

**Estados Unidos Mexicanos**

BEST PRACTICES IN CONTRIBUTION OF DEVELOPMENT TO THE PROMOTION AND PROTECTION OF HUMAN RIGHTS IN THE CONTEXT OF THE RECOVERY FROM COVID-19 PANDEMIC

**OFFICE OF THE UNITE NATIONS HIGH COMMISSIONER FOR HUMAN RIGHTS**

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**Introduction**

In reference to the letter sent by the Office of the United Nations High Commissioner for Human Rights (OHCHR), whereby the Mexican State was invited to send its contributions to prepare a thematic report within the framework of resolution 53/28 of the Human Rights Council, on best practices in the contribution of development to the promotion and protection of human rights in the context of the recovery from the Covid-19 pandemic, Mexico presents the following information.

**\* Best practices, initiatives and strategies that have been put in place by México to tackle the rise inrising poverty and inequalities in the context of recovery from the COVID-19 pandemic that helped advance human rights including the right to development.**

*Universal pension for the elderly*

In Mexico, older adults face low income and lack of access to social protection and health systems, which affects their living conditions.

The objective is to contribute to the well-being of the elderly by providing a non-contributory (tax-free) pension to help improve their living conditions and at the same time allow them access to social protection.

The program serves all adults over 68 years of age throughout the country, and adults over 65 years of age living in municipalities that are part of indigenous peoples.

The pension for the Welfare of the Elderly consists of a bimonthly economic support. In addition, this pension is universal, which means that it is given to all older adults living in Mexico, regardless of origin, social or economic status, ideology, beliefs, nationality, etcetera.

In this way, we help improve the situation of the elderly, in order to recognize their efforts in the construction of our country with the purpose of guaranteeing a dignified and full old age.

Sembrando Vida (Sowing life)

Sembrando Vida is a Mexican government program that seeks to contribute to the social well-being of planters by promoting food self-sufficiency through actions that favor the reconstruction of the social fabric and the recovery of the environment through the implementation of agroforestry production systems.

The program seeks to address two problems: rural poverty and environmental degradation. In this way, its objectives are to rescue the countryside, reactivate the local economy and regenerate the social fabric in the communities.

Sembrando Vida generates self-employment and thus improves the income of the families benefited through productive projects. It also contributes to covering basic food needs, promoting food self-sufficiency and recovering the forest cover of up to 1,127,500 hectares in the country.

Like other Welfare Programs, Sembrando Vida promotes the ultimate purpose of the Government of the Fourth Transformation, which is to facilitate access to better levels of welfare for all, and thus reverse the situation of social inequality.

*Jóvenes Construyendo el Futuro (Youth Building the Future)*

Jóvenes Construyendo el Futuro is one of the welfare programs promoted by the Government of the Fourth Transformation, which provides free training for 12 months in companies and workplaces to young people between 18 and 29 years of age who are not studying and do not have a job, in order to develop their skills and abilities and thus contribute in their insertion into the labor market, guaranteeing their right to work.

*Beca para el Bienestar Benito Juárez de Educación Básica (Welfare Scholarship for basic education Benito Juarez)*

La Becas para el Bienestar Benito Juárez de Educación Básica is another of the welfare programs promoted by the Government of the Fourth Transformation, which provides financial support of $920.00 pesos per month to families with children and/or adolescents enrolled in kindergarten, preschool, primary or secondary public schools located in indigenous localities with less than 50 inhabitants (with no degree of marginalization), or in areas with a high or very high degree of marginalization, regardless of population.

The primary objective of this scholarship is to encourage children and adolescents living in conditions of social and/or economic inequality to remain in school and complete their studies, in order to reduce discontinuous and incomplete school trajectories that begin precisely at this educational level and hinder well-being and social inclusion.

School trajectories are affected, among other events, by the lack of access to initial and preschool education; the increase in non-attendance; failure and educational backwardness in secondary school. This situation is particularly detrimental for households with children and adolescents who are at the ideal age to receive basic education services (aged 3 to 14) and are at a disadvantage due to their ethnic origin, their residence in highly or very highly marginalized localities, and because they live in conditions of high or very high social exclusion.

*Pensión para el Bienestar para las Personas con Discapacidad (Pension for persons with disabilities)*

Pensión para el Bienestar para las Personas con Discapacidad a welfare program that helps guarantee the full exercise of the rights and fundamental freedoms of children, adolescents, young people, indigenous people, Afro-Mexicans and/or adults with disabilities through a bimonthly economic support of 3,100 pesos.

The objective of this program is to change the conditions that limit the interaction of people living with a disability; these conditions are also more prevalent among people living in poverty (including underage, indigenous and Afro-descendants), older adults and women, limiting their full and effective participation in society on equal terms.

In addition, according to the National Institute of Statistics’ (INEGI) data, people with disabilities have limited access to the labor market, since only 4 out of 10 are economically active and, when they are, they receive a monthly income that is 13% lower. Likewise, they encounter greater obstacles in accessing education and health services, mainly due to communication barriers and lack of inclusion in infrastructure.

**\* Promising methodologies that Mexico used in the National Development Plans to address increasing poverty and inequalities and leave no one behind, in the context of the implementation of the 2030 Agenda**

*Política Nacional de Inclusión Financiera 2020-2024 (National Policy of Financial Inclusion 2020-2024)*

On March 11, 2020, the National Financial Inclusion Council (CONAIF) and the Financial Education Committee (CEF) presented the National Financial Inclusion Policy (PNIF) 2020-2024. Specific problems were identified for the development of the policy, among which the following stood out: the gap in terms of account holding, low penetration in the use of digital payments, insufficient infrastructure, low economic-financial skills.

Within this framework, the CONAIF and the CEF (made up of members of the Secretariat of the Treasury and Public Credit, The National Bank of Mexico and other entities) carried out a policy update, in which six medium and long-term objectives were established:

1. Facilitate access to financial products and services for individuals and MSMEs.
2. Increase digital payments among the population, businesses, companies and the three levels of government.
3. Strengthen infrastructure to facilitate access and provision of financial products and services and reduce information asymmetries.
4. Increase the economic and financial competencies of the population.
5. Strengthen access to information tools and financial protection mechanisms.
6. Facilitate the financial inclusion of people in vulnerable situations, such as women, migrants, the elderly, indigenous people and the rural population.

*Agenda for the financial system*

Letter of Commitment for the Reduction of the Gender Gap

The Secretariat of the Treasury and Public Credit and the Mexican Banking Association (ABM) signed a letter of commitment for the voluntary reduction of the gender gap in the financial sector. In this letter, a joint and voluntary intention of the Mexican Government and the ABM to achieve a greater representation of women was expressed through the following axes:

* Elaborate a diagnosis on the participation of women in multiple banking managerial positions.
* Establish mechanisms to promote the presence of women in decision-making positions among credit institutions.
* Promote financial products and services with a gender perspective and financial inclusion.
* Establish a committee between financial authorities and the ABM to follow up on the above points.

*Change in the methodology for calculating allowance for loan losses on loans to women.*

In order to increase access to credit services for women, on July 23, 2021, the reform for the reduction of loan loss reserves for women's loans was published in the DOF. This reform consists of a modification to the methodology for calculating loan loss reserves for women's loans and seeks to create incentives to reduce credit rates for women, thus promoting their inclusion in the financial system.

*Installation of the Interinstitutional Committee for Gender Equality in Financial Institutions (CIIGEF)*

As a follow-up to point four of the letter of commitment signed between the SHCP and the ABM, the Interinstitutional Committee for Gender Equality in Financial Institutions (CIIGEF) was established with the participation of 12 public and private institutions from the financial sector. The general objective of this committee is to promote, in a cross-cutting manner, the right to labor equality between women and men and non-discrimination in the workplace, as well as equal access to quality financial products and services for the population.

*Estrategia Nacional de Educación Financiera 2021-2024 (National Strategy on Financial Education 2021-2024)*

National Financial Education Week

The 17th edition of the National Financial Education Week (SNEF) will take place from September 5th to the 8th, 2024. It is the most important Financial Education event of the year, promoted by the Government of Mexico, where the efforts developed by public, private, social and educational institutions, mainly from the banking, insurance companies, workers’ associations, among others, will be focused.

*Promote economic-financial education among the school-age population to increase financial competencies.*

Coordination sessions were held for the integration of economic-financial competencies in the new basic education program, during which the 27 dialogues previously created were reviewed and compared with the files of the 2022 Mexican Basic Education curriculum for Primary, as well as the 17 dialogues corresponding to Mexican Basic Education for Secondary.

There were meetings for the integration of contents with specialists from the Undersecretariat of Basic Education from the Secretariat of Education. A total of 72 competencies were incorporated for elementary school and 40 for secondary school.

*Incorporate economic-financial and digital education among the beneficiaries of social programs.*

The Secretariat of the Treasury and Public Credit established contact with the leadership of the program Sowing Life (Sembrando Vida), in order to identify the efforts that this program has made in the area of financial education. Additionally, they made a collaboration proposal, whereby, through technical cooperation, the Secretariat of the Treasury and Public Credit will link this program to a new pilot project aimed at contributing to the strengthening and standardization of its financial education efforts for beneficiaries.

*Bonos Verdes (Green Bonds)*

The Institution called *Escrow Established in Connection with Agriculture* (Fideicomisos Instituidos en Relación con la Agricultura - FIRA), through the Special Fund for Agricultural Financing (Fondeo Especial para Financiamientos Agropecuarios - FEFA) started issuing green bonds in order to finance and refinance loans and investments for eligible green projects that provide clear environmental benefits and promote the transition to climate resilience and low carbon in the 4 categories declared in the sustainable, efficient use framework.

The first issue involved additional work for the establishment of a Climate Bonds Initiative (CBI) certification criterion for “Protected Agriculture in Mexico” which was the result of the international collaborative efforts of FIRA, the Inter-American Development Bank (IDB) and CBI.

*Social Bond with a Gender Focus*

Through an official statement on its website, FIRA announced that, with the resources from the bonds, it will finance and refinance projects in which the exclusive participation of women or that are led by women, is accredited. The projects are differentiated and grouped into 3 basic categories according to the nature and main objective of the credit and investment project, characteristics of the borrowers and their companies, organizations or associations, as well as the impact of the type of support on specific objectives and goals of FIRA's Institutional Program, the SDGs and the 2030 Agenda linked to gender equality.

*Program to Boost the Financial System*

*Reform so that minors between 15 and 17 years of age have access to accounts.*

Within the framework of the *Program to Boost the Financial Sector*, on March 27, 2020, a decree was published in the Official Gazette of the Federation (DOF) which amends and adds various provisions of the Law of Credit Institutions and the Federal Civil Code, under which adolescents, from the age of fifteen, may open bank accounts, as well as dispose of the funds deposited in these accounts, without the intervention of their representatives. This reform allows young people between 15 and under 18 years of age, who receive a salary and those who are beneficiaries of social programs, to have access to the banking system, contributing to financial inclusion and their welfare.

**\*Good practices, lessons learned and examples of public finance and debt management that meet the legal obligations of States in terms of economic, social and cultural rights.**

Article 61 of the Federal Budget and Fiscal Responsibility Law (Ley Federal de Presupuesto y Responsabilidad Hacendaria, LFPRH) already establishes the obligation of the executors of spending to apply measures to contain spending for administrative and support activities, without affecting compliance with the goals of the programs approved in the PEF. The current administration reinforced these measures by making them more rigorous through the issuance of the Federal Law of Republican Austerity.

Thus, the PEF 2022 Decree, through its Title Three, Chapter II On Austerity and Budgetary Discipline Provisions, instructs agencies and entities to abide by the austerity and budgetary discipline provisions established under the terms of Title Three, Chapter IV of the LFPRH, in the Federal Republican Austerity Law and in the Republican Austerity Provisions issued by the Federal Executive.

Savings generated by the Republican Austerity Law (LAR)

The 2021 Public Account reports that a total savings of five thousand 980.9 million pesos was generated, this amount represents 0.09 percent of Total Net Expenditure and 0.13 percent of Programmable Expenditure.

The 2022 Public Account reports that a total savings of three thousand 85.5 million pesos was generated, this amount represents 0.04 percent of Total Net Expenditure and 0.06 percent of Programmable Expenditure.