145618	MEXICO Sustainable Energy Technologies Development for Climate Change	TF 19403	FY15	FY20	16,880,734
P159835	Mexico: Sustainable Productive Landscapes Project	TF A7021	FY18	FY23	21,862,385
P160778	Additional Finance for Energy Efficiency in Public Facilities Project (PRESEMEH)	TF A7062	FY18	FY22	5,790,000
P164661	Strengthening Entrepreneurship in Productive Forest Landscapes	TF A6448	FY18	FY23	6,650,000
P157932	Improving Access to Affordable Housing Project	TF A6448	FY18	FY23	3,350,000
P151604	Mexico Dedicated Grant Mechanism for IP and LC	TF A5334	FY18	FY23	6,000,000
P120417	Mexico FCPF Readiness Preparation Grant	TF A4502	FY18	FY20	1,500,000
		TF A4501	FY18	FY20	3,500,000
<b>Total</b>					<b>186,611,119</b>

Source: Client Connection as of 10/10/2019

\*\* IEG Validates RETF that are 5M and above



**Annex Table 5: IEG Project Ratings for Mexico, FY14-FY19**

Exit FY	Proj ID	Project name	Total Evaluated (US\$M) *	IEG Outcome	IEG Risk to DO
2014	P101369	MX Compensatory Education	100.0	SATISFACTORY	NEGLIGIBLE TO LOW
2014	P106424	MX Efficient lighting and appliances	250.6	SATISFACTORY	LOW
2014	P106528	MX Results-based Mgmt. and Budgeting	0.4	UNSATISFACTORY	NEGLIGIBLE TO LOW
2014	P115067	MX Support to Oportunidades Project	2,753.8	SATISFACTORY	NEGLIGIBLE TO LOW
2014	P115347	MX (APL2)School Based Management	220.0	MODERATELY SATISFACTORY	MODERATE
2014	P123505	Cancelled MX Fiscal Risk Management DPL	0.0	NOT APPLICABLE	NOT APPLICABLE
2016	P066426	MX Hybrid Solar Thermal (Agua Prieta)	0.0	UNSATISFACTORY	SIGNIFICANT
2016	P077717	MX GEF LargeScale RE Dev (La Venta 3)	0.0	SATISFACTORY	MODERATE
2016	P088996	MX (CRL2) Integrated Energy Services	12.0	MODERATELY UNSATISFACTORY	SIGNIFICANT
2016	P106589	MX IT Industry Development Project	73.1	SATISFACTORY	LOW
2016	P114012	MX-GEF Sust. Transp & Air Quality	0.0	MODERATELY SATISFACTORY	MODERATE
2016	P121195	MX Efficiency Improvement Program	100.0	MODERATELY UNSATISFACTORY	SIGNIFICANT
2017	P100438	MX GEF Adaptation to Climate Change	0.0	MODERATELY SATISFACTORY	MODERATE
2018	P106261	MX Sustainable Rural Development	79.1	SATISFACTORY	#
2018	P123367	MX Savings and Credit Sector Loan	69.6	SATISFACTORY	#
2018	P123760	MX Forests and Climate Change (SIL)	291.6	SATISFACTORY	#
2019	P147185	MX School Based Management Project	348.2	SATISFACTORY	#
<b>Total</b>			<b>4,298.2</b>		

Source: AO Key IEG Ratings as 10/10/2019

**Annex Table 6: IEG Project Ratings for Mexico and Comparators, FY14-FY19**

Region	Total Evaluated (US\$M)	Total Evaluated (No)	Outcome % Sat (US\$M)	Outcome % Sat (No)	RDO % Moderate or Lower Sat (US\$)	RDO % Moderate or Lower Sat (No)
Mexico	4,298.3	17	97.4	75.0	87.6	53.8
LAC	23,975.3	233	79.6	73.2	54.6	47.3
World	113,993.6	1,251	84.0	75.7	45.5	40.5

Source: WB AO as of 10/10/2019





**Annex Table 7: Portfolio Status for Mexico and Comparators, FY14-FY19**

Fiscal year	2014	2015	2016	2017	2018	2019	Ave FY14-19
<b>Mexico</b>							
# Proj	18.00	21.00	15.00	17.00	17.00	11.00	16.50
# Proj At Risk	3.00	4.00	4.00	2.00	3.00	1.00	2.83
% Proj At Risk	16.67	19.05	26.67	11.76	17.65	9.09	16.81
Net Comm Amt	1,571.26	2,383.69	2,187.89	2,530.39	2,382.74	2,481.53	2,256.25
Comm At Risk	254.50	319.61	323.99	205.00	325.00	55.00	247.18
% Commit at Risk	16.20	13.41	14.81	8.10	13.64	2.22	11.40
<b>Region: LAC</b>							
# Proj	315.00	291.00	259.00	260.00	253.00	246.00	270.67
# Proj At Risk	70.00	68.00	63.00	67.00	72.00	48.00	64.67
% Proj At Risk	22.22	23.37	24.32	25.77	28.46	19.51	23.94
Net Comm Amt	29,271.02	27,712.97	29,360.31	28,924.76	28,806.59	30,737.56	29,135.53
Comm At Risk	6,355.56	5,866.47	5,535.45	5,223.10	5,661.57	3,819.07	5,410.20
% Commit at Risk	21.71	21.17	18.85	18.06	19.65	12.42	18.65
<b>World</b>							
# Proj	2,048.00	2,022.00	1,975.00	2,071.00	2,059.00	2,010.00	2,030.83
# Proj At Risk	412.00	444.00	422.00	449.00	431.00	411.00	428.17
% Proj At Risk	20.12	21.96	21.37	21.68	20.93	20.45	21.08
Net Comm Amt	192,610.14	201,045.15	220,331.54	224,420.09	241,895.61	254,762.55	222,510.85
Comm At Risk	40,933.54	45,987.65	44,244.91	52,549.14	49,306.48	53,150.91	47,695.44
% Commit at Risk	21.25	22.87	20.08	23.42	20.38	20.86	21.48

Source: WB BI as of 10/10/2019

Note: Only IBRD and IDA Agreement Type are included



**Annex Table 8: Total Net Disbursements of Official Development Assistance for Mexico FY14-FY19 (US\$, millions)**

Development Partners	2014	2015	2016	2017	2018
<b>All Donors, Total</b>	<b>814.89</b>	<b>321.07</b>	<b>809.3</b>	<b>754.61</b>	<b>..</b>
<b>DAC Countries, Total</b>	<b>683.82</b>	<b>256.48</b>	<b>642.02</b>	<b>692.78</b>	<b>..</b>
Australia	1.77	1.12	0.41	0.69	..
Austria	1.73	1.91	2.16	2.46	3.49
Belgium	0.08	0.05	0.01	0.06	..
Canada	1.3	1.14	3.21	3.92	..
Czech Republic	0.02	0.01	0.01	0.02	..
Denmark	..	2.73	1.89	2.16	..
Finland	8.4	4.87	0.35	0.26	..
France	219.91	-9.86	147.49	188.84	..
Germany	249.17	102.67	327.81	277.58	..
Greece	0.03	0.04	0.02	0.02	0
Hungary	0.01	0.04	0.12	0.12	..
Ireland	0.03	0.03	0.04	0.03	0.06
Italy	1.57	0.93	0.35	0.47	..
Japan	-36.38	-125.87	6.16	8.82	..
Korea	0.81	0.38	0.33	1.62	..
Luxembourg	0	..	..	0.01	..
Netherlands	0.2	0.08	0.11	0.14	..
New Zealand	0.13	0.14	0.13	0.28	..
Norway	6.54	2.87	0	..	..
Poland	0.07	0.05	0.04	0.04	..
Portugal	0.17	0.1	0.09	0.09	..
Slovak Republic	0.02	..	..	..	..
Slovenia	..	..	..	..	..
Spain	-0.23	-1.66	-0.8	0.06	..
Sweden	0.32	0.39	0.38	0.28	0.29
Switzerland	0.62	0.54	0.76	1.87	..
United Kingdom	-1.58	19.75	15.47	17.11	..
United States	229.1	254.04	135.48	185.84	..
<b>Multilaterals, Total</b>	<b>129.94</b>	<b>63.44</b>	<b>165.04</b>	<b>57.1</b>	<b>..</b>
EU Institutions	67.12	10.56	121.24	13.73	..
Regional Development Banks, Total	11.96	13.06	9.46	15.11	..
Inter-American Development Bank, Total	11.96	13.06	9.46	15.11	..
Inter-American Development Bank [IDB]	11.96	13.06	9.46	15.11	..
United Nations, Total	4.68	7.77	4.89	6.58	7
Food and Agriculture Organization [FAO]	..	..	..	..	..
International Atomic Energy Agency [IAEA]	0.77	0.62	0.28	0.43	..
IFAD	..	0.59	0.59	0.01	0.23
International Labour Organisation [ILO]	1.96	2.14	1.59	2.06	1.94
UNAIDS	..	0.02	0.01	..	..
UNDP	0.02	0.14	0.18	0.2	0.25
UNFPA	1.19	1.07	0.85	0.87	1.11
UNHCR	..	1.83	..	..	2.46
UNICEF	0.74	1.35	1.39	1.61	..
World Health Organization [WHO]	..	..	..	1.4	1.01
<b>Other Multilateral, Total</b>	<b>46.19</b>	<b>32.05</b>	<b>29.45</b>	<b>21.68</b>	<b>..</b>
Climate Investment Funds [CIF]	18.04	5.55	7.28	14.12	..
Global Environment Facility [GEF]	29.15	26.09	21.61	7.17	..



Global Fund	-1.43	..	..	..	..
Global Green Growth Institute [GGGI]	0.43	0.41	0.57	0.39	..
<b>Non-DAC Countries, Total</b>	<b>1.13</b>	<b>1.16</b>	<b>2.24</b>	<b>4.73</b>	<b>..</b>
Israel	0.67	0.9	0.8	3	..
Kuwait	..	..	0.23	..	..
Latvia	0.02	..	0.01	0.01	..
Lithuania	0	..	0.01	0.01	..
Malta	..	..	..	0.02	..
Romania	0.09	0.05	0.03	0.04	..
Russia	..	..	..	..	..
Thailand	0.06	0.06	0.04	0.2	..
Turkey	0.25	0.09	0.56	0.55	..
United Arab Emirates	0.04	0.06	0.56	0.92	..
<b>Private Donors, Total</b>	<b>5.06</b>	<b>4.06</b>	<b>7.6</b>	<b>32.93</b>	<b>31.84</b>
Arcus Foundation	..	..	..	..	0.01
Bill & Melinda Gates Foundation	0.39	1.03	4.34	1.35	..
C&A Foundation	..	..	0.02	1.23	..
Children's Investment Fund Foundation	..	..	..	1.07	..
Conrad N. Hilton Foundation	1.1	0.3	0.28	0.75	0.5
David & Lucile Packard Foundation	..	..	..	4.27	5.14
Ford Foundation	..	..	..	3.28	8.83
John D. & Catherine T. MacArthur Foundation	..	..	..	9.54	5.37
MetLife Foundation	3.57	2.73	2.55	1.91	2.84
Oak Foundation	..	..	..	1.69	..
Omidyar Network Fund, Inc.	..	..	..	0.43	..
Wellcome Trust	..	..	..	0.75	..
William & Flora Hewlett Foundation	..	..	..	6.67	8.76
Turkey	0.33	0.55	0.25		
United Arab Emirates	0.21	1.38	1.39		

Source: OECD Stat, [DAC2a] as of 11/21/2019

\* Data only available up to FY18

Annex Table 9: Economic and Social Indicators for Mexico, FY14-FY19

Series Name							Mexico	Region: LAC	World
	2014	2015	2016	2017	2018	2019	Average 2014-2019		
<b>Growth and Inflation</b>									
GDP growth (annual %)	2.8	3.3	2.9	2.1	2.0	-	2.2	0.8	2.9
GDP per capita growth (annual %)	1.5	2.0	1.7	0.9	0.9	-	1.2	-0.2	1.7
GNI per capita, PPP (current international \$)	17,630.0	17,830.0	18,300.0	18,970.0			18,182.5	15,493.9	16,471.2
GNI per capita, Atlas method (current \$)	10,510.0	10,170.0	9,410.0	8,940.0	9,180.0		9,642.0	8,983.6	10,709.4
Inflation, consumer prices (annual %)	4.0	2.7	2.8	6.0	4.9		4.1	2.3	2.0
<b>Composition of GDP (%)</b>									
Agriculture, value added (% of GDP)	3.1	3.2	3.3	3.4	3.3	..	3.3	4.7	3.5
Industry, value added (% of GDP)	31.5	30.0	29.5	30.7	31.2	..	30.6	24.7	25.7
Services, etc., value added (% of GDP)	60.2	61.0	60.9	60.4	60.2		60.5	60.1	64.8
Gross fixed capital formation (% of GDP)	21.0	22.5	22.9	22.1	22.1	..	22.1	18.8	23.6
Gross domestic savings (% of GDP)	21.9	22.1	22.4	23.0	23.8	..	22.6	18.5	25.1
<b>External Accounts</b>									
Exports of goods and services (% of GDP)	31.9	34.6	37.1	37.6	39.2	..	36.1	21.5	29.3
Imports of goods and services (% of GDP)	33.1	36.6	39.1	39.4	41.1	..	37.9	22.8	28.6
Current account balance (% of GDP)	-1.91	-2.62	-2.25	-1.69	-1.77	..	-2.0	..	..
External debt stocks (% of GNI)	34.5	37.4	40.2	39.1	38.0	..	37.8	..	..
Total debt service (% of GNI)	3.8	4.7	7.5	5.8	4.9	..	5.4	5.1	..
Total reserves in months of imports	4.9	4.6	4.7	4.2	3.9	..	4.5	10.1	12.4
<b>Fiscal Accounts <sup>1</sup></b>									
General government revenue (% of GDP)	23.4	23.5	24.6	24.7	23.5	22.9	23.8	27.0	..
General government total expenditure (% of GDP)	28.0	27.5	27.4	25.7	25.7	25.7	26.7	32.4	..

Series Name							Mexico	Region: LAC	World
	2014	2015	2016	2017	2018	2019	Average 2014-2019		
General government net lending/borrowing (% of GDP)	-4.537	-4	-2.767	-1.065	-2.199	(2.8)	-2.9	-5.4	..
General government gross debt (% of GDP)	48.9	52.8	56.8	54.1	53.6	53.8	53.3	59.5	..
<b>Health</b>									
Life expectancy at birth, total (years)	74.9	74.9	74.9	74.9	..	..	74.9	75.0	72.1
Immunization, DPT (% of children ages 12-23 months)	87.0	87.0	93.0	85.0	88.0	..	88.0	87.8	85.7
Improved sanitation facilities (% of population with access)	88.5	89.4	90.3	91.2	..	..	89.9	86.0	72.0
Mortality rate, infant (per 1,000 live births)	13.2	12.7	12.2	11.6	11.0	..	12.1	14.9	30.6
<b>Education</b>									
School enrollment, preprimary (% gross)	71.7	72.0	72.2	73.7	..	..	72.4	75.7	49.1
School enrollment, primary (% gross)	108.0	106.6	106.3	105.8	..	..	106.7	109.2	103.4
School enrollment, secondary (% gross)	97.3	100.8	102.4	104.4	..	..	101.2	95.1	75.5
<b>Population</b>									
Population, total (Millions)	120,355,128.0	121,858,258.0	123,333,376.0	124,777,324.0	126,190,788.0	..	123,302,975	629,115,148	7,425,513,221
Population growth (annual %)	1.3	1.2	1.2	1.2	1.1	..	1	1.0	1.2
Urban population (% of total)	79.0	79.3	79.6	79.9	80.2	..	80	80.1	54.4
<b>Poverty</b>									
Poverty headcount ratio at \$1.90 a day (2011 PPP) (% of pop)	3.8	..	2.2	..	..	..	..	3.9	10.0
Poverty headcount ratio at national poverty lines (% of pop)	..	..	43.6	..	41.9	..	..	..	..
Rural poverty headcount ratio at national poverty lines (% of rural pop)	..	..	..	..	..	..	..	..	..
Urban poverty headcount ratio at national poverty lines (% of urban pop)	..	..	..	..	..	..	..	..	..
GINI index (World Bank estimate)	48.7	..	48.3	..	..	..	..	..	..

Source: Worldbank DataBank (WDI) as of 11/20/2019. WDI data only available up to FY18

\*International Monetary Fund, World Economic Outlook Database, November 2019; Data available up to FY



**Annex Table 10: List of IFC Investments in Mexico (US\$, millions)**  
Investments Committed in FY14-FY19

Project ID	Cmt FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
39976	2019	Active	Finance & Insurance	111.7	111.7	-	111.7
40252	2019	Active	Industrial & Consumer Products	75.0	75.0	-	75.0
40457	2019	Active	Finance & Insurance	101.4	101.4	-	101.4
40981	2019	Active	Collective Investment Vehicles	5.0	-	5.0	5.0
41006	2019	Active	Finance & Insurance	1.5	-	1.5	1.5
41297	2019	Active	Electric Power	15.0	15.0	-	15.0
41306	2019	Active	Finance & Insurance	12.4	12.4	-	12.4
42012	2019	Active	Finance & Insurance	29.5	29.5	-	29.5
42036	2019	Active	Chemicals	75.0	75.0	-	75.0
42561	2019	Active	Finance & Insurance	5.2	5.2	-	5.2
33270	2018	Active	Finance & Insurance	4.0	-	4.0	4.0
39740	2018	Active	Finance & Insurance	107.4	107.4	-	107.4
39749	2018	Active	Finance & Insurance	3.5	-	3.5	3.5
39764	2018	Active	Finance & Insurance	0.3	0.3	-	0.3
39798	2018	Active	Finance & Insurance	1.0	-	1.0	1.0
40066	2018	Active	Finance & Insurance	9.7	9.7	-	9.7
40144	2018	Active	Chemicals	50.0	50.0	-	50.0
40372	2018	Active	Electric Power	28.9	25.2	-	25.2
40373	2018	Active	Electric Power	2.9	2.9	-	2.9
40374	2018	Active	Electric Power	21.1	18.6	-	18.6
40375	2018	Active	Electric Power	2.1	2.1	-	2.1
40422	2018	Active	Finance & Insurance	0.3	0.3	-	0.3
40423	2018	Active	Finance & Insurance	1.3	-	1.3	1.3
40491	2018	Active	Finance & Insurance	4.3	4.3	-	4.3
40637	2018	Active	Finance & Insurance	18.7	18.7	-	18.7
40669	2018	Active	Health Care	4.0	-	4.0	4.0
40809	2018	Active	Collective Investment Vehicles	15.0	-	15.0	15.0
40858	2018	Active	Finance & Insurance	0.3	0.3	-	0.3
40890	2018	Active	Information	1.0	1.0	-	1.0
41572	2018	Active	Finance & Insurance	1.6	-	1.6	1.6
36038	2017	Active	Finance & Insurance	30.0	20.0	10.0	30.0
37803	2017	Closed	Agriculture and Forestry	15.5	3.8	-	3.8
37826	2017	Active	Agriculture and Forestry	10.0	10.0	-	10.0
38101	2017	Active	Finance & Insurance	6.8	6.8	-	6.8
38366	2017	Closed	Oil, Gas and Mining	22.2	22.2	-	22.2
38374	2017	Active	Construction and Real Estate	17.9	17.9	-	17.9
38474	2017	Active	Information	25.0	-	25.0	25.0
38754	2017	Active	Agriculture and Forestry	37.0	37.0	-	37.0
38960	2017	Active	Finance & Insurance	7.1	6.9	-	6.9
39422	2017	Active	Collective Investment Vehicles	0.0	-	0.0	0.0
39445	2017	Active	Finance & Insurance	29.4	29.4	-	29.4
31569	2016	Active	Finance & Insurance	2.6	2.6	-	2.6
33776	2016	Closed	Transportation and Warehousing	65.0	32.0	-	32.0
36262	2016	Closed	Transportation and Warehousing	2.0	-	-	-
36395	2016	Active	Collective Investment Vehicles	22.5	-	22.5	22.5
36529	2016	Active	Industrial & Consumer Products	2.0	2.0	-	2.0
37090	2016	Active	Finance & Insurance	0.4	0.4	-	0.4
37179	2016	Active	Oil, Gas and Mining	60.0	-	60.0	60.0
37284	2016	Active	Finance & Insurance	11.4	11.4	-	11.4
37664	2016	Closed	Wholesale and Retail Trade	26.4	7.5	-	7.5
37840	2016	Closed	Nonmetallic Mineral Product	120.0	120.0	-	120.0



Project ID	Cmt FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
32817	2015	Active	Transportation and Warehousing	75.0	75.0	-	75.0
34073	2015	Closed	Agriculture and Forestry	10.0	10.0	-	10.0
34538	2015	Closed	Finance & Insurance	7.4	7.4	-	7.4
34745	2015	Active	Information	1.2	1.2	-	1.2
34763	2015	Closed	Finance & Insurance	5.0	5.0	-	5.0
35097	2015	Closed	Oil, Gas and Mining	1.1	1.1	-	1.1
36410	2015	Active	Finance & Insurance	11.8	11.8	-	11.8
36712	2015	Active	Transportation and Warehousing	10.0	10.0	-	10.0
31939	2014	Active	Transportation and Warehousing	100.0	100.0	-	100.0
32029	2014	Closed	Finance & Insurance	5.0	0.6	-	0.6
33550	2014	Active	Industrial & Consumer Products	13.0	13.0	-	13.0
33639	2014	Closed	Finance & Insurance	13.6	13.6	-	13.6
33770	2014	Active	Health Care	2.3	-	2.3	2.3
33958	2014	Active	Information	11.3	11.3	-	11.3
34031	2014	Active	Collective Investment Vehicles	10.0	-	10.0	10.0
34151	2014	Closed	Finance & Insurance	4.7	-	4.7	4.7
34316	2014	Closed	Collective Investment Vehicles	50.0	-	6.8	6.8
35032	2014	Closed	Finance & Insurance	4.6	-	4.1	4.1
35041	2014	Closed	Finance & Insurance	0.5	0.5	-	0.5
35090	2014	Closed	Finance & Insurance	1.6	-	1.5	1.5
<b>Sub-Total</b>				<b>748.9</b>	<b>509.8</b>	<b>136.9</b>	<b>1,440.1</b>

**Investments Committed pre-FY14 but active during FY14-FY19**

Project ID	CMT FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
30281	2013	Active	Health Care	10.1	10.1	-	10.1
30417	2013	Active	Chemicals	285.0	285.0	-	285.0
31095	2013	Active	Education Services	14.7	14.7	-	14.7
31195	2013	Active	Agriculture and Forestry	10.0	10.0	-	10.0
31548	2013	Active	Construction and Real Estate	50.0	50.0	-	50.0
31922	2013	Active	Industrial & Consumer Products	289.3	289.3	-	289.3
32407	2013	Active	Finance & Insurance	50.0	-	50.0	50.0
32065	2012	Closed	Finance & Insurance	1.4	-	1.4	1.4
29030	2012	Active	Finance & Insurance	25.0	-	25.0	25.0
30445	2012	Active	Education Services	45.8	31.2	-	31.2
30905	2012	Active	Finance & Insurance	4.3	2.5	1.5	4.0
31517	2012	Active	Collective Investment Vehicles	15.0	-	15.0	15.0
28070	2011	Active	Electric Power	28.9	25.5	-	25.5
28086	2011	Active	Collective Investment Vehicles	10.0	-	10.0	10.0
29734	2011	Active	Agriculture and Forestry	5.0	5.0	-	5.0
29753	2011	Active	Education Services	7.8	-	7.8	7.8
30229	2011	Active	Industrial & Consumer Products	24.5	24.5	-	24.5
27669	2010	Active	Collective Investment Vehicles	10.0	-	10.0	10.0
29520	2010	Active	Accommodation & Tourism	20.0	-	20.0	20.0
29524	2010	Active	Construction and Real Estate	50.0	-	16.2	16.2
25352	2008	Active	Collective Investment Vehicles	20.0	-	18.7	18.7
24712	2007	Active	Collective Investment Vehicles	20.0	-	20.0	20.0
23860	2006	Active	Collective Investment Vehicles	20.0	-	20.0	20.0
<b>Sub-Total</b>				<b>1,016.7</b>	<b>747.7</b>	<b>215.6</b>	<b>963.3</b>
<b>TOTAL</b>				<b>1,765.6</b>	<b>1,257.5</b>	<b>352.5</b>	<b>2,403.4</b>

Source: IFC-MIS Extract as of 06/30/19



**Annex Table 11: List of IFC Advisory Services in Mexico (US\$, millions)**  
**Advisory Services Approved in FY14-FY19**

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds, US\$
599427	C3P - BD, Rest of LAC	2019	2020	ACTIVE	CPC	0.88
602355	Mexico Schools	2019	2021	ACTIVE	CPC	0.62
604179	Los Cabos Water	2019	2020	ACTIVE	CPC	0.77
603142	Progresemos DFS	2018	2020	ACTIVE	FIG	0.38
601768	Guadalajara Solid Waste	2017	2018	TERMINATED	CPC	2.12
601834	Los Cabos Solid Waste	2017	2018	TERMINATED	CPC	1.09
601327	Mexico CFE PPP in Power Transmission	2016	2017	TERMINATED	CPC	1.55
599213	Oaxaca Water PPP	2015	2016	TERMINATED	CPC	0.52
600710	Merida Secondary Hospital - ISSSTE	2015	2016	TERMINATED	CPC	0.79
599396	Mexico City - Central de Abastos Solid Waste PPP	2014	2016	TERMINATED	CPC	1.26
600034	Agrofinanzas MFS	2014	2014	TERMINATED	A2F	0.11
600307	Sahuayo Waste	2014	2015	TERMINATED	CPC	0.61
600323	Controladora Vela Grande, S.A. de C.V.	2014	2015	TERMINATED	PPP	0.53
600332	Puertas Finas Resource Efficiency	2014	2015	CLOSED	CAS	0.08
<b>Sub-Total</b>						<b>11.50</b>

**Advisory Services Approved pre-FY14 but active during FY14-FY19**

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds, US\$
590767	Wind Sector Development in Mexico	2013	2015	TERMINATED	SBA	1.31
599254	SuKarne - Waste to Energy Project	2013	2014	TERMINATED	SBA	0.65
599589	Puebla Bus Rapid Transit PPP	2013	2015	CLOSED	CPC	0.97
583007	SEF Mexico	2011	2016	CLOSED	FIG	1.22
<b>Sub-Total</b>						<b>4.5</b>
<b>TOTAL</b>						<b>15.7</b>

Source: IFC AS Portal Data as of 6/30/19



**Annex Table 12: IFC net commitment activity in Mexico, FY14 - FY19 (US\$, millions)**

	2014	2015	2016	2017	2018	2019	Total
<b>Long-term Investment Commitment</b>							
Collective Investment Vehicles	10.0	-	-	(0.1)	15.0	5.0	29.9
Other CDF Sectors	2.3	(0.1)	(0.1)	0.0	4.0	-	6.0
Financial Markets	(1.6)	(58.0)	8.9	69.5	151.2	263.4	433.3
Funds	51.8	(51.8)	22.5	-	-	-	22.5
Trade Finance*							
Infrastructure	100.2	82.7	67.0	-	15.9	12.3	278.0
Oil, Gas & Mining	-	-	60.0	-	-	-	60.0
Other Infra Sectors	-	-	-	-	-	-	-
Telecom, Media, and Technology	6.3	1.2	(0.0)	25.0	1.0	-	33.4
Agribusiness & Forestry	13.0	10.0	2.0	63.1	(12.7)	(0.0)	75.3
Health, Education, Life Sciences	(0.1)	(4.7)	(4.1)	(13.5)	50.0	75.0	102.6
Manufacturing	59.7	29.7	160.4	38.7	34.4	83.1	406.0
Other MAS Sectors	0.5	(0.5)	(2.2)	-	-	-	(2.2)
Tourism, Retail, Construction & Real Estates (TRP)	41.9	39.1	19.1	(5.7)	(1.3)	0.2	93.3
<b>Total IFC Long Term Investment Commitment</b>	<b>283.8</b>	<b>47.7</b>	<b>333.3</b>	<b>177.0</b>	<b>257.4</b>	<b>439.0</b>	<b>1,538.2</b>
<b>Total Short-term Finance/Trade Finance / Average Outstanding Balance (GTFP)</b>	<b>-</b>	<b>2.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.5</b>

Source: IFC MIS Company Portfolio Daily 12/2/19

\*Note: IFC began reporting average outstanding short-term commitments (not total commitments) in FY15 and no longer aggregates short-term commitments with long-term commitments. IEG uses net commitment number for IFC's long-term investment. For trade finance guarantees under GTFP, average commitment numbers have been used.

**Annex Table 13: List of MIGA Projects Active in Mexico, FY14-FY19 (US\$, millions)**

Contract Enterprise	FY	Project Status	Sector	Investor	Max Gross Issuance
13880	Ciclo Combinado Tierra Mojada S.A. de R.L. de CV.	Active	Power	Cayman Islands	962.9
<b>Total</b>					<b>962.9</b>

Source: MIGA 12/3/19