Social Protection Floor in Mexico

22 August 2011

Statistics on Mexico

- **Total population**: 108.4 million in 2010 (National Population Council); 113,724,226 July 2011 est., CIA Factbook
- **Unemployment rate**: 5.3% and size of informal economy 28.8% (The National Institute of Statistics and Geography - INEGI 2nd trimester 2010)
- **GDP per capita (PPP US $)**: 14,337 in 2009 (World Bank); 13,800 (2010 est., CIA Factbook)
- **GDP growth (in %)**: -6.5 in 2009 (World Bank); +5% (2010 est., CIA Factbook)
- **Human Development Index Value**: 0.750 and HDI Rank: 56 in 2010 (UNDP)
- **Poverty gap at less than 1.25 PPP $ per day**: 1.8% in 2008 (World Bank)
- **Poverty gap at less than 2$**: 3.3% in 2008 (World Bank)
- **Population below poverty line**: 18.2% in 2010 (National Council for Evaluation of Social Development Policy – CONEVAL - based on food-based definition of poverty; asset based poverty amounted to more than 47%)
- **GINI Index (on a scale from 0 to 100)**: 52 in 2008 (World Bank)
- **Total public social expenditures as % of GDP**: 12.5% of GDP of which 4.1% for education, 2.8% for health, 3.7% for social security and 1.9% for housing (2008 CEPALSTAT - central government expenditures only – the total includes nutrition, water/sewage, labour market policies and social assistance)
- **Share of direct out-of-pocket health spending**: 51% (2004, OECD)

1. **Mexico’s Dual Social Protection System**

Social protection in Mexico has a dual structure. On the one hand, Mexican law provides for social security for formal sector workers, which is for a large part managed by the Mexican Social Security Institute (Instituto Mexicano del Seguro Social, IMSS) and the State Workers Security and Social Services institute (Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado, ISSSTE). Funded by both employee and employer contributions and by taxes, the social security system covers voluntary and mandatory contributory schemes. On the other hand, the government has also put into place non-contributory social and health care programmes. Together with a few district level programmes, these more recent programmes represent Mexico’s ‘social protection floor’.

In 2008, the Mexican government decided to align existing and integrate new federal social programmes and launched its ‘Living Better’ (Vivir Mejor) strategy – a comprehensive social
policy aimed at sustainable human development. Flagship programmes of the ‘Vivir Mejor’ strategy are the Human Development programme *Oportunidades*, the ‘70 and Over’ and ‘Child Day care’ programmes, which have achieved positive results according to national and independent external evaluation studies. These social protection programmes combine access to essential services with the provision of cash and in kind social transfers for poor and vulnerable parts of the populations, as well as informal sector workers. Additionally, Mexico’s voluntary health care insurance, *Seguro Popular*, offers coverage to Mexicans not protected by other public health insurance schemes.

Experience in Mexico shows that integrating multiple programmes in one comprehensive national strategy and setting up a framework for delivery, improved inter-ministerial and inter-agency coordination and contributed to improving the targeting and the use of resources. It further promoted participation of public agencies at different levels and sectors of society. Ultimately, the strategy contributed to increasing the social programmes’ impact to reduce poverty and inequality amongst others. Moreover, the programmes have been monitored and evaluated by public and private, as well as independent international institutions. These findings have served to support the expansion of coverage and benefits.

However, poverty and inequality continues to be a major challenge in Mexico and requires concerted action and investments from the government and civil society, including social partners and the electorate. To ensure basic health care and income security to the entire population, effective coverage of scope and benefits need to be further increased through a coordinated and coherent approach. Investing in a social protection floor will be necessary to continue to address these challenges. Amongst other positive effects, such an investment will also promote social cohesion and increase human productive capital.

### 2. The Vivir Mejor Strategy

The government commenced its *Vivir Mejor* strategy as a corollary of a process started in 2000, which laid the foundation of a national social policy. It aimed to reconcile all the federal social programmes into one integrated, coherent social strategy designed towards a common goal — namely, social human development. The strategy was launched during the 2008-2009 crises when the federal government decided to increase social spending and strengthen social programmes. Its strategy has a fourfold line of action: the “development of basic capabilities” (to guarantee equal opportunities and conditions for social developments of Mexico’s poorest families in terms of health, food, housing etc.) ; the provision of “social protection net” programmes (to enable people to better deal with risks that may arise throughout the lifecycle including actions targeted at specific vulnerable groups); the “development and improvement of the physical and social environment” (to promote social cohesion and develop physical infrastructures). The fourth line of action “linking economic and social development” addresses structural causes to lessen the gap between economic development and social well-being and

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thus links the two first lines of action with the latter one (see figure below). This broad approach to social protection seeks to combine the fight against poverty and inequality while at the same time promoting social cohesion and greater citizen participation.

Figure 1: The Vivir Mejor strategy

Under this strategy, the Social Development Secretariat (SEDESOL) became responsible of coordinating, planning, designing, and implementing social programmes more efficiently and effectively. The operation of programmes can also be carried out jointly with other public entities. Resources are also optimized, duplication in programmes and targeting of beneficiaries is virtually avoided, coordination is enhanced, linkages are strengthened, and monitoring and evaluation are improved.

2.1 The Human Development Programme Oportunidades

Oportunidades is the principal anti-poverty, conditional social transfer programme of the Mexican government. It was born out of the 1997 Programme for Education, Health and Nutrition (PROGRESA), which was one of the first social programmes to focus on human capital development for the poorest and most vulnerable population in Mexico. In Mexico, there is a compulsory education system till the age of 15. Mexican citizens don’t have to pay any tuition fee to access the public education system. Oportunidades primary objective is to help families that cannot afford the monetary or opportunity costs of sending children to school and thus get caught in a vicious cycle where poverty is transmitted through generations.

The three chief components of Oportunidades are education, health and nutrition. Monetary educational grants are provided conditional to regular school attendance of children and increase as children progress to higher grades. The amounts of the monthly grants range from 

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2 For more information on SEDESOL’s programmes: http://www.sedesol.gob.mx
150 pesos (about US$13) in the third grade of primary (minimum age of 8) to 840 pesos (about US$73) for boys and 960 pesos (about US$83) for girls in the final year of high school. There are also economic incentives for students to finish their high school education before turning 22 years old through the *Jóvenes con Oportunidades* component and cash transfers to purchase school materials. The health component provides basic health care to all family members and communal educative workshops for the promotion of health created mainly for teen beneficiaries. Finally, the programme provides a monthly cash transfer of 225 pesos (roughly US$19.50) to improve the quality, quantity and diversity of food, as well as nutritional supplements for infants, malnourished children and pregnant or breastfeeding women. There are also special cash transfers for adults 70 years or older and for energy consumption expenses.

In 2010, 5.8 million families received benefits from *Oportunidades*, meaning that three out of ten Mexicans receive cash transfers in order to help them overcome the difficulties of extreme poverty. The programme manages the highest budget granted by the federal government to a human development programme. According to the 2011 budget, the programme will cost 65.7 billion pesos (about US$5.7 billion), providing scholarships, financial aid, training and other human development activities. This represents an increase of two percent compared to the approved 2010, while in 2010 the increase in resources was 34.6 percent compared to 2009.

With operation costs of less than 5 cents of each invested peso (less than one cent of a dollar), *Oportunidades*’ efficiency relies on its structure, which optimises processes institutionally by linking the health and education sectors. Effective targeting, along with good supervision, management and administration also contribute to ensure effectiveness.

### 2.2 The Food Support Programme

In 2003, the Mexican government launched its Food Support Programme (*Programa de Apoyo Alimentario*) to meet the basic food needs of the poor and vulnerable who do not have access to other federal social programmes. That year, SEDESOL managed directly its implementation; however, DICONSA, a mainly state-owned company belonging to the Social Development Sector, became its main operating agency in February 2004. When the government launched the *Vivir Mejor* social policy strategy, the nutrition support programme was integrated into its comprehensive design. As such, food support benefits are provided through cash allowances and delivery of food supplements. As a result, “there is now a lower prevalence of malnutrition among targeted children and a 7.2 per cent reduction in the incidence of anaemia among children enrolled in this program between 48 and 59 months of age.”

However, the recent economic crisis and rising food prices required complementary social policies that would extend and improve aid to vulnerable groups of people. Consequently, the Food Support Programme for priority or marginalized areas (*Programa de Apoyo Alimentario en énfasis en zonas de priorización o marginación*) has been established.

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Zonas de Atención Prioritaria o Zonas Marginadas) was created in 2008. The programme targets households, whose income does not exceed the minimum welfare line and whose resources are insufficient to invest in the proper development of the capacities of the family members, yet are not served by Oportunidades or the Apoyo Alimentario of DICONSA. Through this programme, beneficiary families received food baskets or cash transfers of 245 pesos (about US$20.43) to purchase food and other basic supply, along with a subsidy of 120 pesos (equivalent to US$10.00), monthly.

Subsequently, the two food support programmes were then merged under the name of the original Programa de Apoyo Alimentario in 2009 as an initiative to further harmonise the approach, increase efficiency, and avoid coverage gaps and overlaps. As of February 2011, there were 674,477 families receiving in cash and in kind benefits from the food programme – reflecting a significant increase in comparison to the 261,146 who benefited from the programme in February 2010 – and cash allowance for food supply was granted to 459,146 families.

2.3 Child Day-care Centre Programme to Support Working Mothers

The programme Day-care Centres to Support Working Mothers (Estancias Infantiles para Apoyar a Madres Trabajadoras) supports households with at least one child between the ages of 1 and 4 years– or from 1 to 5 years (in case of boys and girls with disabilities) where the head of the family is working, studying or seeking employment and does not have any access to day care or child care through the public social security institutions or other means. These households frequently struggle with a monthly income of up to 1.5 minimum wages per capita, so this programme provides subsidies for child care.

By June 2010, 261,728 children benefited from this programme and 85 per cent of the respective mothers benefiting from this programme are working, while 39 per cent did not have jobs before adhering to the program. This programme enabled 55,079 women to have a job for the first time by providing financial support to cover the costs of child care services. These achievements stress how the program has had a direct impact on gender inequality and the empowerment of women.

On the supply side, the Estancias Infantiles para Apoyar a Madres Trabajadoras provides resources to render more adequate or build day care centres, as well as trainings and supervision of such centres. This programme supports individuals, groups of individuals or legal persons who apply and meet the criteria and requirements indicated in the Rules of Operation. Applications are considered in relation to the suggested location of the centre and the demands and need of such a service in that particular area. The programme offers up to 20 percent of the funds to cover operating expenses in the first 60 days to the person responsible of the day care centre, registered with the Network of Childcare Facilities.

Day care centres that are not affiliated to the Network of Childcare Facilities may also be granted financial support as long as they address or intend to address the target population of the program – meaning that they support working mothers and single parents. This endorsement is provided so minimum, necessary adjustments are made to ensure that the building and equipment compliances with the provisions of the rules operation set by SEDESOL.

By June 2010, the programme supported 8,575 child care facilities around the country and had created 43,139 jobs for managers and people in charge of the facilities, who care for their children and the children of their neighbours.

2.4 Pensions for the Elderly: the 70 and Over Programme and Social Security

It has been estimated that the numbers of Mexicans aged 70 or more will grow from 3.1 million in 2000 to 4.8 million in the year 2012. Thus, in anticipation, the government launched in 2007 a social protection programme called 70 and Over Programme (Programa 70 y Más), as a part of the action plans of the Vivir Mejor strategy. Operated by SEDESOL, this programme serves adults of 70 years of age or older, who live in towns of up to 30 000 inhabitants. As a non-contributory pension scheme, recipients receive 500 pesos (about US$41.65) monthly as financial support, payable every two months, and participate in activities geared to improve their physical and mental health. The programme also facilitates access to services and institutions that reduce the risk of loss of income or health. There is a steady growth in the number of beneficiaries in this programme. In 2009 they numbered 1.9 million and in January of 2011 as many as 2.1 million (in 76,315 locations).

Mexico introduced in the 1940s its first social insurance programme, which was extended in the following decades. Mexico ratified ILO Social Security (Minimum Standards) Convention number 102 in 1961 and has programmes for all the branches except unemployment insurance. For private and public sector workers, there is a mandatory contribution based scheme for old age pensions. The current scheme is privately managed and fully-funded, based on individual accounts. Retirement age is 65 years for both sexes. Contributions are made by workers, employers and the government. The health and occupational risk schemes, on the other hand, are administered by public social security institutions, the most important ones IMSS and ISSSTE.

Even though the estimated legal coverage of social security, including contributory and non-contributory programmes, is over 65 percent of the working age population, the Mexican

11 SEDESOL: http://www.sedesol.gob.mx
14 Rubio and Garfias, Analisis comparativo sobre los programas para adultos mayores en México, UN 2010.
15 El Programa 70 y Más beneficia a más de 2 millones de adultos en todo el país, http://www.contactodigital.com/noticias/secciones/interes/21236-el-programa-70-y-mas-beneficia-a-mas-de-2-millones-de-adultos-en-todo-el-pais-sedesol-.html
16 Mexico’s ratification of C102 relates to the branches of health care, illness, old age, occupational injury, maternity, invalidity and survivors.
labour market is characterised by a significant level of informality: recent estimates indicate that only 35 percent of the working population contribute to social security in 2010. The cost of the recent financial crisis on Mexico in this area has been damaging, as more than 700 thousands jobs with contributions to social security were lost between October of 2008 and May of 2009, informality increased and the recovery of lost jobs has occurred at a slow pace. Unfortunately, this level of informality results in a lower proportion of elderly people fulfilling the requirements for accessing a pension: only 19.2 percent of persons in the age of retirement received a pension in 2005. This fact underlines the importance of the programme 70 and Over and the strategies for its extension, as the programme provides minimum social protection for the elderly and forms one of the pillars of a Social Protection Floor.

2.5 Job Protection and Unemployment Benefits

The Vivir Mejor strategy accentuates the importance of job creation and job protection for the generation of general well-being. The economically active population in Mexico amounts to about 47.1 million people, of whom about 2.6 million are in search of employment. Several programmes have therefore been created to address the risk of unemployment and the needs of the unemployed.

The Temporary Employment Programme (Programa de Empleo Temporal, PET) serves and provides temporary financial assistance affected by the low labour demand or natural emergencies, integrating the unemployed and their families in community projects. The programme offers monetary support equivalent to 99 per cent of a daily minimum wage salary in the project's economic area and can pay up to 2 minimum wages per day and 132 day wages per beneficiary annually with a four to six months time-limit per beneficiary (the number of months depends on the district). In addition, the programme provides financial support for the acquisition or rent of materials, tools, machinery or other inputs for the family and community development projects approved to be included in the programme. The World Bank projected that an average of 600,000 persons would be hired under PET over the period 2009-2010. In 2011, the Federal Budget allocated about US$ 80 million for PET, of which 65 percent were designed for salaries, 28 percent for the purchase of inputs and 6.7 percent for operation and evaluation costs.

Confronted by the financial crisis, the government launched the Extended Temporary Employment Programme (Programa de Empleo Temporal Ampliado, PETA) in the beginning of 2009, extending the scope of the Temporary Employment Programme (PET) to also cover urban

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20 In June 2010, 88 percent of jobs lost have been recovered, but with a great share comprising temporary jobs, while 80 percent of jobs lost were permanent. See: CEFP: La calidad del empleo en México: la crisis laboral y sus implicaciones, Nota 29/2010, 2010.
23 In Mexico, the minimum wage depends on the location. Mexico is divided into areas A, B, and C with daily minimum wages of $59, $58, and $56, respectively.
24 SEDESOL website, “More about the PET programme”.
areas, where unemployment is also high, reaching 6.1 percent. With a budget of US$ 165 million, the government aims to reach 250,000 beneficiaries.  

The National Employment Service (Servicio Nacional de Empleo, SNE) is a public institution under the Ministry of Work and Social Security, in charge of attending to the problems of unemployment and underemployment in Mexico. Its services are provided free of charge through 165 offices as well as telephone and online attention. SNE provides, for example, job information and work orientation, workshops for job seekers, job fairs and national and international labour mobility services, with the objective of improving the connection between workers and employers. The programme has a scholarship component, Becas a la Capacitación para el Trabajo (Bécate), which aims at supporting the development of new competencies and abilities that would enable continued employment and the development of own-account work. In addition, SNE includes a programme (Programa de Atención a Situaciones de Contingencia Laboral) that aims to mitigate the adverse effects on jobs of natural, economic and social contingencies. This particular component offers economic support for a maximum of three months for affected persons, scholarships for training, and grants for buying machinery, among other benefits. In total, more than 4 million people benefited from the different action areas of SNE, and 900,000 persons were employed in 2010.

3. **Health Insurance Seguro Popular**

In 2003, the Mexican government implemented a reform to the general health law, Ley General de Salud, by establishing the System of Social Protection in Health (Sistema de Protección Social en Salud). This reform increased public funding by 1 per cent of the 2003 GDP over seven years to provide universal health insurance. As a result, 45 million Mexicans, who were not insured by the traditional IMSS and ISSSTE systems, gained access to formal social insurance by enrolling in the new public health insurance scheme, Seguro Popular. Through this scheme, the government has also identified the most frequent interventions in demand in outpatient units and general hospitals of the Ministry of Health, which represent 90 per cent of the causes leading to service demands. Consequently, a list of essential health services, Catálogo Universal de Servicios Esenciales de Salud, was created, guaranteeing access to a package of 255 health interventions and their respective drugs, as well as a package of 18 costly interventions. These packages are covered by a fund for personal health services of essential interventions and a fund for protection against catastrophic expenditures, Fondo de Protección contra Gastos Catastróficos. Once families become affiliated with the Seguro Popular, they receive a list of the health interventions, services and prescribed drugs, to which they are entitled free of charge. 

Seguro Popular is a voluntary scheme that offers coverage to all Mexicans not protected by any other public insurance scheme. Contribution is subsidized and exempted for the poorest. However, families not affiliated by 2010 will still receive health care through public providers but will have to pay user fees at the point of service delivery. This year, the government aims to expand coverage to more than 49 million Mexicans and informed that in the last three years the

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budget of Seguro Popular has tripled, from 18 billion pesos (about US$1.56 million) in 2006 to 52 billion pesos (about US$4.5 billion) for 2010\textsuperscript{29}. At the beginning of 2011, 44 million people were affiliated in the programme, while the long-term objective is to cover 51 million Mexicans.\textsuperscript{30}

4. **Unemployment Benefit Scheme in Mexico City**

Besides social programmes that are part of the federal government’s social development policy, there are some programmes that are created and managed at the district level. The Unemployment Insurance Programme for the Federal District\textsuperscript{31} (Programa Seguro de Desempleo del Distrito Federal) is worth mentioning as it is the first local unemployment benefit programme.\textsuperscript{32} The programme is non-contributory and tax-financed, and it was launched in 2007. As of September 2010, the Federal District has an economically active population of 4.2 million people, requiring an average of 120,000 jobs annually to absorb the demand for those entering the labour force. Beneficiaries of this programme receive a benefit equivalent to 30 days of minimum wage per month for six months. Eligibility criteria include: persons above 18 years old, who lost their job for a reason beyond their control after being employed for at least six months, do not receive other benefits, are actively searching for a job and accept job interviews and participate in trainings that fit his or her profile. Between its inception and 2011, the programme provided benefits for 156,543 people and offered more than a million sessions of counselling, support and information services for job applicants. The annual cost of the programme in the period 2010-2011 was around 500 million pesos (US$ 42 million).

5. **Good Governance**

To ensure effective and successful policy and programme planning and implementation the government launched a process in 2000 to tackle poverty more efficiently. Thus it adopted and developed a national social policy that included the necessary legal and institutional instruments.\textsuperscript{33} The Vivir Mejor strategy launched in 2008 is based on both the 2009-2012 National Program for Social Development and the 2007-2012 Sectorial Plan for Social Development. It complements the contributory social security system.

5.1 **The Legal Framework**

Social protection in Mexico dates back to the Constitution of 1917 which laid the foundation for social rights. As a part of the 2000 process, the General Law of Social Development (Ley General de Desarrollo Social, LGDS) was legislated in 2004 which sets the base for the national social

\textsuperscript{29} Seguro Popular: \url{http://www.seguro-popular.gob.mx}.  
\textsuperscript{31} For the Federal District Unemployment Insurance Programme see: \url{http://www.styfe.df.gob.mx/wb/styfe/como_obtener_tu_seguro_de_desempleo_programa}.  
\textsuperscript{32} It is important to mention that since 2009 it is possible to withdraw some of the individual pension account savings in the event of unemployment. The value of the withdrawal depends on the period of affiliation and contributions, and can be done once every five years. Upon return to work, the savings can be recovered in order to prevent a fall in the level of future pension. See: Decreto de retiro ed la cuenta individual: \url{http://www.imss.gob.mx/derechohabientes/derechos/decretoretiro}.  
policy, including the budget, evaluation procedures and conditions that guarantee accountability and transparency through audits, quarterly budget reports, and the publication of information in accordance to the Federal Law of Transparency and Access to Public Government Information. Further laws also exist to set the grounds for specific programmes like the Organic Law of the Public Federal Administration (*Ley Orgánica de la Administración Pública Federal*). All programmes must define their rules of operation and make this information publicly available in the Official Journal of the Federation and their respective websites.

Interestingly, this legal framework also includes an “electoral shield” to safeguard the supply and implementation of social protection. This mechanism aims at avoiding any potential political manipulation of social programmes, particularly during electoral campaigns. As such, trainings are offered for staff and beneficiaries, information campaigns are conducted to raise awareness among the population, particularly the one targeted by the programmes, about the possible misuse of programmes for political or electoral purposes. Moreover, respective programme advertisements are regulated by SEDESOL.

### 5.2 The Budget

The social protection budget is adopted annually in compliance with the Social Development Act of 2004, the Federal Law on Budget and Fiscal Responsibility, and the Budget of Expenditures of the Federation, and is financed mainly from taxes and income from the sale of goods and public services. Every year the budget for social spending increases at least in the same proportion than the GDP growth. In 2010, the federal government allocated 60 per cent for social development (education, health, social welfare, urbanization, housing and regional development, water supply and sewerage, social assistance), 30 per cent for economic development, and 10 per cent for other government expenditure.

### 5.3 Monitoring and Evaluation

The National Council of Evaluation of Development Policy (CONEVAL) was created to conduct social policy programmes evaluations and to propose eventual readjustments. Its observations and recommendations are sent to the House of Representatives and published.

The success of *Oportunidades* is to a great extent due to the documentation of these evaluations. Since the inception of the programme, a rigorous, ongoing evaluation process has been planned to quantify its impact. Following its Rules of Operation, the impact evaluation of *Oportunidades* was assigned to nationally and internationally prestigious academic and research institutions.

The credibility of these evaluations helps strengthen the programme’s legitimacy and expansion, as well as mobilize national and international support – including loans from institutes like the Inter-American Development Bank. Since its first evaluation in 2001, *Oportunidades* has been further expanded and its coverage has increased from about 300,000 families in 1997 to 5.8

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million families in 2010. Although, Oportunidades was originally designed in 1997 for poor rural areas, it was extended to urban areas after the performance evaluation conducted by the International Food Policy Research Institute (IFPRI) in 2001. Education grants have also been extended to the high school level with the Jovenes con Oportunidades programme. Other developments also include the establishment of mechanisms for the detection and adjustment of inclusion errors in the selection of beneficiary families and the substitution of “Health Talks” by “Communal educative workshops for the promotion of health”. There has also been an improvement in nutritional supplement and the targeting of areas with the families in most need.

5.4 Coordination

The comprehensive scope of the Vivir Mejor strategy requires an effective collaboration between the education, health, finance and social security ministries and agencies. To this end, several entities were created to ensure harmony among government, legislative, civil society and private initiatives. For example, the Social Cabinet headed by the President of the Republic that examines, discusses and monitors the social sector programmes measures; the Inter-Ministerial Commission for Social Development, composed of 14 federal agencies chaired by SEDESOL, that guides social policy development; the National Social Development Committee, comprising representatives of the Federal Government, state governments and municipal governments, as well as representatives of the Chamber of Deputies and Senators; and the Advisory Council on Social Development, which is chaired by SEDESOL and engages academics, businesses and civil society.

6. The Impact of Social Programmes

The government began its fight against poverty in the late 1970s by establishing the first social programmes. In 1982 and later in 1995, it experienced economic crises that had an impact on poverty and inequality. The poverty lines in the below graph follow this trend as poverty peaked in 1996. As a result, the government decided to strengthen and expand its social protection system to tackle poverty more efficiently and aim at ensuring minimum welfare levels for all. In 1997 it launched PROGRESA which later evolved into Oportunidades. In 2000 it started the process of institutionalizing and coordinating these fragmented programmes resulting more recently in the adoption of the Vivir Mejor strategy in 2008. The graph below indicates that poverty decreased in this period from 1996 to 2008. Approximately, 13.4 million people escaped poverty, and 15.1 million people escaped food poverty during this period according to CONEVAL figures.

The crises in 2008 and 2009 caused an increase in poverty and decrease in GDP growth. However, according to CONEVAL estimates, the population living in conditions of food poverty or in extreme poverty would have increased by 2.6 million without the transfers from the federal government.

37 The National Council for Evaluation of Social Development Policy (CONEVAL) is the official institution in charge of the definition, identification and measurement of poverty in Mexico. It uses indicators of food poverty, asset poverty and capability poverty. The latter includes housing, health and education indicators.
According to SEDESOL, “CONEVAL indicates that without programs such as Oportunidades, the extremely poor would have increased by 2.8 million between 2006 and 2008, since these programs, while attacking the structural causes of poverty, also protect households against income shocks”.\footnote{Gustavo Merino, Subsecretario de Prospectiva, Planeación y Evaluación, citado en: B.L. Gracia Lopez “Mexico: A Social Protection Floor, Sharing Innovative Experiences, Vol. 18, UNPD/ILO, 2011.} Result of evaluations, show that Oportunidades achieved positive results in terms of education, health and nutrition (see below table). SEDESOL estimated, based on the National Household Income and Expense Survey (ENIGH) that in 2008, 9.6 percent of the population would have been affected by food poverty without Oportunidades that is 21.3 million.
Table 1: Impact of Oportunidades on education, health and nutrition:

<table>
<thead>
<tr>
<th>Impact on education</th>
<th>Rural areas</th>
<th>Urban areas</th>
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<tbody>
<tr>
<td>Teenage beneficiaries who finished their high school education</td>
<td>23% more that those that are not in the Program.</td>
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<tr>
<td>12 year old children enrolling in junior high school</td>
<td>42% increase</td>
<td></td>
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<tr>
<td>14 year old children enrolling in junior high school</td>
<td>30% increase</td>
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<tr>
<td>School desertion of 16 and 19 years old teenagers</td>
<td>23% decrease</td>
<td></td>
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<tr>
<td>15 and 18 year old teenagers that on average received Oportunidades benefits for five and a half years</td>
<td>Achieved an additional year of schooling compared to non beneficiaries.</td>
<td></td>
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<thead>
<tr>
<th>Impact on nutrition and health</th>
<th>Rural areas</th>
<th>Urban areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preventive medical check-ups of Oportunidades’ beneficiary families</td>
<td>35% increase</td>
<td>20% increase</td>
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<tr>
<td>Total consumption of families</td>
<td>22% increase</td>
<td>16% increase</td>
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<tr>
<td>Beneficiary children 2 years old and younger</td>
<td>increased their height by 1.42 cm with respect to non beneficiaries</td>
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<tr>
<td>Maternal deaths</td>
<td>11% decrease</td>
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<td>Infant mortality</td>
<td>2% decrease</td>
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<tr>
<td>Days of illness per family for children 0 – 5 years old</td>
<td>20% reduction (equivalent to two days per year)</td>
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<tr>
<td>Days of illness per family for children 16-49 years old</td>
<td>11% reduction (equivalent to six days per year)</td>
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7. Challenges and the Way Forward

The integrated Vivir Mejor strategy is an important step towards guaranteeing a minimum level of social protection for all Mexicans. The concept of a Social Protection Floor, endorsed by the 100th International Labour Conference of the ILO (2011) and supported by the Latin American member countries of the G20 in the Declaration of Brasilia (May 2011), is of relevance for the Mexican social protection policies. Mexico is faced with the challenge of continuing to expand the coverage of social programmes (geographic coverage, level and scope of the benefits, eligibility criteria and risks), such as Seguro Popular and Vivir Mejor, in search of universality of
coverage in the “horizontal” dimension. Progress is also expected on further strengthening the institutional framework, improving coordination mechanisms to better link social and employment programmes, and continue developing the oversight and evaluation mechanisms. Addressing these challenges is a precondition for the further development of a Social Protection Floor that covers all Mexicans.

As clearly demonstrated by the recent economic crisis, several risks and external shocks keep threatening the progress made in reducing poverty and vulnerability in recent years. Hence, the events illustrated the positive and concrete role of social protection in safeguarding previous advances. Therefore, the Mexican experience attests to the benefits of placing social protection in the heart of the national development strategy. Mexico is on its way to develop a national Social Protection Floor that seeks to respond to the national needs and protect the basic human rights of the Mexican people both in times of crisis and of stability. The Social Protection Floor is crucial for equitable economic growth and sustained social development in Mexico.

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