

MEXICAN AGENCY FOR INTERNATIONAL DEVELOPMENT COOPERATION

General Direction of Planning & Evaluation

Christian Daniel Castañeda Cuevas
Deputy Director of Planning and Information Systems



RELACIONES EXTERIORES

SECRETARÍA DE RELACIONES EXTERIORES

AMEXCID

AGENCIA MEXICANA DE COOPERACIÓN
INTERNACIONAL PARA EL DESARROLLO



2023
AÑO DE
Francisco
VILA

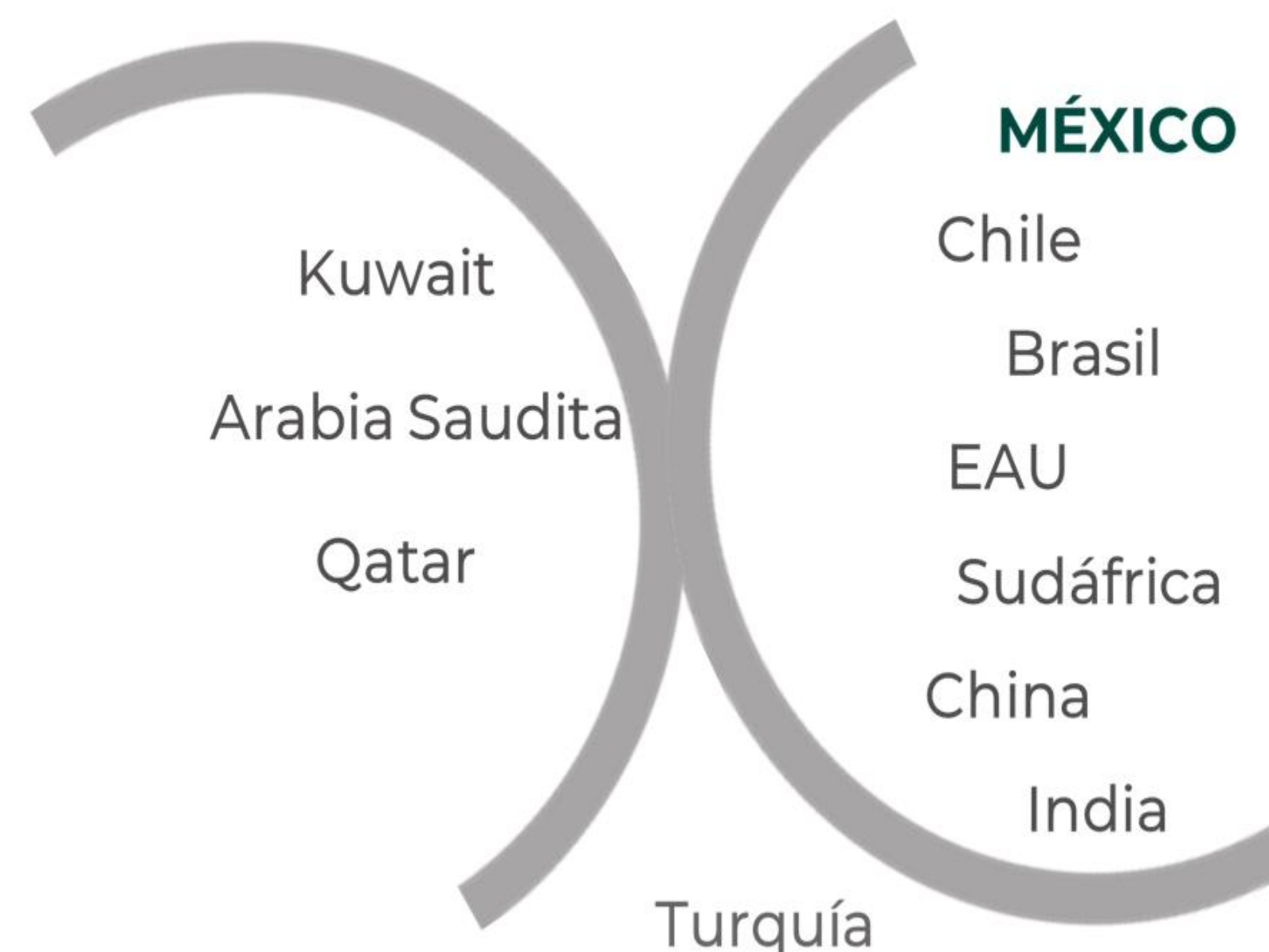
EL REVOLUCIONARIO DEL PUEBLO

MEXICO'S COOPERATION PROFILE

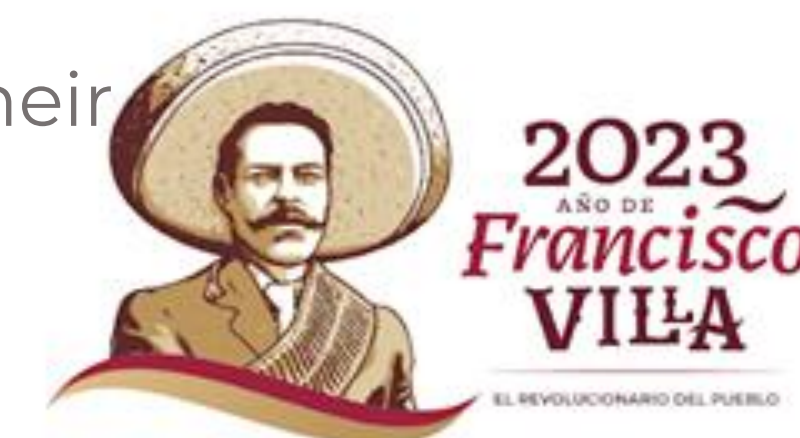
TRADITIONAL DONOR COUNTRIES

Germany (GIZ, KfW)
Japan (JICA)
United States (USAID)
Sweden
France (ADF)
Spain (AECID)

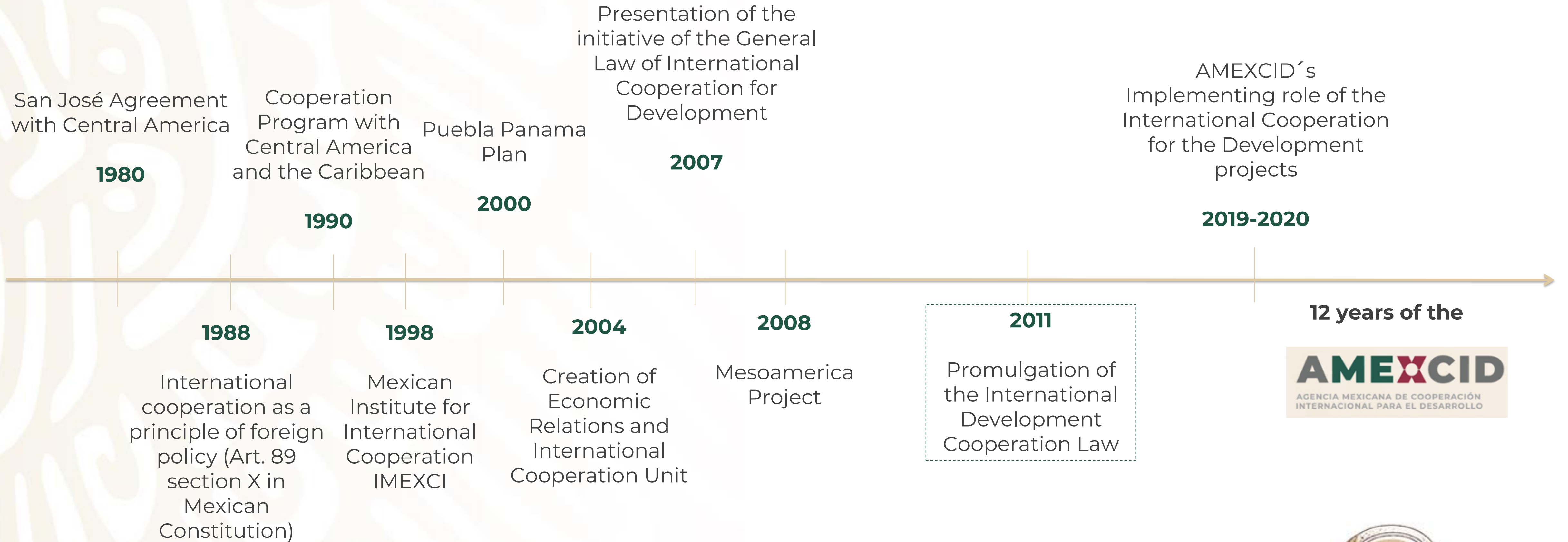
"NEW" COOPERATION PARTNERS



- ❖ **Dual partner:** South-South cooperation provider and still cooperation recipient.
- ❖ **Leader** among peer countries (**dual partners**), especially in **Latin America**, and **bridge** between **traditional donors and recipient countries**.
- ❖ **Spokesperson** for the needs and responsibilities of dual actors, **South-South cooperation providers and Middle Income Countries** that gradually receive less cooperation due to their level of development.
- ❖ **Promoter** of the principles of **effective cooperation for development**.



INSTITUTIONAL BACKGROUND



Institutionality of Mexican cooperation

National IDC System

INTERNATIONAL DEVELOPMENT COOPERATION LAW

-Proposal in 2007, approved and in force since 2011-

Mexican Agency for International Development Cooperation (AMEXCID)

- Decentralized body of the Ministry of Foreign Affairs, with technical and organization autonomy
- Created in September 2011

National Registry of International Development Cooperation (RENCID)

- Chapter. I. Art. 27 of the LCID
- Renewed for 2021-2022 quantifications

International Development Cooperation Programme

- Establishes thematic and geographic priorities
- Reviewed by the Advisory Council of AMEXCID.
- Published in the DOF in December 2021



COOPERATION IN MEXICO

PROVIDER RECIPIENT

South-South Cooperation (SSC) in bilateral, regional, triangular schemes (in association with another provider to reach a third country)

As a Middle Income Country, it is a recipient of technical, academic and financial cooperation (mostly not concessional) from other countries and multilateral organizations

2020...

\$192.25

mdd
CID granted by Mexico

\$794

mdd
ODA received by Mexico



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EL REVOLUCIONARIO DEL PUEBLO

THE INTERNATIONAL COOPERATION FOR THE DEVELOPMENT OF MEXICO

Mexican cooperation is present throughout Latin America in a scheme **bilateral, regional, triangular and multilateral**.
Our cooperation is recognized for its effectiveness, adaptability and innovation.



431 projects

of international cooperation for development were implemented:

222
As recipient

198
South South
Projects

11
triangular



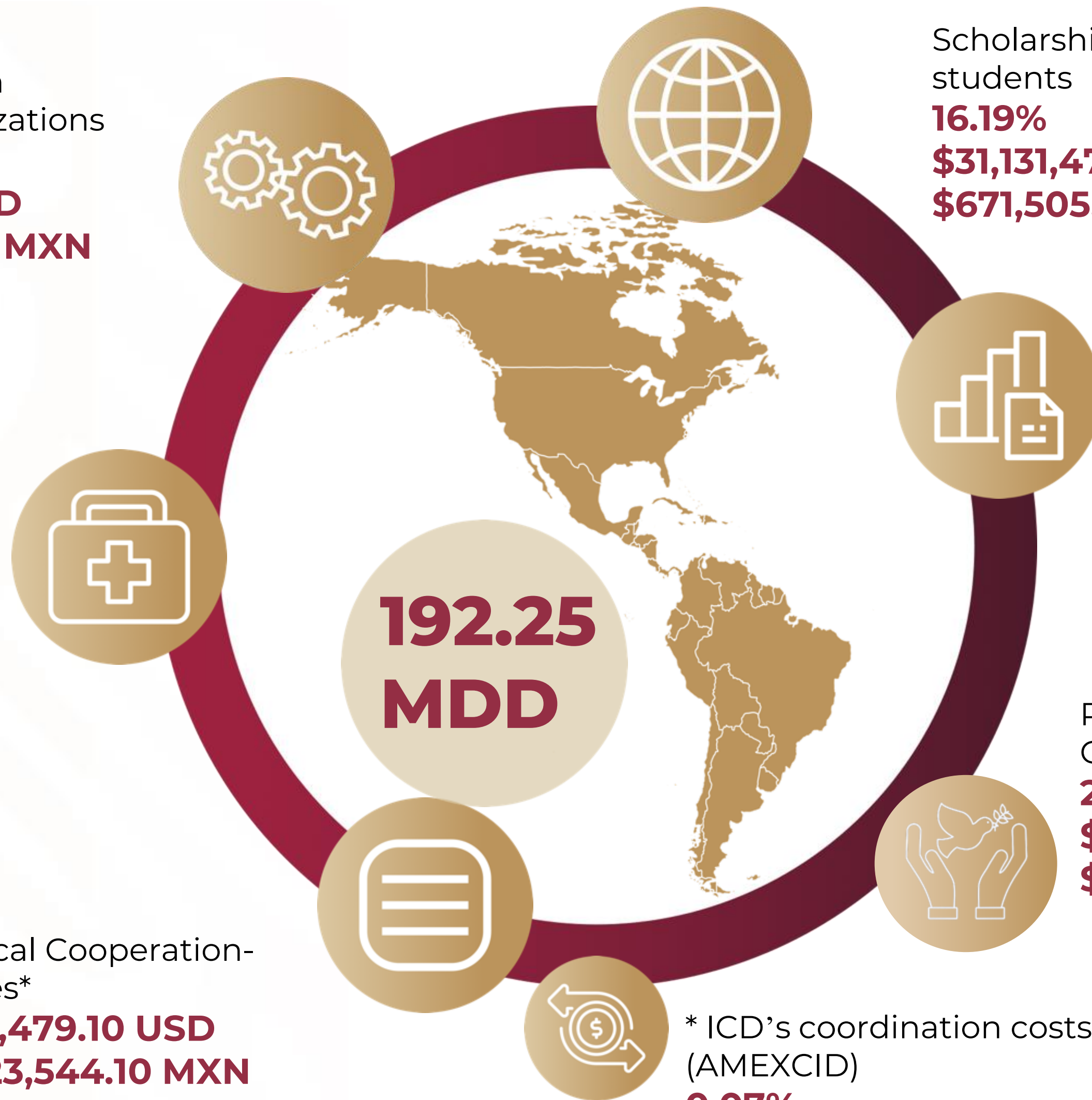
QUANTIFICATION OF THE COOPERATION PROVIDED BY MEXICO IN 2020

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Quantification of the CID granted by Mexico (APF)	268 mdd	277 mdd	551* mdd	288.6 mdd	207.06 mdd	287.9 mdd	317.6 mdd	214.5 mdd	102.4 mdd	192.25 mdd

Cooperation through International Organizations
40.2%
\$77,302,271.83 USD
\$1,667,409,985.97 MXN

Humanitarian Aid
0.4%
\$847,050.00 USD
\$18,270,868.5 MXN

Technical Cooperation- includes*
\$1,053,479.10 USD
\$22,723,544.10 MXN



Scholarships to foreign students
16.19%
\$31,131,476.27 USD
\$671,505,943.29 MXN

AMEXCID's contributions to Development Trusts Funds
40.20%
\$77,003,733.19 USD
\$1,660,970,525.00 MXN

Peace Keeping Operations
2.48%
\$4,775,099.98 USD
\$102,998,906.60 MXN

* ICD's coordination costs (AMEXCID)
0.07%



AMEXCID LEGAL AUTHORITY TO CARRY OUT THE REGISTRATION OF THE IDC

INTERNATIONAL DEVELOPMENT COOPERATION LAW

Art.10 Frac. VIII: It establishes as responsibility of the AMEXCID the administration of the National Register of International Co-operation for Development.

Art. 32: The agencies of the Federal Institutions or beneficiaries of International Co-operation must cooperate with the AMEXCID in the organization and updating of the information system, through the annual reporting on inter-institutional agreements to be concluded in the field of International Development Co-operation.



WHAT DOES MEASURING THE MEXICAN CO-OPERATION INVOLVE?

1

Determine what and how to measure.

2

Having the infrastructure to record, analyze and measure the IDC



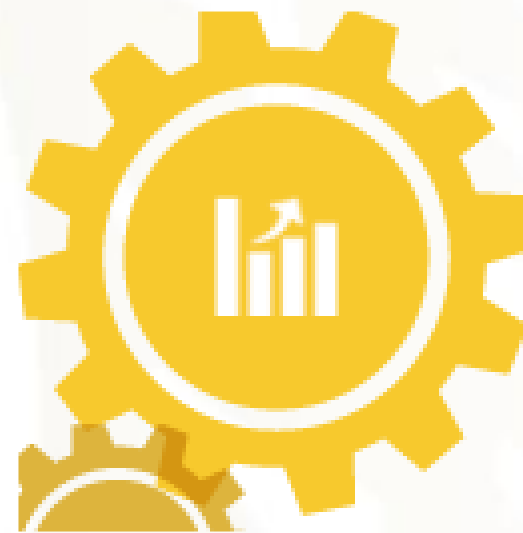
MEASURED COMPONENTS

Technical cooperation



- Disbursements (transportation, per diem, contracting services, purchase of inputs)
- Opportunity costs (experts)

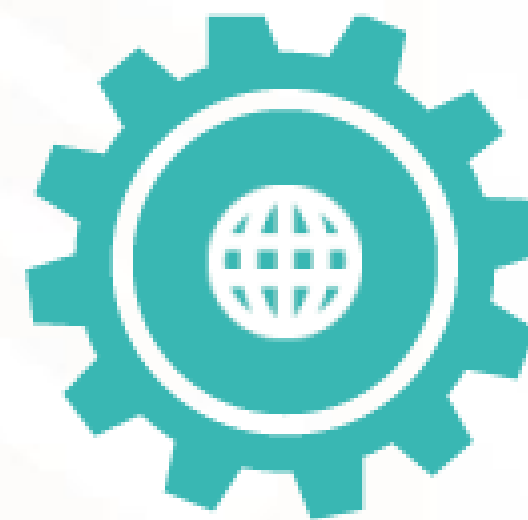
Financial cooperation



- Refundable (concessional amount)*
- Non refundable and debt negotiation.

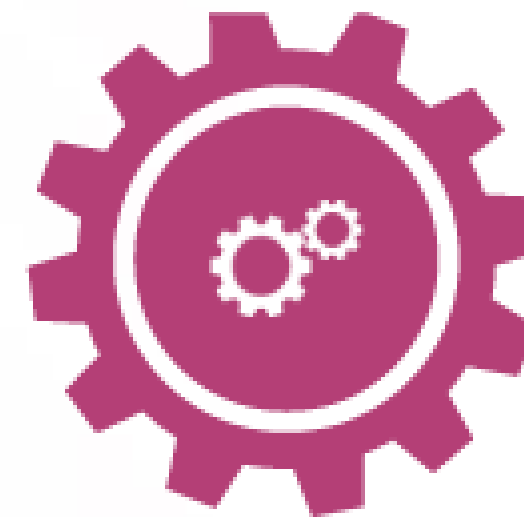
**With discount rates established by DAC/OECD*

Scholarships



- Scholarships to foreign students from developing countries.

Contributions to multilateral organizations



- Contribution coefficient for development**
- Obligatory fees
- Voluntary contributions

***DAC/OECD methodology*

Humanitarian Aid



- In-kind contributions
- Simple donations
- Opportunity costs (Experts)

Peace Keeping Operations



- Contributions to Peace Keeping Missions
- Deployed personnel

Social Programs Cash Transfers



- Comprehensive Development Program in Central America
- Conditioned cash transfers



AMEXCID operation costs



RENCID PLATFORM What we do include

- Federal Public Institutions involved in IDC
- IDC Agreements and conventions between Mexico and other governments and other institutions.
- IDC projects and actions (both reception and offer) which involved the Federal Government (in educational, cultural, technical, scientific, economic and financial matters)
- Reports of Mexican and foreign experts at the end of their IDC missions
- Federal Budget funds allocated to the FONCID and other specific Funds
- IDC evaluation of projects coordinated by the AMEXCID
- The amounts, terms and exercise of financial resources, donations and in-kind contributions from foreign agencies and multilateral organizations.



What we **do not** include

- Economic promotion of Mexico.
- Cultural promotion activities and programs.
- Events, projects, agreements and contributions that only benefit Mexico.
- Payments to international organizations in exchange for some service.
- Cooperation actions with developed countries including scholarships.
- Participations of Government representatives in international events not framed in a project or a program of IDC.
- Providing military equipment or services.
- Government subsidies to the private sector.
- Academic conferences and research unrelated directly with IDC.



ASSESS THE MEXICAN TECHNICAL CO-OPERATION

The opportunity cost of experts

The **Technical Cooperation** that Mexico offered through the Public Federal Administration is based on the exchange of civil servants who share their experience in implementing public policy, institutional model, technical management, developed technology or technology improved in Mexico.

The necessity in the context of South-South Cooperation to incorporate to the accounting of technical cooperation an element that gives a **monetary value to the time of the experts**, has been rescued by countries like **Brazil, Chile and Mexico**.

Mexican experiences in calculating the opportunity cost of the experts:

- **2010** First valuation formula by integrating many variables: level of skill, academic degree, invested days, assistants, administrative expenses.
- **2013** Revision of the formula (Seminar of measurement, adjustment of methodology)

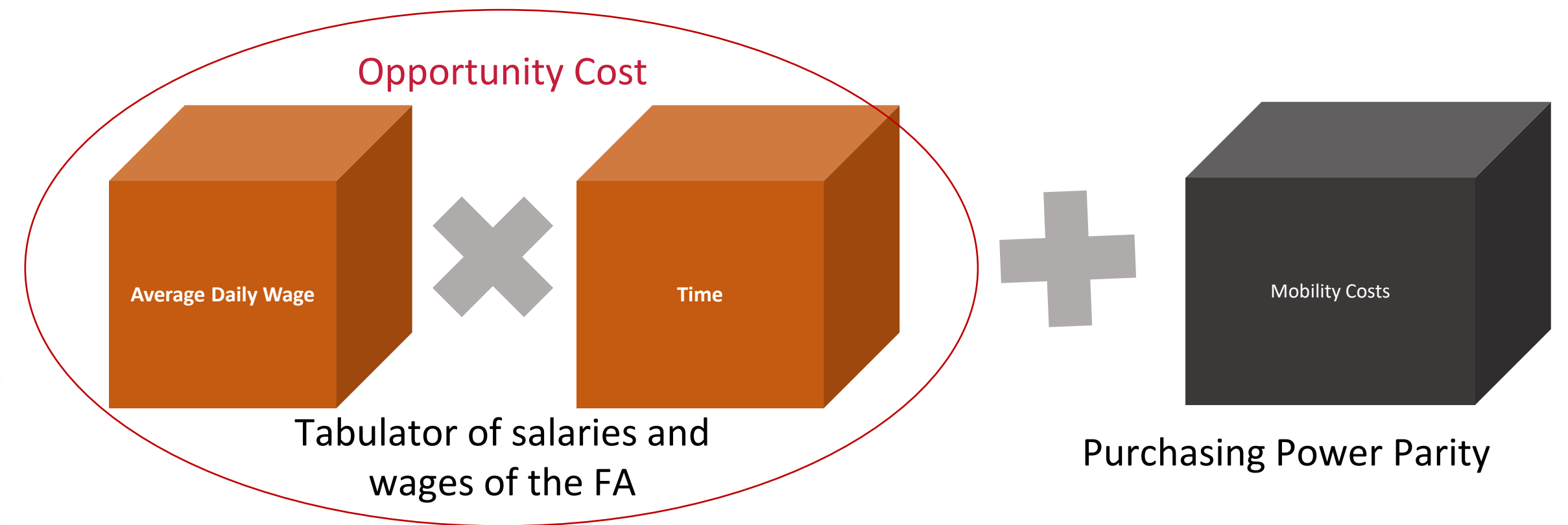


METHODOLOGY OF THE MONETARY QUANTIFICATION OF THE VALUE OF EXPERTS

The time variable integrates:

- the days dedicated by the employee in the development of the action of IDC
- Plus 2 days for preparation and reports.

The average daily wage is calculated **based on the salary level** of each expert / Mexican official, according to the Revenue Manual of Public Servants for the agencies and entities of the FA



GIVING A VALUE TO FINANCIAL REFUNDABLE COOPERATION

Methodological decision to identify the grant element of the credits: calculation of the amount of concessional loans from Mexico.

Subtracts the present value of the debt from the nominal value of the credit (concessionality). The amount of donation is not inflated in the first years of credit liquidation.

Decision on the discount rate: standar value by type country determined by the CAD (or reference rate of the host country, or single rate)

Fórmula: $\% \text{ of donation} = \left(1 - \frac{R/A}{D}\right) * \left(1 - \frac{\frac{1}{(1+D)^{A*INT}} - \frac{1}{(1+D)^{A*M}}}{(A*M - A*INT)*D}\right)$

R = Interest rate agreed

A = Value of depreciation per year

D = Discount rate per period = $((1+d)^{(1/A)})^{-1}$

d = Discount Rate

INT = G - 1/A

M = Maturity

G = Grace period



STRENGTHS AND WEAKNESSES

Possible comparability with flows measured by the DAC

- ✓ Ad hoc methodology and adoption of certain standardized criteria

Limitation of calculating the opportunity cost of experts

- ✓ Previous time invested of the experts - preparation and research.
- ✓ Which is the real impact from co-operation?
- ✓ **Different salary tabulators even in the same country.**
- ✓ Salary tabulators are not comparable between countries or with private consultants.



TO IMPROVE:

- Make a detailed diagnosis of the different mechanisms of financial cooperation granted by Mexico in order to have a more exhaustive and precise quantification.
- Humanitarian Aid.
- Reception of IDC measurement



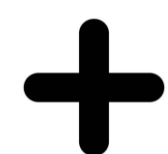
TOSSD Mexican Pilot

OBJECTIVES:

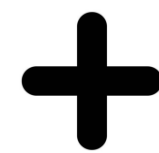
1. Test the SSC Conceptual Framework with SSC and TrC data from Mexico.
2. Learn more about TOSSD reporting methodology
3. Evidence convergences and divergences in national (RENCID) and collective/regional quantification exercises (SIDICSS).
4. Identify lack of information in the databases consulted.
5. Define better reporting guidelines for future ICD quantification exercises that refine the data obtained.

Methodology:

Cuantification year 2020



RENCID



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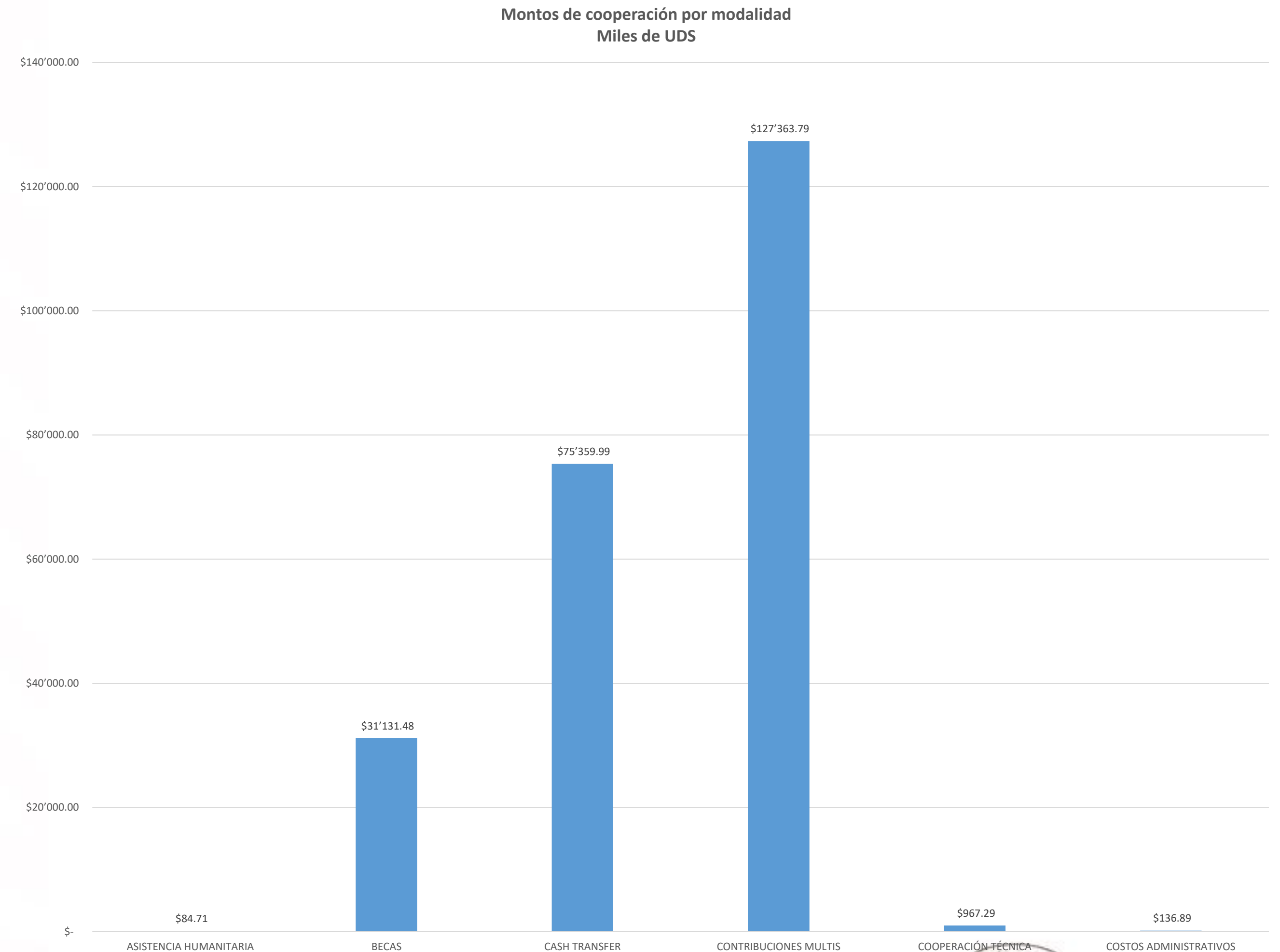
**Mexican
TOSSD pilot
2020 data set**



Results

500 records coded with Mexican cooperation in 2020, in seven cooperation modalities totaling more than \$230 million dollars.

MODALITY	Quantity
HUMANITARIAN AID	2 events
SCHOLARSHIPS	4976
CASH TRANSFER	1 contribution to Comprehensive Development Plan
CONTRIBUTIONS TO MULTILATERAL ORG	151 contributions
TECHNICAL COOPERATION	273 projects



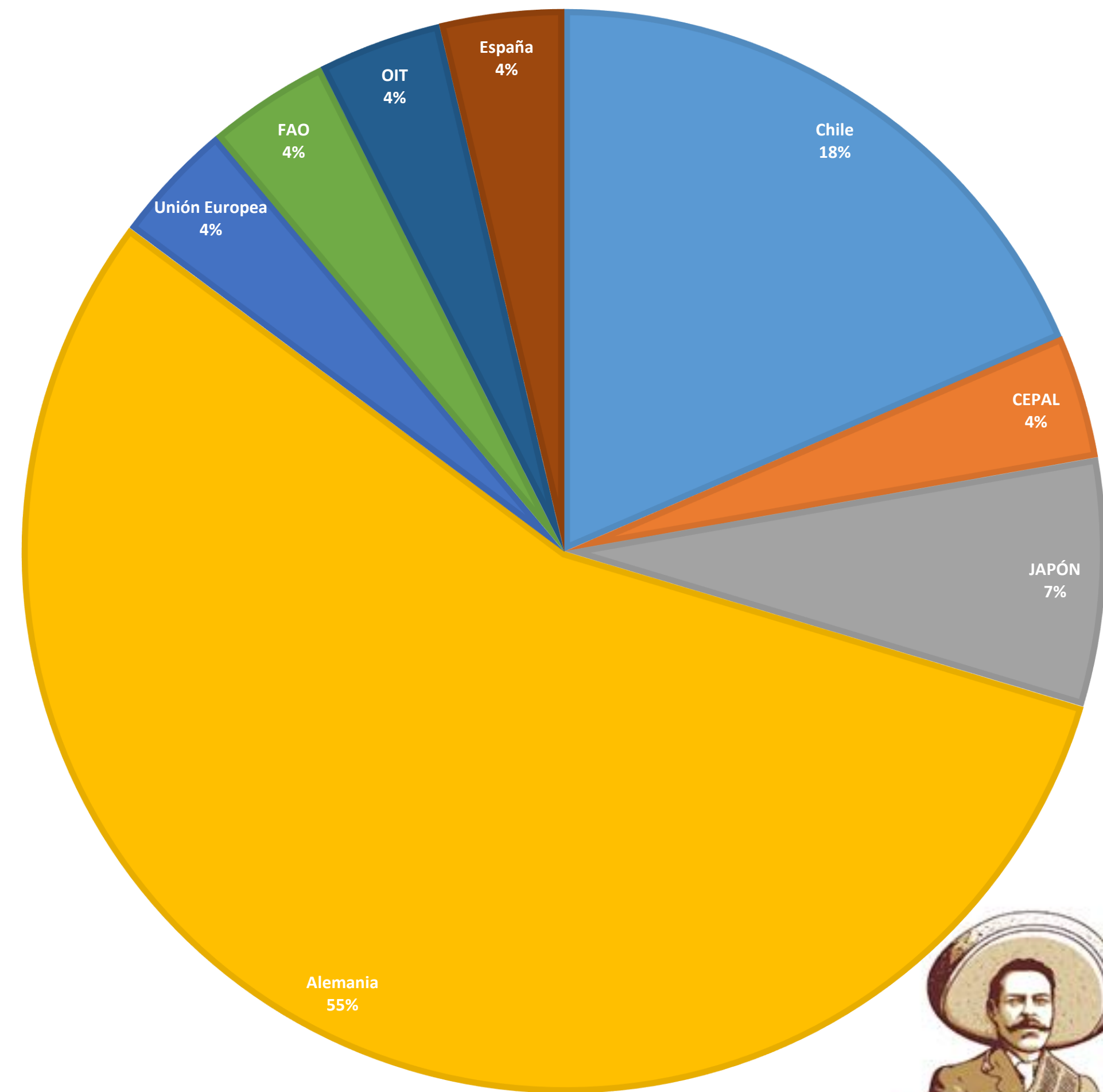
TRIANGULAR COOPERATION

29 triangular cooperation projects with eight partners. A higher number than reported by AMEXCID, due to the complementarity of projects from SIDICSS.

Possibly a % of projects are not really triangular, due to some conceptual difference.

SOCIOS DE LA COOPERACIÓN TRIANGULAR DE MÉXICO

■ Chile ■ CEPAL ■ JAPÓN ■ Alemania ■ Unión Europea ■ FAO ■ OIT ■ España



Challenges in reporting triangular cooperation

- ✓ Disaggregated data with a one-sided perspective. Only information that is known from each partner is included. Always partial.
- ✓ Triangular Cooperation seems to always be technical cooperation. Is it?
- ✓ In the records, the experience of strategic alliance is diluted. Reporting countries focus on the number of existing partnerships, rather than the results these generate.
- ✓ From a data perspective, the entire project story is lost.
- ✓ Mirroring triangular cooperation has not been a successful process for data concentrators. Further reflection is needed on how to report this cooperation.
- ✓ The Conceptual Framework data collection tool lacks a column for triangular cooperation partners



SSC Conceptual Framework

ADVANTAGES

- Simple and easy to navigate
- Allows for multiple country codes However, is this statistically consistent?

CHALLENGES:

- Regional modality is missing
- Need for an improved list of sectors
- Question arises about Reference Table for non-monetary quantification of SSC. Do the countries that quantify their cooperation also need to complete the reference table? Brazil's example





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THANK YOU



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