



Mexico Economic Policy Program (MEPP)

USAID's **Mexico Economic Policy Program (MEPP)**—*Programa de Política Económica de México*—works with the Mexican government to improve its business environment and competitiveness by strengthening public sector economic governance and integrity.

From 2013 to mid-2016, MEPP took a multi-faceted approach to improving transparency and open government in Mexico through increased productivity, business regulation, competition, access to capital, commercial transactions, and citizen engagement. In its second phase, launched in 2016, MEPP is carrying out more targeted transparency and anti-corruption initiatives—focusing on procurement reform and business regulation—driving civic empowerment through public accountability.

Implemented through Abt, MEPP achieves results via collaboration with government counterparts and local institutions, guiding policy change and building organizational capacity.

Project Background

Institutional weaknesses, including lack of transparency, hinder economic growth and social cohesion in Mexico

Mexico has the second largest economy in Latin America, behind Brazil, and the 15th largest in world with steady growth rates. But enormous inequalities remain between rich and poor, exacerbated by corruption and a lack of transparency. Mexicans spend about 14% of annual household income on bribes and informal payments; Transparency Mexico found the country's poorest spend up to a quarter of their income on bribes to access basic social services. In a survey by the Mexican Institute for Competitiveness, 44 percent of businesses said they pay bribes, the majority of them to gain basic licenses and permits. Limited use of information and communication technologies (ICT) also hurts Mexico's innovative potential and stifles opportunities for sharing data and information.

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MEPP works with Mexico's National Digital Strategy Coordination (CEDN) unit within the Office of the Presidency to operate [Red MX Abierto](#) (Open Mexico Network), a centralized networked platform launched in 2014 that gives local governments practical resources to upload public data. Abt has organized hackathons at major universities to generate fresh solutions and spur youth participation in this effort. Photo by Natalia Jardon, Abt Associates.

MEPP QUICK FACTS

- USAID, April 2013 – April 2018
- Government partners include Ministry of Finance, Ministry of Economy, National Entrepreneurship Institute, Federal Economic Competition Commission and Office of the President
- MEPP is Mexico-led
 - Responds directly to Mexican government priorities
 - MEPP staff and subcontractors are local
- Key results through May 2016:
 - Ministry of Finance incorporates productivity principles into federal spending decisions via project's award-winning productivity assessment tool
 - Local governments make public data available on transparency platform
 - Trained over a hundred judges and regulators in competition law enforcement
 - Promotes entrepreneurship skills for thousands of university students

Key Activities

Increase citizens' access to public information

MEPP collaborates closely with the Office of the Presidency's National Digital Coordination Unit to promote local government membership in the Open Mexico Network (Red Mexico Abierto) by defining which local government datasets should be uploaded into the network. The project develops planning and legal reform tools—as well as model laws—for local governments to institutionalize commitments to openness. MEPP also collaborates with the Federal Audit Office to construct an original, comprehensive platform for all audits carried out under its jurisdiction.

Promote regulatory transparency for businesses

MEPP supports federal and local government initiatives to make it easier and less costly to launch and run a business. The Program is working with the National Entrepreneurship Institute (INADEM) to create a new electronic platform enabling business owners to report instances of regulatory corruption. The project will also train INADEM staff to analyze data obtained through the platform and help local governments to create policy solutions for problems identified by users.

Improve public works transparency

MEPP strengthens the institutional capacity of Mexican regulatory agencies to implement and enforce legislation that curbs monopolistic behavior. The project also improves public sector procurement practices to ensure transparency and create opportunities for small businesses. MEPP is working with the Office of the President and the Open Contracting Partnership, a global governance initiative, to produce a guideline for local government public works procurement covering the entire project lifecycle. MEPP is expanding its support of a civil society initiative that monitors construction of Mexico City's new airport to other sectors.

Strengthen accountability of state oil company

MEPP is working with Petroléos Mexicanos (Pemex)—the national oil producer that recently

became Mexico's largest state-owned productive enterprise—to develop an operational code of conduct that promotes compliance with ethical practices among executives and managers.

Enhance ICT tools that empower citizens

To facilitate robust, transparent bidding on government contracts, MEPP will work with the Ministry of Public Administration (SFP) to conduct a user experience diagnostic for Compranet, the federal government's most important tool for electronic procurement. The Program will use this information to propose design changes that make Compranet more transparent, interactive and useful for potential suppliers. MEPP will work with the finance ministry's transparency unit to enhance its public works portal, which will enable citizens to report complaints about delays and corruption related to specific public works projects. Previously, MEPP hosted innovative contests to create software and mobile applications that respond to public demand for governmental accountability and allow citizens to effectively use open data.



Taxi driver Gerardo Gomez is concerned about how construction of Mexico City's new airport will affect his job. In 2014, MEPP launched the Citizen Observatory for Mexico City's New Airport (ObservatorioNAICM) in collaboration with civil society and government leaders. This initiative convenes public forums to address economic, environmental, transportation and social impact concerns about the new airport. Photo by Natalia Jardon, Abt Associates.

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