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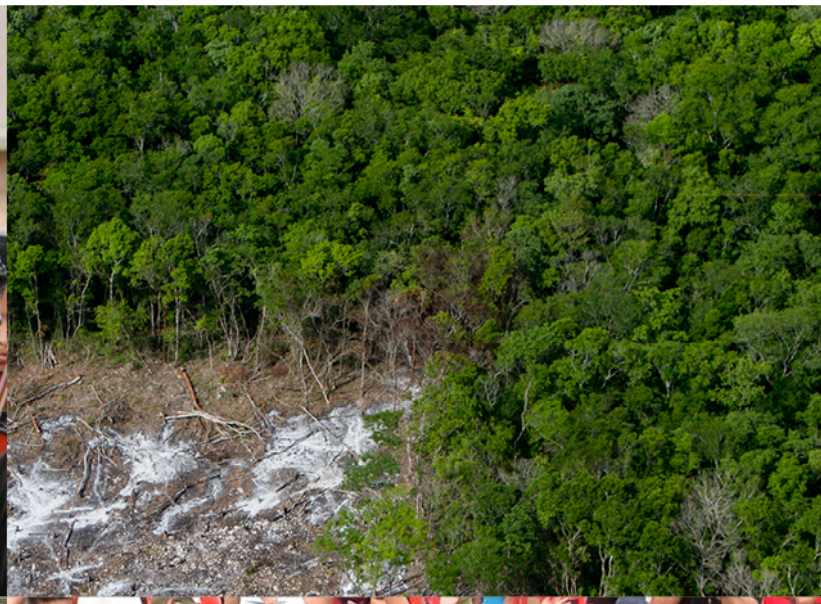

Country Development Cooperation Strategy
FY 2014 - FY 2018

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Executive Summary

The strong social, cultural and economic ties, common security concerns, and the shared border between Mexico and the U.S., combined with Mexico's status as an upper middle income country with a high level of institutional capacity, provide a unique rationale for the USAID/Mexico program. Reflecting this expansive relationship, there are no less than 50 formal bilateral policy and/or working level coordination mechanisms between the U.S. and Mexican Governments, covering such issues as environment, security, trade, defense, border management, telecommunications, human rights, emergency management, health, electricity, agriculture, transportation, and water management. In this context, USAID's programs support Mexican efforts to address key challenges to improve citizen security, justice, and environmental sustainability with program approaches specifically tailored to the unique U.S.-Mexico relationship.

USAID's Country Development Cooperation Strategy (CDCS) will contribute to the achievement of the U.S. Embassy in Mexico's objectives, in particular in the economic and security spheres.

Specifically, USAID's focus relates to two high-level priorities of both the U.S. and Mexican Governments: 1) strengthening security under the Merida Initiative;[1] and 2) mitigating the effects of Global Climate Change (GCC) as part of a Presidential Initiative.[2] USAID programs for FY 2014-2018 will pursue the following four objectives:

1) Crime and violence prevention models replicated by local stakeholders;
2) Constitutional criminal justice reforms of 2008 are operational;
3) Enabling environment to protect human rights and prevent abuses improved; and
4) Greenhouse gas emissions reduced in targeted key sectors.[3]

Several guiding principles underlie USAID's plans for the Strategy period. First, by catalyzing, leveraging, and complementing public- and private-sector resources and capabilities, USAID seeks to achieve a lasting impact beyond its investments. Second, to ensure that there is substantial local ownership of USAID-financed initiatives, USAID will support local champions and advocates of Mexican solutions to the country's challenges. Third, USAID will utilize its relatively limited resources in Mexico to identify, develop, and assess demonstration models with the end goal of promoting the replication of proven approaches and models by Mexican entities and funding sources. Fourth, USAID will collaborate closely with a broad range of Government of Mexico (GOM) and USG interagency actors to maximize the impact of its programs on bilateral policy-level priorities and to coordinate related activities.

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[1] The U.S.-Mexico Merida Initiative is an unprecedented partnership between the United States and Mexico to fight organized crime and associated violence while strengthening the rule of law. USG funding for the Merida Initiative has totaled approximately $2 billion since 2008, with the GOM typically investing 10X USG spending in priority program areas. The four pillars of the Merida Initiative are: I. Disrupt Organized Criminal Groups; II. Strengthen Institutions; III. Build a 21st Century Border; and IV. Build Strong and Resilient Communities.

[2] The Global Climate Change Initiative is President Obama's commitment to work with global partners on low-carbon growth, sustainable and resilient societies and reducing emissions from deforestation.

[3] In addition to these four objectives, during the initial years of the CDCS period USAID will continue to implement economic competitiveness and workforce development activities funded by prior year resources. Activities include technical assistance to advance the GOM's economic policy reform agenda and foster systemic improvements in workforce development. USAID's activities contribute to achieving the goals of the High Level Economic Dialogue announced by Presidents Obama and Peña Nieto in May 2013.

Through the strategic allocation of limited resources and the development and expansion of public-private partnerships, USAID programs will support specific goals laid out in Mexico's 2013-2018 National Development Plan. Likewise, USAID's partnership with the GOM will help enhance Mexico's emerging role in the international community and strengthen USG-GOM collaboration on international development themes.

I. Development Context, Challenges and Opportunities

Mexico is an upper-middle income country, with a predominantly urban population of 120 million, per capita GNI of $16,440 in 2012,[4] and a leadership role in the international community. It is a founding member of the Organization of American States (OAS), the first Latin American member of the Organization for Economic Cooperation and Development (OECD), and part of the Asia-Pacific Economic Cooperation Forum (APEC) and the Group of Twenty (G-20), serving as the G-20 president in 2012. Mexico is also an emerging international donor, supporting more than 160 cooperation projects in 2011.

The country generally performs well on international development indices and Mexico has shown the commitment to make progress on the challenges that remain, particularly in the areas of good governance, corruption, human rights, and poverty. In 2010, approximately 51% of the population lived below the national poverty line, which was a marked increase from 2006 in which the percentage was only 43%.[5] In addition, Mexico has experienced an increase in narco-trafficking-related crime and violence over the last few years, which has significantly affected the country's security and economic growth and had an especially detrimental effect on youth development. Violence and rapid urbanization, particularly in Mexico's northern border cities, have contributed to increased crime rates and threaten the security and well-being of citizens. In recent years, Mexico received a number of international recommendations by the UN and OAS related to human rights.

While Mexico does not fit the typical development profile of a country where USAID works, it is our neighbor and partner with which we share common interests and extensive economic, political, cultural and social ties, and its progress and security and cooperation on environmental issues directly impact the U.S. These imperatives for collaboration and opportunities for partnership provide the basis and rationale for USAID's programming in Mexico, and underpin the federal-to-federal bilateral implementation approach of this Strategy.

Overarching U.S. Foreign and National Security Policy Considerations

The U.S.–Mexico partnership is one of our most important bilateral relationships. A genuine partnership with a strong Mexico will improve the well-being and prosperity of our communities and our ability to manage transnational threats such as organized crime and climate change. Two thousand miles of shared land border, more than a billion dollars of trade daily, over $100 billion in investment, about a million legal daily border crossings, over 30 million tourist visits each year, and millions of permanent residents create both opportunities and challenges that exist nowhere else in the world. According to the Inter-American Dialogue Commission on Mexico-U.S. Relations,[6] "Mexico and the United States are more closely tied to one another than any other sovereign nations in the world, and the pace of their economic and demographic integration is accelerating. For both, sustained cooperation on an array of bilateral, regional, and global issues is essential. They have no choice: no other country affects the lives of U.S. citizens more than Mexico, and none affects the lives of Mexicans more than the United States. "

Reflecting the significance of this relationship, during President Obama's visit to Mexico in May 2013, he and President Peña Nieto underscored the importance of cooperation on regional and international

[4] http://databank.worldbank.org/data/views/reports/tableview.aspx
[5] http://data.worldbank.org/indicator/SI.POV.NAHC/countries/MX?display=graph
[6] http://www.thedialogue.org/PublicationFiles/IAD9042_USMexicoReportEnglishFinal.pdf

issues, including job creation through sustained economic growth, the protection of human rights, gender equality, democratic governance, and addressing the challenges of climate change. The Presidents also reaffirmed their commitment to act as co-responsible partners through a renewed collaborative approach to citizen security, with a focus on crime prevention and strengthening rule of law institutions. During the same visit, Presidents Obama and Peña Nieto confirmed their commitment to work together in Central America and the hemisphere, including through the Memorandum of Understanding on international cooperation that was signed by the Mexican Agency of Cooperation for Development of the Secretariat of Foreign Affairs (AMEXCID) and USAID's Latin America Bureau.[7] All of these policy issues are directly relevant to USAID's FY 2014-2018 CDCS.

Security is a key mutual U.S.-Mexico interest. According to a study by the United Nations Office on Drugs and Crime, the murder rate in Mexico was 23.7/100,000, compared to 4.2/100,000 in the U.S. in 2011.[8] Looking at this from another perspective, according to Latinobarómetro, an annual region-wide public opinion poll, over 40% of Mexicans say that they or a family member have been the victim of a crime at some point in the last year. In addition, gender-related violence is estimated to affect six of every 10 women in the country.[9] Violence stemming from organized crime has affected a number of areas within the country, including cities along Mexico's border with the U.S., with negative impacts for cities on both sides of the border. Based on a 2013 Pew Research Report of public opinion in Mexico, crime is the top domestic concern (with 81% identifying it as a very big problem), with cartel-related violence, illegal drugs, human rights violations by military and police and corruption as additional leading concerns. Though a majority of Mexicans (59%) feel both the U.S. and Mexico have a shared responsibility for drug violence, a broad majority supports U.S. assistance to help Mexico combat drug violence.[10]

Security concerns linked to drug-trafficking affect Mexico's ability to sustain and continue overall progress on democratic governance and economic growth. While Mexico out-performs other countries in the region on standard social indicators, such as literacy, health, and access to services, these gains are also threatened by crime and violence connected to narco-trafficking especially in the most at-risk communities, as children may stop attending school or the provision of services may be limited. In a 2011 nationwide survey, 35% of the respondents in the state of Chihuahua and 42% in the state of Nuevo Leon identified "reducing poverty and unemployment" as the best solution to the problem of narco-trafficking.[11] Similarly, through the 2013 citizen consultation process related to Mexico's National Development Plan, 63% of respondents considered that the most effective means for preventing crime was increasing education and employment opportunities for youth and other vulnerable groups.

Mexico ranks above the global average on standard democracy, human rights and governance indicators, with a better rating on the expression of political rights and the exercise of civil liberties. However, these same indices show that Mexico can improve its performance relative to its peer group in terms of rule of law and protection of journalists and human rights defenders. According to Freedom House, Mexico remains among the most unsafe environments for journalists in the world, due to the

[7] http://www.whitehouse.gov/the-press-office/2013/05/02/joint-statement-between-united-states-and-mexico
[8] http://www.unodc.org/unodc/en/data-and-analysis/homicide.html
[9] *Encuesta Nacional sobre la Dinámica de las Relaciones en los Hogares*, 2011
[10] http://www.pewglobal.org/2013/10/24/chapter-1-mexico/
[11] Encuesta Nacional de Victimización y Percepción sobre Seguridad Pública 2011 (ENVIPE), http://www.inegi.org.mx/est/contenidos/Proyectos/encuestas/hogares/regulares/envipe/envipe2011/default.aspx

expansion of Mexican drug cartels, criminal organization turf battles, and other institutional weaknesses. Mexico's National Development Plan cites an increase in human rights violations as a consequence of insecurity and violence.

According to the 2012 National Survey of the Criminal Justice System, the average level of confidence in the justice system was below 15%. The Mexican judicial system has suffered from significant case backlogs, a high pre-trial detention rate, human rights issues, and a difficulty in securing convictions. That said, Mexico passed a landmark constitutional amendment in 2008 mandating nation-wide adoption of a new criminal justice system within eight years. This transition is already underway at the state-level, with results thus far demonstrating improved judicial efficiency and transparency in states implementing the reform. Currently, only three Mexican states (out of a total of 32, made up of 31 states plus the federal district) have fully implemented criminal justice reform, 10 entities are partially implementing the reform, seven are starting the process, and 12 are in the planning stages. In 2012, halfway through the timeframe for implementing the new criminal justice system, the system partially covered 31.2 million people, representing 28.4% of the population.[12]

The economic well-being of the U.S. is closely tied to Mexico's stability, based on significant bilateral trade and investment and its relationship to employment in both countries. Overall, the U.S. is Mexico's largest trading partner, with bilateral goods trade reaching $506 billion in 2013,[13] with another $42 billion in services trade (2012). Based on competitiveness rankings by the World Economic Forum, Mexico's performance continued to improve in 2012. This was due to its sizable internal market, a sound macroeconomic framework, relatively-good transportation infrastructure and a fairly sophisticated business sector.

Despite these impressive gains, Mexico's competitiveness continues to be constrained by security concerns that increase the costs of doing business; barriers to domestic competition in key sectors such as energy and telecommunications; weaknesses in the educational system; and inefficiencies in the labor market because of rigidities in hiring and firing practices and relatively low female participation. According to COPARMEX (the Mexican Employers' Association), during 2011, 160,000 businesses closed down because of security issues. In addition, based on the 2012 National Survey of Business Victimization, 37% of businesses reported being crime victims.[14] This same survey showed that the lack of security results in an additional business cost equivalent to .75% of GDP, either due to higher operating costs or because of the direct loss of resources as a result of crime.[15]

On a related note, a pervasive dynamic within the Mexican economy is the flow of money from illicit activities, tax evasion, and public graft. In 2013, for instance, Mexico lost over $460 billion that should have been part of the national budget. That loss is identified as "a major source of domestic resource leakage, which drains foreign exchange, reduces tax collections, restricts foreign investments, and worsens poverty."[16] The capture and accounting of those lost resources remains a challenge for the

[12] Data from Mexico's National Development Plan, 2013-2018
[13] International Monetary Fund, Direction of Trade Statistics
[14] Encuesta Nacional de Victimización de Empresas 2012 (ENVE) http://www3.inegi.org.mx/sistemas/tabuladosbasicos/tabdirecto.aspx?s=est&c=32886
[15] A description of USAID's programming in the areas of economic competitiveness and workforce development, funded from prior year resources and being phased out by 2016 is, therefore, not part of the CDCS, and is included in Annex B.
[16] Global Financial Integrity (GFI) report "Illicit Financial Flows from Developing Countries: 2002-2011"; http://iff.gfintegrity.org/iff2013/2013report.html

Mexican Government that, if resolved in part or in full, has the ability to dramatically improve the economic growth potential of the country and the alleviation of poverty and social indicators broadly.

In the area of environment, for reasons of geography alone, Mexico is an obvious U.S. partner in achieving goals for the sustainability of the planet. We share water sources, animal and plant species, and people. The U.S. and Mexico jointly manage our shared boundary waters and also share waste treatment plants in a number of communities along the border. The energy relationship between Mexico and the United States is an important economic driver in both countries. Mexico is currently the United States' third-largest foreign oil supplier, and the United States is Mexico's number one supplier of gasoline and natural gas.

Mexico contributes about 1.5% of the global greenhouse gas (GHG) emissions, and ranks 12th among the largest emitting countries of the world. Mexico is a global leader in combating global climate change, having adopted a comprehensive strategy in 2009 that sets forth goals to reduce emissions by 50% in relation to 2000 levels by 2050. Mexico also passed a comprehensive climate change law in 2012 (the second country in the world to do so after Great Britain) that commits the country to these cuts in greenhouse gas emissions and to increase the use of renewable energy. The law calls for 35% of Mexico's energy to come from clean sources by 2024 and requires government agencies to use renewable energy. Mexico has already made progress towards these targets, with 22% of its electricity generated through renewable and clean fuel sources.

According to the World Bank climate profile, Mexico faces several natural hazards. It is in one of the world's most seismologically active regions and experiences storms and flooding. Storm events are more commonly associated with hurricanes, bring high winds and cause extensive damage. Mexico's coastlines are vulnerable to tropical cyclones and hurricanes from both the Atlantic and the Pacific oceans from July through October. Implications for disaster risk management include: physical damage to forests from increased intensity of storms, potential adverse effects of extreme temperature on forest species, tree mortality and reduction in resilience connected to drought, damages to economic infrastructure, and transportation and communication networks, and population dislocation.[17]

[17] http://sdwebx.worldbank.org/climateportalb/home.cfm?page=country_profile&CCode=MEX&ThisTab=NaturalHazards

Alignment with USG and USAID Policies and Strategies

All programs and approaches are based on strong USG interagency collaboration and an integrated USG strategic approach. USAID works closely with the Department of State and other USG agencies to pursue several Embassy Mexico's objectives, in particular: support Mexican state and society efforts to establish highly capable security and rule of law institutions which respect citizen's rights; sustain and enhance bilateral, multilateral, and regional security cooperation; and a stronger, more productive energy relationship resulting in a cleaner, more secure energy future, while mitigating climate change.

In particular, USAID plays a significant role in the bilateral Merida Initiative, a historic program of cooperation that acknowledges the shared responsibilities of the United States and Mexico to counter the drug-fueled violence that has threatened citizens on both sides of the border. Three of the four USAID objectives in this Strategy are derived directly from the Merida Initiative. Specifically, USAID programs are part of overall USG support for Pillar II: Institutionalize Capacity to Sustain Rule of Law; and Pillar IV: Build Strong and Resilient Communities.

Furthermore, the CDCS is closely aligned with various USG and USAID global-level policies and strategies, most relevantly the Agency's Policy Framework 2011-2015. The operational principles of USAID Policy Framework underlie the results and approaches described throughout the CDCS. In addition, the CDCS is aligned with USAID's Strategy on Democracy, Human Rights and Governance (DRG Strategy); Youth in Development Policy (Youth Policy); Gender Equality and Female Empowerment Policy; Climate Change and Development Strategy; Evaluation Policy; and USAID Forward objectives.

Gender

Mexico has shown a political commitment towards gender equality by ratifying international treaties on the protection and promotion of women's rights, such as the 1979 United Nations Convention of the Elimination of All Forms of Discrimination Against Women, and taken great strides to address violence against women at the federal level by adopting laws that promote equal rights. For example, the GOM passed the General Law on Women's Access to a Life Free of Violence (2008), the enactment of the General Law on the Prevention, Punishment and Eradication of Crimes of Trafficking in Persons and the Protection and Assistance of Victims of such Crimes (2012), and the establishment of the National System to Prevent, Treat, Punish, and Eradicate Violence against Women. In addition, Mexico has the National Action Plan for Preventing, Addressing and Eradicating Violence against Women (2007–2012) and, more recently, approved its National Development Plan 2013-2018 that incorporates a gender perspective across sectors. In doing so, the Plan provides for the inclusion of gender considerations in all governmental actions.

Even with the GOM's concerted effort, the unequal treatment of women persists throughout the country and women continue to face many barriers to the full realization of their rights in Mexico. During the last 20 years, progress has been made on closing gender gaps in education, health, labor force participation and political representation. Mexico remains near the middle of gender equality rankings at 16th out of 26 Latin American and Caribbean countries but shows improvement in overall gender equality rankings of 68 out of 131 countries in the 2013 Global Gender Gap Report.[18] Inequalities in employment and income persist to the point that, on average, Mexican women earn a little more

[18] http://www3.weforum.org/docs/WEF_GenderGap_Report_2013.pdf

than half of what men earn and their labor force participation is less than half that of men. Moreover, the urgent need to address gender concerns in Mexico is most evident with the high rates of gender-based violence (GBV), pervasiveness of gang and drug-related violence, the excess of male mortality rates (four times that of women), large numbers of "femicide", dissolution of families, rising rates of poverty among females, and number of female-headed households. According to GOM surveys[19], physical and sexual violence is common, and often gang and drug-related. The incidence of both physical and sexual violence is estimated at over 40%, with intimate partner physical and sexual violence estimated at over 20% and 10%, respectively. Nearly one-quarter (23%) of Mexicans believe that it is sometimes justifiable for a husband to beat his wife. [20]

In September 2012, U.S. Secretary of State Clinton and GOM Secretary Espinosa signed a Gender Memorandum of Understanding (MOU), "MOU for the Promotion of Gender Equality, the Empowerment of Women and Women's Human Rights," which recognizes the role of women as agents of change in society and lays the groundwork for future bilateral engagement on women's issues. The MOU establishes a basis for stronger cooperation on gender equality efforts and initiatives including but not limited to: economic empowerment and opportunity for women and girls; social development that supports gender equality; strengthening citizen security (with focus on women and girls); and increased access to justice. U.S. Mission Mexico pursues these objectives through its Gender Inclusion Working Group, which has wide cross-agency representation and holds formal meetings to review the status of programs, as well as informal discussions to address issues as they arise.

The USAID/Mexico Gender Assessment, completed in May 2012, identified key gender gaps in Mexico across various sectors, and at the strategy, project and activity levels. Below is a list of gender gaps relevant to the CDCS, which are addressed throughout the Strategy.

CDCS DOs and Gender Gaps Identified from USAID/Mexico's Gender Assessment

CDCS Development Objective	Identified Gender Gap
DO 1: Crime and violence prevention models replicated by local stakeholders	Violence, delinquency and the world economic crisis have lowered the employability and income of women/youth, and provoked a growing number of women/youth to participate in organized crime
DO 2: Constitutional criminal justice reforms of 2008 are operational in Mexican states	The absence of a gender perspective in the Criminal Justice Reform allows procedures that: perpetuate the discriminatory treatment of women; impede the advancement of substantive equality between men and women; and hinders women's access to justice

[19] *Encuesta Nacional sobre la Dinámica de las Relaciones en los Hogares*, 2011 http://www.inegi.org.mx/est/contenidos/Proyectos/Encuestas/Hogares/especiales/endireh/endireh2011/default.aspx
[20] USAID/Mexico Gender Assessment: http://pdf.usaid.gov/pdf_docs/pnadz184.pdf

CDCS Development Objective	Identified Gender Gap
DO 3: Enabling environment to protect human rights and prevent abuses improved	Need for integrated strategic information to monitor and evaluate including for • programs for the protection of citizen's human rights, to include journalists and human rights defenders • The operation of the new criminal justice system
DO 4: Greenhouse gas emissions reduced in energy, land-use, land-use change, and forestry sectors	Gender differentiation in the use of low emissions technologies
Overall	Lack of sex-disaggregated data on key measures of gender equality in the Mexican economy and society and the environment

USAID/Mexico has adopted and implemented a Mission Order on Gender that describes how the Mission will implement the Agency's Gender Equality and Female Empowerment Policy, including integrating gender and female empowerment objectives throughout the Program Cycle; and ensuring that the three Gender sub-key issues are reflected in budget attributions and reporting in Operational Plans and Performance Plans and Reports. To further advance its commitment to gender equality and women's empowerment, the Mission uses the U.S. Strategy to Prevent and Respond to Gender-Based Violence Globally to guide mainstreaming and integrating gender-based violence prevention into work across sectors.

Youth

Mexico has a relatively large youth population ages 15-24, representing 18% of the population.[21] Despite nearly universal primary school registration of 97-99% in Mexico, less than half of students graduate from secondary school.[22] In fact, Mexican upper secondary school graduation rates are the second lowest among the 34 OECD countries.[23] In addition, data show that there are a significant number of youth not employed or involved in education or training (NEET)[24] in Mexico, at almost 25% in 2012. It is important to note these numbers are contested by local youth experts, on the basis that they do not accurately capture informal or temporary employment and childcare or household responsibilities. According to the GOM employment data for April-June 2010, youth ages 15-24 represent 19% of the population and 31.5% below the age of 15. This represents a significant immediate youth bulge.[25] Mexican youth are disproportionately affected by violence, representing approximately 38% of the homicide victims in the country in the last decade, according to the 2012 World Bank

[21] Instituto Nacional de Estadística, Geografía e Informática (INEGI), http://www3.inegi.org.mx/sistemas/temas/default.aspx?s=est&c=17484
[22] Organization for Economic Cooperation and Development,http://www.oecd.org/education/EAG2012%20-%20Country%20note%20-%20Mexico.pdf
[23] Ibid.
[24] NEET:'Not in Education, Employment or Training', a term coined by psychiatrist Okonogi Keigo in the 1970s referring to youth who are reluctant to join the adult world; referred to as "ni-nis" in Mexico.
[25] Instituto Nacional de Estadística, Geografía e Informática (INEGI), http://www.inegi.org.mx/sistemas/temasv2/contenido/DemyPob/epobla25.asp?s=est&c=17508

report "Youth Violence in Mexico."[26] DO 1 of the CDCS targets youth and is directly aligned with the goal and objectives of USAID's Policy.

Alignment with Mexico's National Priorities

USAID's CDCS responds directly to Mexican-led initiatives and priorities. USAID programs are designed in partnership with and support of Mexican leadership. The current Mexican Government Administration took office in December 2012 for a six-year term, which roughly coincides with the time period of the CDCS. The Administration has established an ambitious agenda focused on five overarching goals, which are Mexico in Peace, Inclusive Mexico, Mexico with Quality Education, Prosperous Mexico, and Mexico with Global Responsibility. To support achievement of this agenda, in December 2012 the three major political parties entered into the "Pact for Mexico," which outlined 95 policy and other commitments constituting a broad reform agenda.[27]

Mexico's National Development Plan for CY 2013-2018 was published in May 2013.[28] The plan contains the same five overarching goals, as well as three cross-cutting strategies (Democratizing Production, Accessible and Modern Government, and Gender Perspective). Within each of these goals, the plan outlines objectives, strategies, actions, and indicators. More specific Mexican Government sectoral plans have been developed in areas related to USAID programming, including environment and climate change (plan issued in December 2013) and crime prevention (National Prevention Plan, published in February in 2013). The chart contained in Annex A shows how USAID's planned CDCS Development Objectives (DOs) directly relate to the actions included within Mexico's National Development Plan.

The area of global climate change is also a mutual bilateral priority. Through its technical cooperation in this area, USAID will support Mexico in achieving its targets for emissions reductions from the forestry and energy sectors. By doing so, USAID will help provide a more stable and prosperous future for both the U.S. and Mexico, including new markets for clean technology and expansion of the green economy. Engaging in this area will reinforce many of the development gains that Mexico has already made. According to a 2013 analysis of U.S.-Mexico border issues, "...there is a growing recognition that [environmental] sustainability cannot be disassociated from security, quality of life, or economic development. Indeed, sustainability of the environment provides the basis for quality of life in terms of health, jobs and sustainable security."[29]

The bilateral priorities for the five-year Strategy period address our mutual security interests and our shared commitment to mitigate global climate change.

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[26] World Bank, http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2012/11/29/000356161_20121129060725/Rendered/PDF/NonAsciiFileName0.pdf

[27] http://pactopormexico.org/ (Note: The Partido de la Revolución Democrática withdrew from the Pact in December 2013; nonetheless, the elements of the Pact continue to form an action agenda for the GOM and other Mexican political forces.)

[28] The National Development Plan was put together through an intensive consultation process that included an internet survey completed by 129,299 people, 44 fora with more than 130 discussion panels, 122 specialized sectoral discussions, and the receipt of 37,871 proposals. http://pnd.gob.mx/

[29] *The State of the Border Report: A Comprehensive Analysis of the U.S.-Mexico Border*. The report is a product of the Border Research Partnership, which is comprised of the Wilson Center's Mexico Institute, the North American Center for Transborder Studies and El Colegio de la Frontera Norte.

USAID's Role and Approach in Mexico

USAID/Mexico's programming is based on jointly-identified opportunities and an expressed interest on the part of both Governments in cooperating to address mutually important issues. Given Mexico's status as an upper-middle income country, USAID is not pursuing a development agenda in Mexico, but instead is utilizing its programmatic tools to advance a bilateral collaboration agenda. To this end, USAID/Mexico's role in Mexico is complementary to Mexican resources and capacities. USAID, in collaboration with the GOM, partners strategically, focusing in a few areas, targeting institutions, utilizing best practices, and testing innovative models for local funding and replication. Over the life of the CDCS, USAID will pursue USAID Forward priorities, with particular focus in the areas of local solutions, innovation and partnerships, while at the same time effectively achieving shared objectives with the GOM.

Because all USAID programs are based on Mexican Government requests and depend on significant resource contributions from primarily Mexican Government partners, sustainability is factored in from the start. In addition, capacity development is a cross-cutting element of USAID's approach, further supporting the sustainability of policy or institutional reforms. In fact, the majority of USAID's capacity development resources are specifically allocated to support the sustainable GOM implementation of national policy reforms in the areas of crime prevention, rule of law, human rights and global climate change. Capacity development is focused mainly at the national federal government level, but also includes civil society and state and municipal actors, particularly in terms of local demonstration models.[30]

During the five-year life of the Strategy, USAID will focus on transforming its relationship with Mexico so that sustainable systems and procedures for continuing the implementation of critical criminal justice, crime prevention, human rights and global climate change reforms are developed, and Mexico's role in the sphere of international development cooperation is strengthened. Catalyzing local and international non-USAID resources and partnering directly with the local private sector and non-governmental organizations (NGOs) are additional elements that support sustainability. Importantly, USAID's approach will promote local actors and the private sector as key partners to achieve common goals.

Trilateral Cooperation with the Government of Mexico

USAID's programming trajectory is based on the assumption that the Mexican Government will continue to seek a more prominent role in international cooperation, and that Mexican Government and private sector actors will contribute significant resources to joint program implementation and the independent replication and expansion of successful local-level innovations and models established through USAID activities. Approaches within each programmatic area take into account Mexico's interest in expanding its international role. While USAID/Mexico funding will not be used to support Mexico's work in other countries, capacity development of Mexican counterparts in the areas of global climate change, crime prevention, rule of law, and, to a lesser extent, human rights will be designed with an emphasis on identifying replicable models or practices that Mexico could apply in other country contexts.

[30] "Local" refers to any subnational area, and may include states, municipalities or communities, depending on the activity.

In FY 2013, USAID entered into a Memorandum of Understanding for trilateral cooperation with AMEXCID. With this MOU, USAID (through its Missions in other countries) and AMEXCID will partner together to promote and share Mexican expertise, best practices, models, and systems to strengthen the institutional capacity of third countries in Latin America and the Caribbean, prioritizing countries in Central America.[31] Through various modalities utilized over the life of the CDCS, USAID and AMEXCID will further strengthen the bilateral partnership among the USG and GOM, focusing on key USG foreign policy and GOM priorities for the region, leveraging Mexico's capacities for the benefit of other countries.

USAID Forward area of focus: Innovation (science, technology, innovation)

Despite the public security situation in Mexico and the impact of the United States economic recession has had on the country, over the last several years, Mexico has had relatively steady economic performance, while at the same time demonstrating innovation. In FY 2013, Mexico moved up 16 places to rank number 63rd on the Global Innovation Index list of 142 countries. Although Mexico's advances are noteworthy, the country faces ongoing challenges to its progress and continued growth, particularly due to monopolistic industries and an unequal distribution of wealth. Over the life of the CDCS, USAID will continue to seek opportunities to capitalize on Mexico's role as an upper-middle income country and its advances in Science, Technology, and Innovation (STI) as a driver of economic growth and prosperity.

USAID's Global Climate Change program will continue to use science and technology in its applied research in the development and implementation of robust forest carbon inventories and monitoring systems to quantify the carbon sequestration potential in Mexican forests and to expand access to the international carbon market. In addition, USAID will support locally-based initiatives that test innovative approaches to reducing emissions in the forestry or energy sectors that can be replicated.

Throughout the life of the CDCS, USAID plans to build upon best practices and lessons learned to develop and test innovative models, such as crime prevention models in local communities, for possible replication throughout the country by the GOM, private sector, and civil society.

USAID Forward area of focus: Partnerships (Public-private partnership/ local solutions)

USAID will focus during the five-year life of the Strategy on transforming its relationship with Mexico so that sustainable systems and procedures for continuing the implementation of critical reforms are developed and Mexico's role in the sphere of international development cooperation is strengthened. Importantly, USAID's approach will promote local actors and the private sector as key partners to achieve common goals.

While Mexican organizations have been long-standing USAID partners through their work as sub-contractors or sub-grantees, beginning in FY 2012, USAID made a concerted effort to establish direct relationships with local groups to foster innovation, test new approaches, and build on significant existing capacity and experience. Through two announcements (the Mexico Partnership Program Annual

[31] As a next step to the MOU, on April 15, 2014, the heads of the US, Mexican and El Salvador international development agencies signed a Letter of Intent for trilateral cooperation to support the El Salvador National Cacao Initiative and future opportunities for collaboration in Central America.

Program Statement (APS) and a Mexico addendum to the worldwide Global Development Alliance APS), USAID sought applications from local groups focused on global climate change, economic competitiveness, youth, human rights, and rule of law. As a result, USAID went from zero direct partnerships with local organizations in FY 2011 to seven direct awards with local organizations in FY 2013. The Mission will continue to seek out strategic opportunities to work directly with local organizations and formed a Mission Local Capacity Development Working Group to oversee those efforts.

USAID views partnerships with the Mexican private sector as key to fulfilling our bilateral commitment to collaborating with Mexicans to help solve challenges of mutual importance between our two countries. The Mexican private sector is well-resourced to help resolve some of Mexico's biggest challenges. In an upper middle income country like Mexico, with talented citizens, investment liquidity, and strong institutions, the private sector is a natural partner. In that light, USAID seeks to mobilize the energy, resources, and leadership of Mexico's private sector to address Mexico's challenges, promote sustainability and inclusion, and advocate for long-term growth and equality.

For USAID in Mexico, public-private partnerships (PPPs) are broadly defined as joint initiatives between the public, private, and non-governmental sectors that pool resources or knowledge toward accomplishing common objectives. In recent years, USAID has partnered with Mexican and U.S. private sector organizations. By co-investing in shared social and economic objectives, the limited money of private companies and Mexico's international partners is leveraged together to create more and lasting impact. USAID dramatically expanded its public-private partnerships in the past two years, from two in FY 2011 to twelve in FY 2013. This deliberate expansion of private sector engagement takes into account the significant resources, capacity, and interest of both the international and local private sector to contribute across USAID's portfolio. Through USAID, the USG's partnership with Mexican and U.S. private sector entities are helping to make communities more secure, promote clean technologies that mitigate climate change, and provide better economic opportunities to at-risk youth.

USAID Forward area of focus: Results (monitoring and evaluation)

Evaluation: Currently USAID/Mexico plans nine evaluations through FY2016. Higher level impact evaluations will be undertaken as part of CDCS programming and are discussed in the M&E section. The mission will continue its evaluation planning for the life of the CDCS in accordance with the Automated Directives System and Agency Evaluation policy.

II. Development Hypothesis

USAID programs for FY 2014-2018 will focus on four objectives to advance the overall CDCS goal: "Mexico makes progress towards achievement of its citizen security, justice, human rights, and environmental goals through bilateral partnership." These objectives are:

1) Crime and violence prevention models replicated by local stakeholders;
2) Constitutional criminal justice reforms of 2008 are operational in Mexican states;
3) Enabling environment to protect human rights and prevent abuses improved; and

4) Greenhouse gas emissions reduced in targeted key sectors.[32]

By working in these four areas, Mexico will make progress towards achievement of its citizen security, justice, and environmental goals through bilateral partnership, while at the same time achieving the related priorities outlined in Mexico's National Development Plan. Specifically, by developing community-based models to mitigate the effects of crime and violence, USAID will support Mexico in identifying replicable approaches that can be used nationwide, while building capacity and leveraging resources in the targeted communities to reduce crime and violence. Work on crime prevention, especially at the community level, will complement other USG security assistance focused mainly on law enforcement. Effective crime prevention approaches will improve the climate for economic development and increase citizen security. Through support for implementing constitutionally mandated criminal justice reforms, USAID will assist Mexico in improving the transparency and efficiency of the justice system, which is critical for the protection of citizens' rights, improving the rule of law and guaranteeing a secure investment climate. The effective protection of human rights is a universal value that will support and reinforce work in the areas of crime prevention and criminal justice reform. All three of these areas are part of the integrated bilateral security strategy developed as part of the Merida Initiative. The area of global climate change is also a mutual bilateral priority. By providing technical support in this area, USAID will help Mexico to achieve its targets for emissions reductions from the forestry and energy sectors.

Where USAID Will Work

The specific approaches to be used in each Development Objective and the geographic location of local-level activities will also continue to be based on agreement with the GOM on the best use of USAID resources. In particular, USAID programs will test local solutions related to national-level bilateral policy priorities, which may be replicated/brought to scale by Mexican counterparts. The matrix below shows the levels at which USAID's programs work:

[32] In addition to these four objectives, the Mission will also be managing economic competitiveness and workforce development activities supported by prior year resources during the first half of the CDCS period. Please see information in Annex B that outlines the priorities and close-out process for work in these areas.

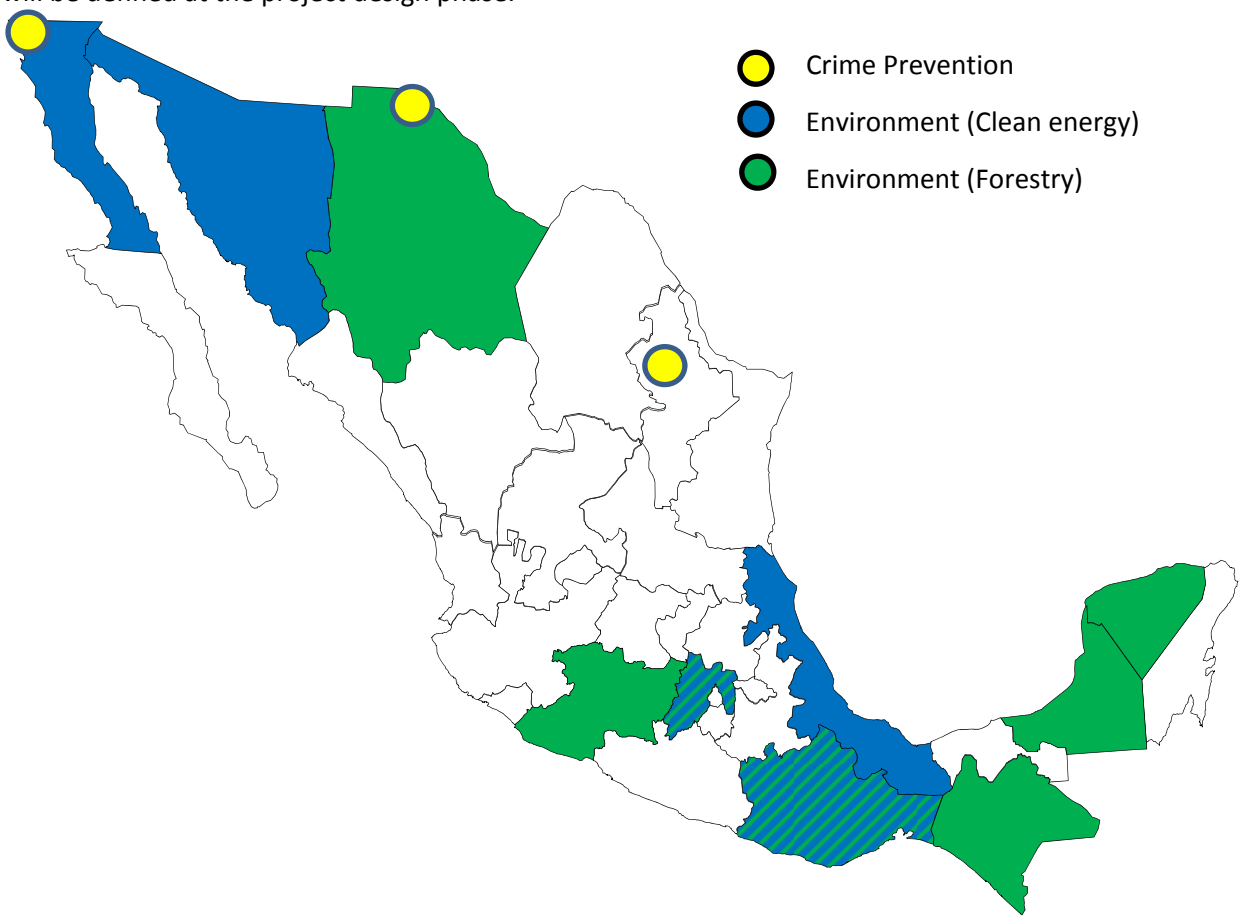
	National / Federal Level	State Level	Municipal / Community Level
Crime Prevention	• Institutional capacity to safeguard citizen security improved	• Institutional capacity to safeguard citizen security improved	• Public and private sector resources catalyzed to expand socio-economic opportunities • Institutional capacity to safeguard citizen security improved • Youth capacity to play a productive role in their community increased
Rule of Law	• Policies and legislation for key rule of law reforms developed • Institutional capacity to promote and implement justice system improvements strengthened • Civil society empowered to foster criminal justice reforms	• Policies and legislation for key rule of law reforms developed • Institutional capacity to promote and implement justice system improvements strengthened • Civil society empowered to foster criminal justice reforms	
Human Rights	• Legislation and public policies that bolster respect for human rights developed and implemented • Institutional capacity of the Mexican government and civil society to protect human rights improved	• Institutional capacity of the Mexican government and civil society to protect human rights improved	
GCC	• Policies that promote low emissions growth strengthened • Institutional and technical capacity to support low emissions development improved	• Policies that promote low emissions growth strengthened	• Institutional and technical capacity to support low emissions development improved

In the case of local-level crime prevention, rule of law, and global climate change activities, the Mexican Government and USAID identify those geographic areas prioritized for bilateral collaboration, taking into account direct government investments, local context, other cooperation being provided, and needs. The locations for state-level human rights activities are based on incidences of human rights violations. Rule of law and human rights activities are geared mainly at the national and state level, while crime prevention and global climate change activities are implemented primarily at the national and community level.

With the exception of rule of law programming,[33] all USAID local-level activities are limited in scope and based on the expectation that successful experiences in these areas would be replicated in the future, either by the Mexican Government, by civil society, or by the private sector. USAID is developing performance indicators, tools and methodologies to define and identify which local models supported through USAID programs are successful and appropriate for replication by others. This includes establishing performance standards as well as identifying the costs and benefits of various approaches to addressing the risk factors associated with the incidence of crime and violence, the conditions required for successful model implementation, and sustainability considerations.

[33] Rule of law programming takes place in a broader geographic area (i.e. in 2/3 of the Mexican states) based on the constitutional timeframe for implementing criminal justice reform.

The map below shows the current locations of locally-based activities related to DO 1 / crime prevention and DO 4 / global climate change, further broken down by energy and forestry activities. The locations for rule of law activities under DO 2 / criminal justice are being negotiated with the GOM and will be further defined at the project design phase. The sites for human rights activities under DO 3 depend upon the prevalence of human rights violations and the local context, and will be determined at the project design phase. Locations for future land-use (other than forests) and land-use change activities will be defined at the project design phase.



III. Results Framework *(See Annex C for the graphic for the overall framework and each DO)*

USAID/Mexico will focus on four development objectives that, combined, advance the following goal: Mexico makes progress towards achievement of its citizen security, justice, human rights and environmental goals through bilateral partnership. The Mexican Government has established specific objectives and indicators in each of these areas as part of its National Development Plan. USAID programs will directly support Mexico in achieving specific components of this plan based on Mexico's identification of those areas in which USAID programming provides a comparative advantage in supporting mutual policy priorities.

Illustratively, achievement of the goal will be measured by the following indicators, with the first three included within Mexico's National Development Plan and the last indicator broadened from a standard USAID indicator:

- UNDP Gender Inequality Index
- Number of crime victims per 100,000 people
- World Bank Rule of Law index
- Number of metric tons of CO_2 reduced or sequestered

Development Objective 1: Crime and violence prevention models replicated by local stakeholders

Mexico has experienced an increase in narco-trafficking-related crime and violence over the last few years, which has significantly affected the country's security and economic growth and has had an especially detrimental effect on youth development. Violence and rapid urbanization, particularly in Mexico's northern border cities, have contributed to increased crime rates and threaten the security and well-being of citizens. Strengthening communities' social and economic resilience, while addressing the risk factors that create an environment in which criminal organizations can exist and thrive, will contribute to improving citizen security in targeted communities. USAID supports the Government of Mexico's efforts to improve citizen security through the development and testing of prevention models that mitigate the community-level impacts of crime and violence. Lessons learned through the design, implementation and analysis of these USAID-supported prevention models will result in future investments by the GOM at the federal, state and local levels, as well as the private sector and civil society, to adopt and replicate successful prevention models in other parts of the country.

Crime and violence prevention is a high priority of the new GOM administration. Upon taking office in December 2012, the GOM declared crime and violence prevention as one of its top policy priorities and shortly afterwards published its National Prevention Plan in February 2013 with the overall objective of reducing community violence and improving the quality of citizens' lives.[34] The GOM is adopting a holistic, multi-disciplinary approach to crime prevention, and invested approximately $9 billion dollars across various ministries to support programmatic efforts in FY 2013. USAID's efforts complement the GOM's investments in crime and violence prevention and further strengthen and support the GOM's capacity to prevent and reduce crime through targeted technical assistance and the development and piloting of crime prevention models in target communities.

In particular, Pillar IV of the Merida Initiative represents a model in bilateral cooperation, resulting from a shared acknowledgment that the risk factors that contribute to crime and violence must be jointly addressed. The overarching goal of Pillar IV is to build stronger and more resilient communities that can withstand the effects of crime and violence. In line with this goal, USAID's Development Objective 1, focuses on developing and testing crime and violence prevention models that can ultimately be replicated by local stakeholders**.** USAID's Pillar IV projects and activities also complement the additional efforts and resources being contributed to achieving similar crime and violence prevention goals by other USG agencies and international donors in the country. Through partnerships with the Mexican federal, state, and local governments, civil society organizations (CSOs), private/public sector actors as

[34] http://www.gobernacion.gob.mx/en_mx/SEGOB/Programa_Nacional_para_la_Prevencion_Social_de_la_Violencia_y_la_Delincuencia

well as other USG agencies, USAID plays a significant role in catalyzing prevention efforts, allowing partners to scale up and replicate successful models through technical support and assistance in this area. To achieve the DO, USAID is focused on the achievement of three Intermediate Results:

IR 1.1 Multi-sectoral collaboration in target communities increased;
IR 1.2 GOM capacity to prevent crime and violence strengthened; and
IR 1.3 At-risk youth capacity to play a productive role in their communities increased.[35]

The DO hypothesis stipulates that by improving government capacity at all levels to prevent crime and violence, increasing multi-sectoral collaboration, and engaging at-risk youth in target communities, USAID will support sustainable institutional approaches to this issue and facilitate GOM and Mexican private sector efforts to scale-up and replicate models that USAID has piloted and identified as successful. As a result, successful crime and violence prevention models will be adopted and replicated by key stakeholders. The ultimate success of any crime prevention model will depend on constructively engaging key local actors, to include youth at-risk of recruitment to criminal activity.

This DO is aligned with USAID's DRG Strategy framework, USAID's Youth in Development Policy (Youth Policy), and USAID's Gender Equality and Female Empowerment Policy. Specifically, IR 1.1 is aligned with sub-objectives 2.2 and 4.1 of the DRG Strategy and IR 1.2 is aligned with objectives 1 and 2 of the DRG Strategy and IR 1.3 is aligned with both objectives contributing to the goal of the Youth Policy. This DO contributes to all three outcomes specified in the Gender Equality and Female Empowerment Policy.

It is important to highlight that men and women are affected by crime and violence differently. Men face negative health outcomes, such as post-traumatic stress, and have reduced opportunities for employment because crime and violence tends to drive away legal economic activity. For women, as crime and violence escalates, while their ability to engage in economic activity is also limited, they also face increased levels of fear which significantly reduces their ability to participate actively in civil society due to personal security concerns. Moreover, violence tends to beget violence and can sometimes be linked to gender norms around masculinity and femininity. The acceptability and incidence of intimate partner and family violence is inter-generational[36] and is commonly linked to the presence and acceptance of violence in society. Noting that these gender gaps related to crime and violence can hinder women's and youth's income and employability and provoke participation in organized crime, USAID's work in this area will include activities that prevent or treat gender-based violence, both due to the magnitude of the issue (affecting an estimated 60% of Mexican women), and to the relationship this has on children who experience family violence, since analyses show that children who witness or experience violence in the home are more prone to becoming violent themselves.[37]

In the context of the Merida Initiative, the GOM in partnership with USAID initially established parameters for targeting joint bilateral crime and violence prevention efforts in three high-crime cities along the U.S.-Mexico border. Currently, Pillar IV activities are focused geographically in the target cities of Ciudad Juarez, Monterrey, and Tijuana. Within each of these cities, three priority communities, or *poligonos,* were selected by the GOM based on a number of factors, including high crime rates, local

[35] Youth are defined as being ages 10-29, consistent with USAID's Youth Policy.
[36] Alessandra Guedes 2011. Presentation of Violence against women in Latin America and the Caribbean: A comparative analysis of population-based data from 12 countries.
[37] Halliday-Boykins C.A., and S. Graham 2001. "At both ends of the gun: Testing the relationship between community violence exposure and youth violent behavior," *Journal of Abnormal Child Psychology* Vol. 29(5): p. 383-402.

political will and civil society organization and private sector capabilities. USAID is currently providing each community with technical support to develop tailored prevention strategies and identify replicable prevention models focused on supporting the capacity of local actors to implement crime prevention strategies and preventing at-risk youth from engaging in criminal activity and becoming productive citizens in their communities.

Coordination with, and work of, GOM, USG and Other Stakeholders relevant to this DO

The U.S.-Mexico Merida Initiative is a bilateral partnership to improve citizen security in Mexico by fighting organized crime and building strong communities. The Initiative was designed around four strategic pillars: reducing the operational capability of organized crime, strengthening institutional capacity to maintain the rule of law, creating a border structure for the twenty-first century and building strong and resilient communities that can withstand the pressures of crime and violence. Pillar IV of the Merida Initiative seeks to strengthen community resilience, enhance social cohesion, and address underlying factors that lead to crime and violence. The Pillar IV strategy was developed jointly with the USG and Mexican counterparts and results from a shared understanding that addressing underlying factors of violent crime is key to promoting security and social development. Pillar IV activities complement ongoing bilateral efforts within the Merida Initiative to strengthen security and rule of law in Mexico.

As noted previously, USG interagency programming in this area is coordinated through a Pillar IV working group chaired by USAID. In addition to including relevant USG agencies and sections of the Embassy, the Pillar IV working group also involves the active participation from the US Consulates in Tijuana, Monterrey and Ciudad Juarez, where Pillar IV projects are currently focused. USAID and the State Department's International Narcotics and Law Enforcement section (INL) are the two main agencies that contribute directly to Pillar IV crime prevention programming and activities. INL supports complementary Pillar IV activities focused on drug demand reduction and advancing a culture of lawfulness. It is important to highlight that a number of INL-funded programs specifically engage youth in productive activities such as job training, addiction diagnosis and prevention, culture of lawfulness education as well as sports and cultural activities. USAID and INL's Pillar IV prevention programs are an integral part of achieving the security objectives outlined in the Merida Initiative, which are often perceived as exclusively focused on the "hard side" of security. Yet, in addressing the underlying social and socio-economic factors that contribute to crime and violence, Pillar IV projects directly contribute to the success and sustainability of "hard side" security efforts outlined in the other three Merida pillars.

Critical Assumptions

Progress in this area is based principally on the assumption that the GOM will continue to commit resources and prioritize crime and violence prevention as part of its national policy. It also assumes that the GOM will continue to request and value USAID support for crime prevention programming that state and local governmental and private sector counterparts will continue to be interested in constructively engaging with USAID in target communities, and that USAID and GOM are able to develop sufficient quantitative and qualitative evidence to document successful models for replication. Progress in this area also is based on the assumption that violence in the areas where USAID works will not endanger the physical safety of USAID partners or program participants. If the security situation dictated re-consideration of USAID's geographic focus, USAID would work with the GOM to identify alternate locations and models.

Lessons Learned

USAID/Mexico's crime and violence prevention portfolio elevates the importance of prevention and community engagement, with a focus on at-risk youth, and responds to compelling evidence[38] demonstrating that security interventions are reinforced by social, situational and psycho-social prevention policies. The portfolio builds on best practices and lessons learned to develop and test innovative crime prevention models in the community. Lessons learned include:

a) The need for all USAID projects to be part of an overall, strategic and coordinated bilateral effort;
b) The need for USAID's crime prevention program to be designed and implemented in coordination with government, private sector and civic counterparts in order to guarantee local buy-in and boost prospects for sustainability; and
c) The need to identify the most significant risk factors and target youth most at-risk of recruitment to criminal activity.

In response, USAID, together with the GOM, has prioritized activities that address the underlying factors that create conditions that criminal organizations exploit which lead to increased crime and violence. The continued success of USAID crime and violence prevention programs will be dependent on continuing a strong, bilateral USG and GOM partnership. The GOM and USG will continue prioritizing activities that focus on at-risk youth and strengthening collaboration among communities, civil society organizations, local governments and police. Perhaps the most important lessons learned are the need to deepen bilateral cooperation on project implementation and ensure that ultimate ownership and responsibility for programs rests with the GOM and local stakeholders. The USG's Pillar IV activities are innovative pilots for future replication in other areas of Mexico with similar characteristics and vulnerabilities, and GOM participation will be particularly crucial to sustaining these investments.

IR 1.1: Multi-sectoral collaboration in target communities increased

Mexico has a wealth of existing and potential resources to support crime and violence prevention initiatives. The effective coordination of multiple actors from the government, public, private and civil society sectors and the strategic targeting of their and USAID's combined resources will maximize crime and violence prevention program impacts. USAID aims to ensure the sustainability and effectiveness of crime prevention programming by promoting the design, implementation and replication of successful models through effective multi-sectoral collaboration.

USAID will focus on improving multi-sectoral collaboration in target communities by catalyzing public and private resources to expand socio-economic opportunities, strengthening community cooperation with the local government and police, and improving civil society's ability to effectively support vulnerable populations. USAID will work with a range of partners in target communities to develop and implement master plans for crime prevention and community development. USAID will test crime and violence prevention models which include activities such as: promoting civic awareness of public expenditures for security/prevention-related issues, supporting community policing programs to create a secure environment, and forging public-private

[38] "Merida Initiative – Pillar IV Situational Analysis and USAID Activity Options for At-Risk Youth in Tijuana, Juarez and Monterrey: Summary of Results of a Field-Based Inquiry in Northern Mexico Conducted Between October 2011 and March 2012," Robert Gersony. March 2012.

partnerships with local organizations to support community engagement activities, including creating safe community spaces for youth. Successful models will be jointly assessed with the GOM and relevant partners in order to promote their dissemination and replication in the country. USAID will seek to facilitate replication by supporting proven models in a limited sample of new demarcations. The geographic locations and practices replicated will be selected through rigorous, data-driven processes and in close coordination with the GOM.

Additionally, state and local governments face the tremendous challenge of marshaling policies and resources from federal, state and local sources (including the private sector and civic organizations) in ways that will facilitate local initiatives to combat crime. To these ends, USAID will support and help build the capacity of state and local government planning processes and strategies for crime and violence prevention while ensuring needed coordination with relevant community and civil society actors. USAID's work is expected to result in public-private sector partnerships that benefit at-risk youth and support their engagement in meaningful employment opportunities; community crime prevention master plans designed with input from local stakeholders and implemented in each target community; strengthened capacity of civil society actors in target cities to promote prevention initiatives; and improved cooperation between the community, local government actors, and the police. These results are linked directly to specific crime and violence models, which can ultimately be adopted and replicated by the GOM and relevant local stakeholders. Public-private partnerships facilitated by USAID also will help sustain activity results beyond the life of each intervention, especially in instances where the public and private sector partners replicate and scale-up innovative activities that USAID helped pilot.

Sub-IR 1.1.1: Private and public sector engagement in target communities increased

By engaging with the private sector, public and private sector resources will be catalyzed and socio-economic opportunities will be expanded in target communities along the U.S.-Mexico border. It is evident that there is significant international and local private sector interest in supporting crime prevention approaches in Mexico, since their success will improve the business climate, increase the potential labor pool and contribute to overall economic growth. USAID is working to develop strong private and public sector partnerships that will benefit at-risk youth and support their engagement in meaningful employment opportunities and help sustain the benefits of interventions beyond activity end dates through scaling-up and replication by non-government actors. USAID will accomplish this by leveraging existing resources and opportunities such as knowledge, experience, potential investments, partnerships, emerging models and policies, and effective institutions.

Sub-IR 1.1.2: Cooperation between the community and the local government strengthened

USAID will focus on strengthening cooperation between local government actors and key community stakeholders in the target cities through focused assistance strategies. A key aspect in the development of the community crime and violence master plans is a participatory process that ensures the productive engagement of local government actors, civil society organizations and community members in the design and planning process. USAID projects will ensure that master plans in target communities are designed through participatory processes that engage local civic actors and that this collaboration continues throughout the plans' implementation. USAID also will support community policing programs and activities in the target communities to build confidence and cooperation among citizens and their local police forces. Specifically, USAID will support the development of a comprehensive guide to designing and implementing targeted community-policing initiatives and work with key local government stakeholders to implement community policing action plans – developed through participatory processes – in target communities. Finally, USAID will strengthen the institutional capacity

of the state and local government to formulate and implement evidence-based crime and violence prevention policies and replicate best practices.

Sub-IR 1.1.3: Civil society ability to support vulnerable populations strengthened

USAID will support civil society and local NGO that are striving to promote social cohesion to improve their understanding of and ability to address the drivers of crime and violence. These efforts will contribute to healthier and more resilient communities that are better able to prevent violence and, in turn, improve the quality of lives of their citizens. Specifically, USAID will support civil society participation in the design and implementation of community master plans (described above), which target at-risk populations, by coordinating various initiatives at the local level and providing targeted technical assistance to individual grantees with the goal of improving their administrative and technical capacity to implement and sustain crime prevention initiatives. As a direct result of improving civil society's capacity to support crime and violence prevention programs in target communities, vulnerable populations will be more resilient to withstanding the pressures of crime and violence in their communities.

IR 1.2: GOM capacity to prevent crime and violence strengthened

When the Peña Nieto administration took office in December 2012, it declared crime and violence prevention as one of its top policy priorities. The GOM is providing significant resources for crime prevention, totaling $9 billion dollars in FY 2013. Pillar IV of the Merida Initiative represents a model in bilateral cooperation, resulting from a shared acknowledgment that the risk factors that contribute to crime and violence must be jointly addressed. USAID's crime and violence prevention portfolio is built on bilateral strategies jointly developed at the federal government level and insights derived from joint engagements with key local stakeholders to define, coordinate, and monitor program activity. USAID and GOM Pillar IV collaboration highlights that the Merida Initiative, often perceived as exclusively focused on "hard side" of security, also addresses the underlying social and socio-economic factors that contribute to crime and violence.

While activities under IR 1.1 primarily will focus on local-level work with the private sector, civil society, and communities, under this IR, USAID will continue to directly support the GOM at all levels in developing and implementing comprehensive policies and plans to prevent and reduce crime and violence in the country, thereby fostering more effective prevention policies and approaches that complement security strategies. At the federal level, USAID will help the GOM design and implement policies that directly support the GOM's national prevention plan including exploring new and strengthening existing operational modalities. USAID also will support the GOM in the development and implementation of a geo-mapping tool to assist crime prevention activities undertaken by various ministries. USAID also will support GOM efforts to develop a violence prevention outreach strategy as part of its overall communications plan and work in partnership with the World Bank to develop a violence prevention training program to help all three GOM levels effectively implement the National Prevention Plan. At the state and local level, USAID will continue to support strengthening the institutional capacity to implement evidence-based crime and violence prevention policies. As part of these efforts, USAID is supporting local governments in the design of urban and social planning strategies through projects that employ a "crime prevention through environmental design" methodology, such as the creation of clean and safe paths to local community centers. USAID also will support the creation of Municipal Crime and Violence Committees, which bring together key players from various sectors and levels of government, along with representatives of civil society and community groups. Together,

these activities will increase GOM capacity at all levels to design, plan, and implement crime prevention strategies and activities in the country.

As a result of the successful implementation of the GOM's National Prevention Plan but not directly attributable to USAID assistance, crime rates are expected to decrease and the perception of citizen security is expected to increase in targeted communities. The direct result of USAID's work in this area will be the identification of successful crime and violence prevention models for replication by the GOM and other local stakeholders with non-USAID resources.

Sub-IR 1.2.1: GOM policies and plans for crime and violence prevention improved

Through partnerships with Mexican federal, state and local governments, USAID will strengthen GOM efforts to address the drivers of violence and crime in the country through focused plans and policies. Throughout this process, USAID will help identify and recommend proven and innovative crime and violence prevention models for replication and scaling-up. These models will also guide and inform national and local prevention policies and program plans. Finally, USAID will help consolidate best practices and lessons learned through a GOM-hosted on-line Knowledge Management Platform that will be utilized by federal, state, and local governments to identify innovative and effective models for replication.

Sub-IR 1.2.2: GOM strategic communication and outreach on crime prevention improved

USAID will support the GOM's communication and outreach efforts on crime and violence prevention at the national and subnational levels to increase citizen awareness of GOM prevention efforts. USAID will support the development and implementation of prevention communication campaigns at the national level, as well as in the three target cities. The community level communication strategies, which will be coordinated with local and federal governments, will be implemented by local organizations with targeted prevention messages aimed at helping to change behaviors and perceptions of violence in the communities. USAID will also support GOM communication and outreach through support for public events that focus on prevention at the national and subnational levels. Finally, USAID will contribute to improving the quality of news reporting on crime and violence through training of journalists in target localities.

IR 1.3: At- risk youth capacity to play a productive role in their communities increased

USAID programs will create alternatives for at-risk youth to prevent their involvement in criminal activity and increase their constructive engagement in their communities. Providing meaningful opportunities and incentives for youth is essential to stemming the flow of potential recruits for criminal groups. As noted in the USAID Youth Policy,[39] violence, high school dropout rates and the challenges of the school-to-work transition can create conditions for vulnerable youth to be recruited into criminal networks, armed groups, youth gangs, and trafficking. As a result, activities are geared towards keeping youth in school, supporting self or salaried employment, and improving social integration and civic leadership. Specific activities within these areas were

[39] http://www.usaid.gov/sites/default/files/documents/1870/Youth_in_Development_Policy_0.pdf

identified during a participatory field assessment[40] of the initial target communities using the following criteria:

- Ensuring at-risk youth as the primary beneficiary population;
- Providing alternatives that prevent or mitigate youth involvement in drug consumption, criminal activity and recruitment by organized crime;
- Implementation preferably through local civil society organizations;
- Activities which strengthen, enhance, complement and expand activities and models already successfully underway in the target *polígonos*; and
- Activities which can serve as models that can be replicated in other areas of Mexico with similar characteristics and vulnerabilities.

Based on the assessment findings, USAID supports school retention through after-school and summer enrichment programs and an outreach program to reduce school desertion; support the constructive engagement of youth through community reintegration and employment; and improve youth development through programs that address domestic violence and mental health. Additionally, USAID continues to fine tune its approach to ensuring that activities are in fact reaching the most at-risk youth in target communities. USAID is in the process of developing a diagnostic tool which can be used to assess risk factors and develop focused programs to improve the situation for vulnerable youth with high risk factors and monitor the effectiveness of interventions.

Key gender concerns for working with youth include: adapting youth programming to reach young women so that they are not drawn into the culture of gangs and delinquency; challenging gender stereotypes and segregation in the labor market; and integrating intimate partner violence prevention and information strategies as well as parenting and positive discipline skills into programs for young adults.

Sub-IR 1.3.1: Livelihood opportunities for youth increased

USAID considers valid the premise that engaging at-risk youth in constructive activities and healthy practices and behaviors is a primary intervention for preventing crime and violence in communities. Based on increasingly precise targeting of at-risk youth, USAID will support the development, implementation and study of practices that provide more and better professional development and employment opportunities in target communities. Increasing livelihood opportunities for youth is a key aspect of the Pillar IV crime and violence prevention strategy. In addition to supporting activities that encourage youth to stay in school and complete their education, USAID also supports activities for youth who have left school and who are looking for employment. Complementary economic policy and workforce development programs supported through prior year resources but which will be implemented through the first half of the CDCS are described in Annex B. Replication of those initiatives on a broader scale following the USAID investment will be a key goal.

Sub-IR 1.3.2: School retention among at-risk youth increased

[40] "Merida Initiative – Pillar IV Situational Analysis and USAID Activity Options for At-Risk Youth in Tijuana, Juarez and Monterrey: Summary of Results of a Field-Based Inquiry in Northern Mexico Conducted Between October 2011 and March 2012," Robert Gersony. March 2012.

USAID will support after-school and summer enrichment programs to prepare youth to play constructive roles in their communities and to keep youth in school. School desertion is a risk factor associated with recruitment to criminal activity.[41] Given that students in low-income neighborhoods are at greatest risk for school desertion,[42] between sixth grade and the first year of secondary school, USAID will support activities that bridge this period through academic counseling and support through after-school and summer activities. Academic and discipline problems affect the ability of the highest at-risk students to remain in secondary school, particularly between their second and third year. In cities like Ciudad Juarez, desertion rates of up to 75% affect the transition from secondary to preparatory (or high) school. To address these challenges, USAID will support counseling and academic support for at-risk youth. Similarly, USAID will support local efforts to reach youth who are most at-risk of recruitment to criminal and gang activity. Replication of those initiatives on a broader scale following the USAID investment will be a key goal.

Sub-IR 1.3.3: Civic leadership among target youth increased

USAID will support programs that provide opportunities for at-risk youth to engage in activities in their communities through which they can demonstrate their civic leadership and develop a sense of community pride and responsibility. Engaging at-risk youth in constructive activities is a primary intervention for preventing crime and violence in communities. USAID strives to produce positive outcomes for young men and young women by providing positive role models and healthy alternatives to crime and violence that, together, help foster resilient and healthy communities. A number of local USAID-supported programs include leadership training for young people, thereby building their capacity to play productive roles in their communities. Replication of those initiatives on a broader scale following the USAID investment will be a key goal.

Illustrative Indicators for DO1, IRs 1.1, 1.2, and 1.3:

DO 1: Crime and violence prevention models replicated by key stakeholders

- Number of successful crime and violence prevention initiatives/models from target communities replicated
- Number of prevention initiatives implemented as part of the community crime and violence master plans in the target communities
- Number of best practices identified for replication by GOM

IR 1.1: Multi-sectoral collaboration in target communities increased

- Number of sustainable crime prevention public-private partnership alliances established
- Number of prevention initiatives implemented as part of the community crime and violence master plans in the target communities

IR 1.2: GOM capacity to prevent crime and violence strengthened

- Percent increase in planning, analysis and response capacity of target local governments

[41] Ibid.
[42] Ibid.

- Percentage of citizens in target communities who are adequately informed of government prevention activities (disaggregated by sex)
- Number of initiatives supported to strengthen the National Prevention Plan

IR 1.3 At-risk youth capacity to play a productive role in their community increased

- Number of at-risk youth beneficiaries participating in USAID funded programs that have continued their academic education in school (disaggregated by sex)
- Number of at-risk youth participating in USAID programs have obtained salaried or self-employment or enrolled in formal education (disaggregated by sex)
- Number of at-risk youth focused prevention models/best practices adopted by local actors.

Development Objective 2: Constitutional criminal justice reforms of 2008 are operational

In 2008, a Constitutional amendment mandated nation-wide reform, requiring all Mexican justice sector institutions and their operators to function under a new adversarial, accusatorial system by 2016. The change requires a systemic, structural, and cultural shift, requiring justice system (defined as courts, prosecutor's and public defender's offices, and the investigative police) and law enforcement institutions to dramatically change their organization and operations. In addition to the criminal procedure code, states must pass secondary legislation (sentence implementation law, alternative dispute resolution law, witness protection law, victims' assistance law, etc.), regulations, and procedures in order to effectively operate under an oral adversarial justice system. Then, states must operationalize the new laws and implement them. The Federal Congress must also pass similar legislation to implement the new system at the federal level. USAID's contribution will constitute a catalytic factor that will assist in making this constitutional mandate operational, by helping develop legislative solutions and institutional policies that increase the efficiency of the large amount of resources that the GOM is investing in this transition. While USAID funding to support justice sector reform is significant in terms of bilateral cooperation, the GOM and other Mexican entities' investments are primary in meeting the estimated $5 billion in costs associated with the reform nationwide through 2016.[43]

The parameters to determine whether the constitutional reform has reached the operational level include the desired level of effectiveness of key services to the public, and the existence of enabling conditions that allow for such level of effectiveness. Specifically, USAID will (1) apply the parameters established by the International Framework for Court Excellence to measure in an independent way, the effectiveness of the sector's performance; (2) measure four implementation conditions, namely the flux of information among institutions, the balance of responsibilities among sector institutions, the even progress of the reform among all sector institutions, and the availability of mechanisms to receive feedback from users and other sector institutions; (3) measure the implementation of six variables, namely the training and motivation of personnel, the appropriateness of information technology solutions, the completeness of the necessary legal framework, the management of oral hearings, and the dissemination of information about the reform; and (4) measure three impact variables, namely the political support to the transition, user satisfaction regarding justice sector institutions, and public support to the transition. This work will be coordinated with the GOM's reform monitoring processes.

[43] Rios, Viridiana. Mexico's *Petit Révolution*: Justice and Security Implications of Approving a Fully New Code of Judicial Procedures. Wilson Center Mexico Institute, 2013.

Reform implementation is proceeding state by state under the coordination of the GOM Technical Secretariat of the Coordinating Council for the Implementation of the Criminal Justice System (SETEC).[44] Since 92% of crimes in Mexico fall within state jurisdiction, state-level reforms are essential to the transformation of Mexico's justice system. SETEC oversees the process by which each state implements justice reforms that are consistent with the 2008 Constitutional reforms. SETEC has coordinating committees comprised of non-governmental organizations and federal and state leaders in each state and also provides states with funds for technical assistance and training to implement the reforms. SETEC also has the mandate to develop models for case management, profiles for justice sector operators, and other standardized tools to assist states to comply with reforms. SETEC grants financial subsidies to states that in 2013 alone consisted of $24.7 million.[45]

Counter reform efforts are still active, mainly as a result of the coincidence of reform implementation in states that also have experienced dramatic rises in crime and violence in recent years, as well as a few emblematic cases that received significant negative publicity. Despite this limitation, criminal justice reform has shown important results. Already, since the reform process began in 2008 Mexican prisons hold 30,000 fewer people without charges – a major problem under the old system – and prosecution rates have risen in states implementing the reform. By increasing transparency and accelerating resolution of cases, this reform also offers the potential to strengthen human rights protection and reduce impunity.

There are no reliable nation-wide data for gender-related issues within the new criminal justice system. However, women have lower levels of participation in judicial sector institutions (20%, compared to 80% for men); for example, there are fewer female police officers (15%), prosecutors, and administrative personnel, and fewer women judges (with females representing 17% of municipal judges).[46] As outlined in USAID's Gender Equality and Female Empowerment Policy, low levels of participation can lead to sub-optimal solutions, unless they are compensated through other means. Specific to Mexico's context, this low-level female participation and perspective in policy reform and development is a critical gender gap that, if not addressed, can perpetuate discriminatory treatment of women, impede advancement of gender equality, and hinder women's access to justice. Therefore, achievement of this DO will contribute to the outcome (and specified in the Gender Equality and Female Empowerment Policy) 'reductions in constraints that prevent women and girls from leading, participating fully in, and influencing decisions in their societies.'

The hypothesis underlying this objective is that, a strengthened legal framework and the enhanced ability of institutions to install and implement the new criminal justice system allow Mexico to experience substantive improvements in the administration of justice. While USAID will focus primarily on state-level reform, by helping to develop protocols, analyses, and capacities with broader applications, USAID programs will have a nationwide impact. The intermediate results cited below were identified through an ongoing needs assessment by the GOM within the framework of the Merida Initiative; they were subsequently revalidated in consultation with GOM counterparts who took office in December 2012. USAID support to the successful roll-out of the new criminal justice system ultimately will result in a decline in acquittal rates, the imposition of longer sentences for serious crimes, a

[44] Secretaría Técnica del Consejo de Coordinación para la Implementación del Sistema de Justicia Penal
[45] Subsidios otorgados 2013. www.setec.gob.mx/es/SETEC/Subsidios_2013
[46] INEGI Public Security and Justice Statistics, 2010. Tables 7.5 and 7.6.

reduction in pre-trial detention, an increased use of alternative dispute resolution measures, and a decrease in case backlogs, as well as improved perceptions among the population as to the transparency, fairness, and effectiveness of criminal justice in Mexico.

This DO is aligned with sub-objectives 2.2, 2.3 and 2.4 of USAID's Democracy, Human Rights and Governance Strategy framework.

Coordination with, and work of, GOM, USG and Other Stakeholders relevant to this DO

As part of the broader scope of the USG's interagency efforts to strengthen the rule of law in Mexico, USAID will focus its support to criminal justice reform at the state level, with some limited activities at the federal level. USG programming in the area of criminal justice sector reforms is coordinated through an interagency Rule of Law Working Group, chaired by INL. USAID's programming generally focuses at the state level, with Department of Justice (DOJ) targeting the federal level. Department of State, through INL, provides assistance to law enforcement at both federal and state levels. The coordinated assistance by the three agencies allow for a complementary contribution that includes both "soft" and "hard" approaches, from alternative dispute resolution promoted by USAID at the state level, to prosecution of organized crime supported by DOJ at the federal level, to training of police on law enforcement operations by INL. Other countries, in particular Canada, also are coordinating in order to support the criminal justice reform process. The GOM plays a central role in coordinating the provision of assistance, ensuring that international cooperation programs are working in complementary geographic or technical areas.

USAID's rule of law portfolio is closely aligned with the priorities and evolving approach of SETEC, which manages the criminal justice reform process within the GOM and across all levels of government. For example, USAID and SETEC jointly developed a set of competencies and profiles of all justice sector operators that past and current GOM counterparts are incorporating into their training plans. In addition, the location and technical focus of USAID's support for state-level criminal justice reform is determined based on consultation with SETEC. Demonstrating the high level of cooperation with the GOM, in May 2013, USAID sponsored an event that convened GOM officials from all three branches of government, including President Enrique Peña Nieto, together with Mexico's leading civic minds to discuss the status of the reforms and identify the most effective way forward.[47] Mexico's investments in this area are significant, with USAID programs supporting specific policy reforms or capacity development needs in designated geographic locations.

Critical Assumptions

Progress in this area is based on the assumptions that the GOM will continue its efforts to implement the criminal justice reform by 2016 with the adequate level of resources and political will, and it will continue valuing USAID support that catalyzes this process. We also assume that state justice sector counterparts and civil society will continue to be interested in constructively engaging with USAID and that USAID will continue to have the lead role within the USG interagency on cooperation for state-level justice reform implementation.

[47] This was a fifth annual forum organized by leading civil society organizations. The 2013 forum included the President of Mexico, and past forums included participation of high-level Mexican authorities.

Lessons Learned

Based on past USAID/Mexico programming in criminal justice reform programming, lessons learned include the need to harmonize legislation and best practices across state and municipal jurisdictions, as well as in relation to the Federal system; the need to train justice sector actors in their respective new roles and responsibilities creating at the same time the capacity within the justice institutions to sustain permanent training programs; and the need to introduce mechanisms, such as alternative dispute resolution and pre-trial services, that alleviate pressure on courts, increase citizen access to justice and facilitate the prosecution of the most difficult and high-priority cases. Moreover, we have learned the importance of state-to-state transfer of best practices. More advanced states can show less advanced states about practical, cost-effective ways to implement locally-developed solutions as well as adapting international best practices regarding legislative solutions and institutional policies that will result in improved performance and better services to users. A final lesson learned is that institutional strengthening efforts are far more sustainable and have greater impact long-term than isolated training activities.

In 2012, USAID and the GOM jointly published an academic study that measured the impact of the criminal justice reform in five states that had been using the new system for more than a year. The study demonstrates that, while justice reform is a long-term process, the accusatory criminal justice system is already proving more efficient than the traditional system, while also being tougher on crime and more respectful of citizens' rights.

A key aspect of successful reform is perception of progress. USAID and SETEC collaborated on a nation-wide public opinion survey, completed by 16,000 people throughout the country, focused on Mexico's criminal justice system. The primary finding confirmed what was already known anecdotally, that citizens lack awareness of, or have a misperception/ misunderstanding of (and, therefore, lack of buy-in to) the judicial reform process. Results from the survey are being used by GOM counterparts to better understand citizen perceptions and as a baseline to measure change in awareness, understanding and buy-in over the years. Further, SETEC is planning to use the survey to better inform states and other federal institutions involved in the reform process. Also, based on the results of the survey, USAID has adapted its approach under this DO to expand citizen outreach and civil society engagement activities.

IR 2.1: Legislative framework strengthened

The complexity of Mexico's federal system of government poses challenges in terms of harmonization of legislation and best practices across state jurisdictions, as well as the states' relationship to the federal government. As implementation is the states’ responsibility, USAID programming is focused at the state level, in coordination with the GOM, and will customize approaches based on each jurisdiction's level of reform and the respective strengths and weaknesses of its justice institutions, consideration of the legal issues most prominent in each jurisdiction, the potential for social conflict, and the implications for marginalized populations. Some jurisdictions show deeper challenges in terms of harmonization of legislation and best practices. Others may be quite advanced in modernizing their legal framework but have significant challenges in the area of organized crime. Other jurisdictions may have low rates of violent crime, but they suffer from unsolved social conflict that creates recurrent crises with sudden outbursts of unrest. Some states devote a significant amount of resources to the reform, while others do not.

USAID will continue to promote the adoption of a sound and consistent legislative framework for justice reform, ensuring that criminal justice system reforms at the state level comply with Mexico's constitutional reforms, federal legislation, and international agreements. Assistance will help strengthen criminal procedures, as well as establish important secondary legislation that addresses issues including trafficking in persons, alternative justice, and victims' assistance.

Additionally, federal authorities will very likely pass a national criminal procedure code in early 2014[48], which would govern all state and federal level codes. USAID has contributed to the drafting of the national code, and it will continue assisting states in updating and/or strengthening their legislative framework for implementation guided by the national code. This will require customized assistance for states that have made significant progress with their own new codes, for the states that are far behind and are still applying old codes, and all cases in between. USAID will assist these states in creating their own planning for the orderly replacement of their state-level codes, and in the revision of other key state-level legislation that will be impacted by the change. Importantly, USAID also will facilitate exchanges of knowledge sharing between states so as to leverage resources and mobilize experience.

Sub-IR 2.1.1: Civil society effectively advocates for a stronger legislative framework

As the number of federal entities that pass new legislation increases and the country moves towards full implementation of the new criminal justice system, so too must the effective participation of relevant civil society representation will act as a critical, indispensable linkage between citizens, constituency bases, other stakeholders, and the GOM. Civil society organizations will need to foster and strengthen their relationships simultaneously with GOM representatives and targeted segments of the population, making sure that citizen interests and concerns are successfully reflected as input within draft legislation related to the rollout of the justice reforms. Likewise, given that recent public opinion surveys indicate that the general public has a very limited understanding of current justice sector reforms, it will be equally important that civil society be capable of organizing public events and informational sessions to keep the public informed and adequately appraised on the status of new legislation, its implications, and their rights and duties as citizens under the new system.

Sub-IR 2.1.2: Capacity of justice sector institutions for drafting and leading the enactment of legislation strengthened

Just as civil society must be able to effectively participate in the legislative process, so too must justice sectors institutions be empowered and have the capacity to correctly execute their duties and responsibilities to draft and promote germane new legislation. As the different institutions implement the new national criminal procedure code, they will have first-hand knowledge of needs to adjust state-level laws to optimize the code's functionality. These institutions should play a central role in detecting these needs, articulating them in a coherent fashion in plans and draft legislation, and presenting draft legislation in a convincing way to the state legislature. This learning cycle will ensure that the new national code produces a positive effect in states.

[48] During the approval process of this document, Mexico's National Penal Procedures Code (Código Nacional de Procedimientos Penales) was overwhelmingly approved by Congress in a 407-28 vote on February 5; President Enrique Peña Nieto then published the code on March 4, 2014. This Code, which will apply to all of Mexico's 31 states and Federal District, is expected to accelerate reform implementation throughout the country and help the GOM to meet its constitutionally-mandated 2016 deadline.

IR 2.2: Justice sector actors promote and implement the new criminal justice system

USAID's comprehensive assistance at the state level to date has strengthened justice sector actors (defined as justice sector institutions, civil society, and the legal profession), increased the effectiveness of training for justice sector operators, and supported civil society's role in the reforms. While training more than 20,000 justice sector operators in the new criminal justice system, USAID has supported GOM efforts to establish, build or strengthen key institutions such as alternative justice centers and victims' assistance units in targeted states. Though prior USAID programs focused on a basket of eleven states, demand has increased, with additional states requesting USAID cooperation and support to be able to implement the new criminal justice system. Lessons learned through implementation confirm the need to provide differentiated, customized support based on a state's individual needs and conditions and the relative advances of the different actors in the justice system in each state or jurisdiction.

Going forward, USAID assistance will continue to strengthen the capacity of Mexican criminal justice institutions at the federal and state level to promote and implement criminal justice reform. Successful implementation of the new criminal justice system will require broad public awareness and acceptance, as well as capacity within justice sector actors to assume their new roles. However, based on the results of the nationwide public opinion survey on justice reform,[49] only one in 10 respondents were aware of the 2008 constitutional reform that mandated the implementation of a new criminal justice system. This ratio decreased even further in certain states (such as Hidalgo and Tamaulipas), where only one in 100 had this information. The same survey also showed that respondents believed that the main problems within the justice system were lack of compliance with the law and the need for more training of justice system actors.

At the federal level, USAID will build capacities of entities to: 1) provide ongoing support to states implementing reforms; 2) promote best practices and harmonization of legislation and procedures; 3) ensure equitable justice and advance the protection of human rights for citizens in all states by monitoring implementation of criminal justice reform; and 4) develop tools for qualitative and quantitative analysis of reform implementation. USAID will provide institutional strengthening and intensive training at the state level to support reform implementation. The states that will receive direct USAID assistance will be determined in consultation with SETEC, based on jointly developed prioritization criteria, including population, crime rates, election cycles, reform status, other donor presence, previous USAID programs, state investment, and political will. Other states not receiving direct USAID assistance will benefit from USAID's facilitation of the sharing of technical advice and knowledge from Mexican officials in states that are more advanced in the reform process. The institutions to be supported within the targeted states shall be chosen based on need, potential, and opportunities for leveraging state and federal-level investments.

USAID support also will help Mexican civil society understand and support the reform process. Civil society organizations will play a major role in disseminating information, informing public opinion, and engaging in public debate on issues ranging from due diligence in investigation to victims' assistance. Based on achievement of this IR, there is expected to be a measurable increase in the availability of victim assistance resources; increased capacity within SETEC at the national and state level to implement, monitor and evaluate criminal justice reform implementation; increased capacity of justice

[49] http://www.setec.gob.mx/es/SETEC/PDF?archivo=ENSIJUP-Analisis

sector institutions and actors to implement the new criminal justice system; an enhanced ability of civil society organizations to foster criminal justice reform, including promotion and monitoring of its progress; an enhanced ability of law students to understand the roles and responsibilities of key justice sector actors under the new criminal justice system; and stronger bar associations that will enhance and improve the quality of the legal profession.

Sub-IR 2.2.1: Justice sector institutional capacity to implement criminal justice reform strengthened

Justice sector institutional actors – such as judges, prosecutors, defense attorneys, and investigative and forensic police – must all be able to understand and execute the roles that they will play under the new criminal justice system and its impact on the protection of human rights. This will entail that the various justice sector actors comprehend their duties and responsibilities, as well as those of their sectoral counterparts, to ensure a smooth transition between the old and new systems. This also will require that these actors are well informed about the procedural differences and nuances. Such capacity will pave the way for a smooth transition, and effective implementation of new judicial processes. USAID will help strengthen the capacity of justice sector institutions (by supporting the development and implementation of internal rules and procedures (including roles, duties and responsibilities) and training for justice sector operators. USAID also will support these institutions' efforts to engage with civil society and local constituency groups and incorporate citizen input to the regulations, where appropriate.

Sub-IR 2.2.2: CSOs' ability to promote and monitor criminal justice reforms strengthened

Civil society has a responsibility to keep the Mexican citizenry informed about upcoming changes to the justice systems and to serve as a conduit for information between the population and justice sector institutions. It also has the responsibility to accurately monitor and follow justice sector reforms so that they may most efficiently and effectively hold these same institutions accountable for consistent, quality implementation of the criminal justice reforms across states throughout Mexico. USAID will provide training and financial support to civil society organizations to build their capacity to gather, manage, monitor, and disseminate information pertaining to the reform as well as support their ongoing efforts to protect human rights, combat corruption, and promote transparency and accountability in the implementation of the reform. USAID also will work with journalists to increase their knowledge of the reform and enhance their capacity to better inform public opinion on issues related to the criminal justice reform.

Sub-IR 2.2.3: Legal profession and education strengthened

The importance of addressing the legal profession as a whole is paramount to successful implementation of the new criminal justice system and the protection of human rights. The profession itself is not a singular entity, but rather it is one that comprises law schools, bar associations, and future and current attorneys across all spheres of practice. The legal education system curricula will need to be updated to reflect the appropriate changes, just as professors will have to impart upon a new generation of law students the particulars of their roles under the new system, regardless of whether these professors themselves were schooled under the old system or have practiced under the new system at all. While students that matriculate during or after the requisite reforms have been enacted will likely not face the difficulties of distinguishing one system from the other, that will not be the case on the opposite end of the profession's spectrum. Experienced attorneys who were educated and have

made careers practicing in adherence to the previous system will undoubtedly require more assistance to make the transition to the new system. As such, Mexican bar associations will play a key role in continuing legal education for these attorneys and ensuring compliance on the part of the country's cadre of experienced lawyers. To ensure sustainability of these reforms, USAID will support both, bar associations, and law schools to create a legally mandated certification system that allows for quality control and constant improvement of their performance.

Illustrative Indicators for DO 2 and IRs 2.1 and 2.2:

DO 2: Constitutional criminal justice reforms of 2008 are operational

- Number of states operating under the new criminal justice system
- The national rate of acquittal for serious crimes (felonies or other defined sub-set)
- Number of people reached by a USG funded intervention providing GBV services (e.g., health, legal, psycho-social counseling, shelters, hotlines, other)
- Number of states supported by USAID that are positioned in the upper quartiles of public rankings of progress towards reform implementation, published by SETEC and the *Centro de Investigación para el Desarrollo, Associación Civil* (CIDAC), a leading Mexican think-tank.

IR 2.1: Legislative framework strengthened

- Number of laws and regulations supporting the implementation of the new criminal justice system passed

IR 2.2: Justice sector actors promote and implement the new criminal justice system

- Increased satisfaction of criminal justice system users (disaggregated by sex)
- Average time for resolution under the judicial process
- Number of CSO actions in support of criminal justice reform

Development Objective 3: Enabling environment to protect human rights and prevent abuses improved

The protection of human rights plays a key role in the efforts to promote security and justice for all citizens, and, as such, any sustainable security effort should consider the respect and protection of human rights as an essential element. This objective relates to the USG's overarching goals of Pillars II and IV of the Merida Initiative, of which human rights is a crosscutting element.

Over the past five years, Mexico has continued to receive a number of international recommendations by the UN and OAS regarding the protection of human rights. The most serious concerns include the practice of torture, the number of disappeared persons, aggressions against human rights defenders and journalists and violence against women. The fulfillment of these international recommendations would represent a major step towards improving Mexico's enabling environment to protect human rights and prevent abuses, and USAID support in this area seeks to complement GOM efforts.

The primary element of an enabling environment is the enjoyment of rights and freedoms. Nation states have a critical role to play in preventing violations against human rights and in providing access to mechanisms for the protection of these rights whenever they are at risk or have been violated.[50] Under the State's obligation to prevent abuses, all measures including the legal, political, administrative, and cultural ones to promote safeguarding human rights and the investigation and sanctioning of them should be adopted. The obligation to protect consists of impeding third parties from interfering, creating obstacles to, or hindering the access to exercise their human rights. Therefore, an enabling environment conducive to human rights is characterized by specific laws and policies that protect human rights in accordance with international standards and an informed citizenry that is aware of their human rights and is able to access mechanisms of protection, when necessary.

Freedom of expression is a key element of functioning democracies, and its preservation requires an environment in which journalists and human rights defenders can practice their professions freely. International organizations such as Freedom House describe Mexico as one of the most dangerous countries for journalists and human rights defenders, particularly in the absence of a judicial system that effectively investigates and prosecutes crimes, effective mechanisms to protect citizens under threat, or the ability to provide needed support to victims.

The Inter-American Court of Human Rights has recognized structural discrimination against women and noted it as a factor contributing to violence against women. The policies and procedures governing crime investigations lack the inclusion of a gender perspective, which has rendered many investigations into crimes against women ineffective and resulted in impunity for crime perpetrators. Amidst this broad range of gender issues is a lack of gender-sensitive data and statistics to help inform programming and monitor progress. The Mission Gender Assessment of 2012 notes that programs designed to build local capacity in the justice sector and protect journalists and human rights advocates do not sufficiently address differences between men and women.

The GOM has undertaken several efforts to address those issues and to improve the protection of human rights, such as the passage of a constitutional reform related to human rights in 2011 that strengthened the role of the National Human Rights Commission and elevated Mexico's obligations under international treaties to the level of constitutional law.[51] The GOM also developed a Protection Mechanism for Human Rights Defenders and Journalists ("Protection Mechanism") and has given power to federal authorities to investigate and prosecute attacks on journalists and human rights defenders. More recently, the GOM acknowledged the need for public policies that address violence against women and forced disappearances.

Human rights issues are complex, and a coherent strategy is needed to address such issues in coordination with the GOM and create an enabling environment conducive to the protection of human rights and the prevention of abuses. While the Mission treats this theme as a specific objective under

[50] Further information available at: http://www.cidh.org/countryrep/seguridad/seguridadiv.sp.htm

[51] The GOM published the National Human Rights Program (NHRP) in April 30, 2014. The program outlines six policy objectives and the respective lines of action the GOM will pursue to strengthen its human rights policy. The objectives of the NHRP are to implement the Constitutional human rights reforms; to prevent human rights violations; to guarantee basic human rights for all; to strengthen the protection of human rights; to institutionalize engagement with GOM entities, state authorities and civil society organizations; and to generate information to analyze and evaluate the protection of human rights. A full copy of the plan is available on the website of the Federal Official Gazette (http://dof.gob.mx/nota_detalle.php?codigo=5343071&fecha=30/04/2014). USAID's human rights project supports all six of these objectives.

this Strategy, the advancement and protection of human rights will remain a cross-cutting issue within the USAID/Mexico portfolio and U.S. Embassy Country Team. In order to be effective and sustainable, this strategy must be implemented in consultation with the GOM, CSOs, and other relevant stakeholders.

Specifically, USAID/Mexico's programs will focus on: a) strengthening GOM systems to protect human rights and prevent violations, and b) improving the institutional capacity of civil society to effectively advocate for the protection of human rights in target states.

The hypothesis is that the enabling environment to protect human rights and prevent abuses will be improved by working with both governmental and civil society counterparts, raising awareness of human rights standards, strengthening GOM capacity to apply formal measures to protect journalists and human rights defenders, and building civil society's capacity for self-protection.

Coordination with, and work of, GOM, USG and Other Stakeholders relevant to this DO

The U.S.-Mexico Bilateral Human Rights Dialogue provides an overarching framework for discussing human rights issues between the Mexican and U.S. Governments. At the country level, the USG approach is coordinated through a USG interagency human rights working group, chaired by the U.S. Embassy's Political Section. Other donors, including Norway and Great Britain, are also working with civil society organizations in this area, and USAID coordinates with them to ensure that programs are complementary. In addition, USAID has worked directly with the United Nations Office of the High Commissioner for Human Rights.

The Mexican Constitution guarantees human rights for all citizens and prohibits all forms of discrimination, including on the basis of gender. Mexico also has ratified seven major international human rights instruments and committed to the Beijing Platform for Action, which reinforces the provisions of Convention on the Elimination of All Forms of Discrimination Against Women. In response to the most recent Mexican report to the UN Committee on the Elimination of Discrimination Against Women, the Committee noted that patriarchal attitudes that impede women's human rights are a root cause of violence against women.

Critical Assumptions

USAID anticipates that the GOM will continue to demonstrate political will towards improving human rights protections for journalists and human rights defenders and that the parameters of bilateral cooperation will reflect that prioritization during the five-year CDCS period.

Lessons Learned

USAID has developed a robust human rights portfolio that promotes a policy environment and informed citizenry that, together, will help protect human rights and prevent abuses. Together, programs seek to protect journalists and human rights defenders, prevent abuses, advocate for the implementation of constitutional human rights reforms, and assist victims of abuses. Lessons learned include the need to work with partners from a variety of sectors, the need for close coordination with the GOM, and the need to support and encourage participatory processes that include civil society and promote state-civic cooperation.

According to the USAID Strategy on Democracy, Human Rights and Governance,[52] effective human rights programs require engagement and partnership with a wide range of state and non-state actors throughout civil society and the private sector. Indeed, USAID/Mexico will continue to engage a wide range of partners, including CSOs and multilateral and international organizations. USAID also will continue to encourage the participation of civil society in GOM policy discussions on human rights, as well as in the implementation and monitoring of human rights protection and prevention efforts. At the state level, USAID will raise awareness about constitutional human rights reforms, including laws that prohibit the use of torture in criminal investigations. USAID also will provide human rights training to a wide variety of stakeholders – including journalists, human rights defenders, government officials, and police – to prevent future abuses.

USAID human rights cooperation is tailored to specific state and/or regional contexts, considers the needs of indigenous populations, and incorporates gender considerations into all of its programming.

IR 3.1: GOM systems to protect human rights and prevent violations strengthened

The GOM is party to various international human rights agreements and has developed various mechanisms and legal frameworks to help protect human rights. However, more work is needed in order to effectively enforce recognized human rights laws and ensure sufficient protections for journalists and human rights defenders. As such, this IR refers to the GOM's reinforcement of their legislative framework at the federal and state level to allow for effective policies and their implementation, including clearly defined guidelines and procedures. USAID will provide technical assistance to support GOM systems for protecting human rights programs.

Sub-IR 3.1.1: Human rights legal and policy framework strengthened
Human rights are more likely to be respected in practice when they are explicitly recognized and protected in national laws. While this legal recognition of human rights, alone, is not sufficient to ensure their implementation, it is a necessary and critical first step towards ensuring needed protections. USAID will support the implementation of GOM policies and legislation that bolster the respect of human rights and prevent violations, as well as outreach to citizens on how to exercise their rights.

Sub-IR 3.1.2: Human rights approach incorporated into GOM initiatives
In addition to strengthening the legal and policy framework for human rights protection, USAID also will collaborate to strengthen GOM institutional capacity to address human rights challenges, particularly in relation to the protection of journalists and human rights defenders and victims' assistance. USAID will support GOM efforts to prevent the occurrence of abuses through protection, outreach, and awareness. Specifically, USAID will help strengthen the GOM's Protection Mechanism and help promote the incorporation of a human rights approach in GOM initiatives by promoting constructive dialogue and engagement between the GOM and CSOs on salient human rights issues.

IR 3.2: Civil society effectively advocates for the protection of human rights in target states

USAID also will help strengthen CSO technical and administrative capacity to monitor and oversee GOM human rights efforts by fostering their engagement in constructive public dialogue on issues, such as freedom of expression, protections for journalists and human rights defenders, and the prevention of torture. CSO

[52] http://www.usaid.gov/sites/default/files/documents/1866/USAID%20DRG_%20final%20final%206-24%203%20%281%29.pdf

participation is critical to sustaining GOM human rights initiatives (e.g., oversight and implementation of the Protection Mechanism), and USAID's technical support will help better position them to participate fully in GOM processes and advocate effectively on behalf of citizens. USAID will support CSOs that work nationally and who can advocate and engage with federal and local authorities, as well as with CSOs that work to build capacity at the local level. The targeted states (at least 15) will be identified based on records that show high incidence of human rights violations, where there is an opportunity to engage local governments and/or where there is presence of the CSOs described above.

Sub-IR 3.2.1: Human rights organizations' technical capacities to advocate for and evaluate human rights public policies strengthened

Through direct engagement with local organizations, USAID will build the technical and administrative capacity of human rights-oriented CSOs in target states, while facilitating their constructive engagement with local and federal government officials and non-governmental stakeholders. For instance, one of the principal roles of CSOs is to oversee and participate effectively in the government's compliance with human rights agreements, and this requires strengthened in monitoring and evaluation, access to credible information, and strong technical and administrative capacity. USAID will help strengthen CSO capacity to monitor GOM implementation of human rights policies by supporting training in statistical techniques and surveys, as well as developing indicators that will measure performance and impact. USAID will help build CSO capacity to access credible information by promoting research and creating opportunities for technical discussion among CSOs, academics, international experts, and state representatives. Finally, USAID will support technical and administrative capacity strengthening for CSO partners through the formulation, review, and/or adjustment of basic management concepts (e.g., mission, vision, strategic objectives, and strategies) with the overall goal of strengthening their technical capacity and sustainability and if consistent with the Mission Local Capacity Development Strategy. All of these efforts will strengthen the CSOs' capacities to advocate for and evaluate human rights public policies.

Sub-IR 3.2.2: Public awareness of human rights issues and GOM reforms increased

Mexican citizens must be aware of their human rights under Mexican law and international agreements and be able to call on a broader human rights community in order to participate in GOM-led dialogues on human rights and advocate for their protection. CSOs and the GOM alike help protect human rights by raising citizen awareness through advocacy and outreach. To address the structural discrimination noted by the Inter-American Court of Human Rights and to directly contribute to the outcome of reductions in the prevalence of GBV, specified in USAID's Gender Equality and Female Empowerment Policy, USAID will support CSO efforts to raise awareness on leading human rights issues – including GBV, prevention of torture, freedom of expression, protection of journalists, and human rights defenders – and the 2011 Human Rights Constitutional Reform.

Illustrative Indicators for DO 3 and IRs 3.1 and 3.2:

DO3: Enabling environment to protect human rights and prevent abuses improved

- Public policy co-designed by GOM and civil society as a result of USAID assistance.
- Number of public policies and GOM-supported programs addressing human rights international recommendations (United Nations/Organization of American States) put into effect with the technical assistance provided by USAID.

- Percent of human rights defenders who perceive improvements in the recognition and protection of human rights (disaggregated by sex).

IR 3.1 GOM systems to protect human rights and prevent violations strengthened

- Protection Mechanism for Journalists and Human Rights Defenders provides appropriate support to journalists and human rights defenders as a result of technical assistance provided by USAID.
- At least one GOM-managed early warning system to prevent gross human rights violations in place as a result of USAID assistance.
- GOM has developed and implemented mechanisms to gather civil society input to human rights-related public policies and programs.

IR 3.2 Civil society effectively advocates for the protection of human rights in the target states

- Civil society organizations receiving USAID support that are engaged in monitoring or advocacy work on human rights. (F Standard Indicator)
- Number of human rights defenders trained and supported, disaggregated by gender. (F Standard Indicator)
- Number of journalists trained and supported, disaggregated by gender.

Development Objective 4: Greenhouse gas emission reduced in targeted key sectors

The goal of USAID's worldwide Climate Change and Development Strategy[53] is to enable countries to accelerate their transition to climate-resilient, low emission, sustainable economic development. The Agency has identified Mexico as a priority country for both clean energy and sustainable landscapes programming within President Obama's Global Climate Change Initiative. Of the estimated 748.2 million metric tons of CO_2 emissions in Mexico in 2010, more than 67% came from the energy sector. [54] The transport sector was the most significant contributor, followed closely by the energy industry.

The establishment of this Development Objective is based on USAID's overall Climate Change and Development Strategy, the prioritization of Mexico for programming in this area, Mexico's leadership role in global climate change, and Mexico's interest in cooperating with USAID. Taking into account Mexico's leadership and efforts, its substantial institutional and technical capacity, and significant public and private investments to address climate change challenges, USAID's work in this area will focus on catalyzing, expanding, and complementing the country's on-going efforts. To help Mexico achieve its commitment to transition to a sustainable, low emissions development path, as expressed in its General Law on Climate Change and its National Strategy for Climate Change, USAID's programming will support Mexico's initiatives to reduce greenhouse gas emissions (GHG) from key, strategic sectors of the economy, such as the energy, land-use, land-use change, and forestry sectors. The hypothesis underlying this Development Objective is that strengthened policies that promote low emissions growth, established financial models for climate change mitigation that leverage resources, and improved institutional and technical capacity to support low emissions development, when combined, are necessary and sufficient to reduce greenhouse gas emissions.

[53] USAID Climate Change and Development Strategy, 2012-2015 http://pdf.usaid.gov/pdf_docs/PDACS780.pdf, referred to throughout the DO discussion
[54] http://www2.inecc.gob.mx/publicaciones/download/685.pdf

Mexico has demonstrated considerable leadership in combatting climate change, both in its domestic policy and as a major actor in international negotiations, and USAID assistance can help Mexico continue to make progress on this issue. In 2007, a National Climate Change Strategy was issued that identified mitigation and adaptation opportunities. In 2009, the first Special Program on Climate Change (PECC in Spanish) for the period 2009-2012 was adopted. The PECC constitutes a "first-generation" low emissions development strategy (LEDS) that attempts to address the major GHG emitters in the main economic sectors of the country, laying out a GHG emissions baseline, setting reduction targets through 2012, and outlining concrete actions to meet them. In 2012, Mexico passed a comprehensive General Law on Climate Change that commits the country to significant cuts in greenhouse gas emissions and increases the use of renewable energy. The law calls for 35% of Mexico's energy to come from clean sources by 2024 and requires government agencies to increase their use of renewable energy. Mexico already has made progress towards these targets, with 22% of its electricity generated through renewable and clean fuel sources. Finally, in early 2013, the Pena Nieto administration released an updated National Climate Change Strategy, with a vision for the next 10, 20, and 40 years, and the corresponding Special Program on Climate Change is in the process of being formulated. Many Mexican states also are moving ahead with developing state-level climate change action plans (PEACCs). The PEACCs are especially important given the size and heterogeneity of Mexico and the role that states play in implementing mitigation and adaptation efforts. Indeed, the Mexican Ministry of Environment (SEMARNAT) and the National Institute for Ecology and Climate Change (INECC) are working closely with the states to develop their PEACCs.

Recognizing the need for policies and regulations that will guide Mexico's continuing GHG mitigation efforts, USAID will work with national and subnational counterparts and other stakeholders to support the formulation and implementation of a national LEDS; design and establish internationally robust systems for monitoring, reporting, and verifying GHG emissions reductions; and strengthen the policy and regulatory framework necessary to expand the adoption of renewable energy and energy-efficient technologies and to reduce GHG emissions from land use and land use change, including deforestation and forest degradation (REDD+).[55]

Under the policy component, USAID will continue to collaborate with other USG partners to support Mexico's participation in the Enhancing Capacity for Low Emission Development Strategies (EC-LEDS) program. EC-LEDS takes a forward-looking approach to development, with the objective of providing

[55] Worldwide, deforestation and forest degradation are the second largest source of greenhouse gas emissions (after fossil fuel consumption), accounting for about 15% of annual global emissions, which makes the loss and depletion of forests a major issue for climate change. GHG emissions from land-use, land-use change and forestry accounted for 6.3% of Mexico's total GHG emissions in 2010; these encompassed 46,547.9 Giga grams (Gg) from the conversion of forests and grasslands, 12,593.0 Gg from forest soils, 5,860.6 Gg from changes in biomass and from other woody stocks, minus 18,109.2 Gg sequestered by the abandonment of agricultural land. The agricultural sector accounted for an additional 12.3% (92,184.4 Gg) and included 46,479 Gg from agricultural soils, 37,961.5 Gg from enteric fermentation, 7,553.5 Gg from manure management, 137.8 Gg from rice paddies and 51.9 Gg from *in situ* burning of agricultural residues. In 2007, temperate and tropical forests in Mexico covered a total of 66 million hectares (about 34% of the country's territory). Between 2005 and 2010, the net deforestation rate in Mexico was estimated at 155,000 ha/yr; forest degradation affected some 296,000 ha/yr between 2002 and 2007. The major cause of deforestation in Mexico is the clearing of forested land to be devoted to agricultural and cattle ranching activities and, to a lesser extent, to urban development; forest fires, illegal logging and forest pests and diseases are also significant drivers of deforestation and forest degradation in the country. Reducing emissions from forest destruction has been identified as one of the potentially most cost-effective ways to reduce the rate of increase of atmospheric greenhouse gasses. (http://www2.inecc.gob.mx/publicaciones/download/685.pdf; http://app1.semarnat.gob.mx/dgeia/informe_12/02_ecosistemas/cap2_2.html).

technical assistance and capacity building to support partner countries' efforts to create or improve their own long-term, economy-wide LEDS.[56] In Mexico, USAID will help address the findings from the EC-LEDS scoping study that was carried out in 2011. This study identified the need to develop in-country methodologies to identify and perform impact assessment of mitigation opportunities in the land-use sector, including cost-benefit analyses for proposed mitigation interventions, and the identification and assessment of additional mitigation opportunities. The same study highlighted several barriers to renewable energy integration, including regulatory barriers and lack of transparency related to transmission capacity. It also identified the need for strengthening Mexico's technical capacities for econometric modeling, particularly with regard to computable general equilibrium models for climate change, to include non-CO_2 gases, land use changes, and international trade impacts.

Implementing GHG mitigation activities requires funding and a financial architecture to generate and channel resources. Examples range from financial incentives to encourage businesses and individuals to adopt green technologies and practices, gaining access to international carbon markets, etc. USAID will help create financial mechanisms to facilitate the investment necessary to reduce emissions from both the clean energy and the forestry and land-use sectors. This will include evaluating the costs and benefits of implementing various low emissions strategies under different economic scenarios, the identification of potential financing sources, and the development of financial mechanisms to facilitate each set of activities.

USAID will work with a wide range of national, state and local organizations to strengthen their institutional and technical capacity to expand the adoption of renewable energy and energy-efficient technologies and reduce GHG emissions from land use, land-use change and forestry. USAID will support strategic, focused capacity-building activities linked with policy formulation and implementation processes at the national and state levels.

USAID identifies the sites for local activities in coordination with the GOM. Current areas of focus include the states of Baja California, Sonora, the State of Mexico, Veracruz, Morelos and Oaxaca for energy, and Chihuahua, Oaxaca, Yucatan, Michoacán, the State of Mexico, Chiapas, Quintana Roo and Campeche in the forestry sector.

The GOM has begun to integrate gender considerations into its global climate change work. For example, the Secretary of Energy is generating sex disaggregated data to better monitor and evaluate programs and projects. In addition, the National Institute for Ecology and Climate Change includes gender criteria in its programs and activities – particularly in terms of training of human resources, information dissemination, participation in decision-making and the sustainable use of natural resources and protection of the environment. At the state level, guidelines for the preparation of State Programs of Action on Climate Change include consultations to integrate gender, since mitigation policies will have a better chance of success if they are designed and implemented at the state level by authorities, communities, and researchers who have the best understanding of local problems and capacities. Although the GOM recognizes the importance of considering gender in its climate change efforts, for our program to be effective climate change mitigation and low carbon development strategies need to be linked to context-specific understandings of inequalities in vulnerabilities and capacities, including gender-differentiated assets. As discussed in the report, women in Mexico tend to have fewer available

[56] A LEDS incorporates analytical, strategic planning, and policy formulation processes aimed at advancing robust economic growth while achieving significant long-term greenhouse gas emissions reductions in key sectors.

assets than men. Therefore, as part of the efforts of this DO, USAID will contribute to the outcome of reductions in gaps between males and females with access to/control over economic, political, and social resources, as specified in USAID's Gender Equality and Female Empowerment Policy.

Coordination with, and work of, GOM, USG and other stakeholders relevant to this DO

USAID programs in this area are coordinated with other USG agencies, such as the State Department, Department of Energy, and the National Renewable Energy Laboratory within the U.S.-Mexico Bilateral Framework on Clean Energy and Climate Change signed in 2009. The Framework seeks to build upon cooperation in the border region to promote efforts to reduce net GHG emissions, adapt to the local impacts of climate change in the region, and strengthen the reliability and flow of cross border electricity grids to facilitate the energy trade between border states. The Framework focuses on renewable energy, energy efficiency, adaptation, market mechanisms, forestry and land use, green jobs, low carbon energy technology development and capacity building. U.S.-funded assistance programs in Mexico also support the North American Leaders' Declaration on Climate Change and Clean Energy in which they pledged to take aggressive action to achieve a low-carbon development path in North America. Work on EC-LEDS is an interagency initiative. USAID and the State Department take a leadership role in this initiative, partnering with other agencies such as the Department of Energy, the Department of Agriculture, the U.S. Forest Service, and the Environmental Protection Agency.

In addition to the U.S., there are a number of other countries that cooperate in this area, including France, Germany, the United Kingdom, and Norway. USAID meets regularly with bilateral and multilateral agencies to share information and coordinate activities.

GOM cooperation with USAID in this area is governed by a five-year MOU that was signed in January 2012 in a ceremony hosted by the Mexican President. The MOU provides an overall framework for consultation, including a process for the annual review of priorities and programs. Additionally, over the past several years, the GOM has developed climate change plans and strategies at the state and national levels and continues to implement and strengthen this assistance from USAID and other sources.

Critical Assumptions

Progress in this area is based on the assumptions that the GOM will continue to place strong emphasis on and make significant investments in climate change mitigation by reducing greenhouse gas emissions from key sectors of the economy, promoting the wider adoption of renewable energy and more energy-efficient technologies, and, in general, transitioning towards a green economy following a low emissions development path. It also is assumed that the GOM will continue to request and value USAID support for global climate change programming. Success is also dependent on resourcing based on USAID continuing to categorize Mexico as a priority country for USAID clean energy and sustainable landscapes programs. Furthermore, to realize the significant opportunities associated with REDD+ programs, partner countries must ensure that the financial and environmental benefits of these efforts are distributed efficiently and equitably. The long-term success of sustainable landscapes programs depends on stakeholders and local communities buying in and receiving economic benefits.

Lessons Learned

USAID/Mexico's global climate change activities cover a wide range of policy areas, from national-level low emissions economic planning, to community forestry, to work with business councils in order to

help individual firms increase the energy efficiency of their operations. Activities include work with public, private, and non-profit sector partners. Lessons learned include the need to pair policy-level interventions with field activities to test and establish the linkage between policy and institutional strengthening and actual emissions reductions. For example, USAID has supported development of a national REDD+ policy but also works with local organizations to implement REDD-readiness activities, from local monitoring of forest carbon content to reforestation. Another lesson learned involves the need to work at all levels of government, from the national level, to state and municipal level partners. Adoption of renewable and energy efficiency technologies is often a priority for subnational governments or individual firms, and so working with partners at all levels ensures not only that changes are carried out effectively, but that best practices can be shared among organizations. This approach is consistent with guiding principles in USAID's Climate Change and Development Strategy, which support investment in policy reform and engagement with multiple levels of government.

IR 4.1: Climate change regulatory framework strengthened

Based on USAID's global experience, a focus on policy and regulatory reforms is necessary in order to create an enabling environment that ensures successful GHG mitigation in the long term. For example, lessons from the energy sector demonstrate that investing in sector-wide reforms encourages the successful adoption of clean energy systems. The USAID Climate Change and Development Strategy notes that the Agency's investments in climate change should seek such systemic change, where possible, in the countries where USAID works by supporting analytical, planning, and implementation capacities.

Consistent with these principles, USAID will work with national, state, and local counterparts and other stakeholders to support the formulation and implementation of a national LEDS; design and establish internationally robust GHG monitoring, reporting, and verification systems; and strengthen the policy and regulatory framework necessary to expand the adoption of renewable energy and energy-efficient technologies and to reduce GHG emissions from the land-use, land-use change, and forestry sectors. While work is expected to be primarily at the national level given the federal-to-federal nature of USAID's program, it is expected that there also will be opportunities to contribute to and support state or other subnational policy development. The determination to work at the subnational level will be based on agreements with the GOM.

In alignment with Agency GCC tenets, specific in the land-use and forestry sectors, work will include support for establishing or strengthening policies and regulatory frameworks that reduce emissions from deforestation, forest degradation, land-use, and land-use change. USAID also will cooperate with stakeholders to improve policies to address drivers of deforestation –such as land-use change— and forest degradation. Part of the approach includes supporting the design of policy instruments to ensure the full and effective participation of all stakeholders, particularly civil society, indigenous groups, and forest-dependent communities in the land-use decision-making process and implementation. In addition, USAID will support the development of an action plan for mainstreaming the gender perspective into REDD issues to address gender gaps and inequalities, and assist the GOM in developing its Special Program on Gender as an addendum to the National Strategy for Climate Change.

Complementary to USAID's policy and regulatory strengthening efforts and in coordination with other IRs under the DO, at both the national and local level USAID will help create financial mechanisms to facilitate the investment necessary to reduce emissions from both the clean energy and the land-use and forestry sectors. This will include evaluating the costs and benefits of implementing various low

emissions strategies under different economic scenarios, the identification of potential financing sources, and the development of financial mechanisms to facilitate each set of activities.

In summary, based on USAID support in this area, the enabling environment for low emissions development will be strengthened through the development of policy or regulatory instruments necessary to reduce emissions from land-use and land-use change and energy use and the establishment of financial models for climate change mitigation that leverage resources.

Sub-IR 4.1.1: Policies conducive to low emissions growth strengthened

As described previously, the GOM must establish policies that foster credible and transparent institutional, economic, legal, and regulatory structures in order to stimulate renewable energy and energy efficiency projects and investments at the federal, state, and municipal levels. Under this sub-IR, USAID will support policy formulation — including strengthening the regulatory framework, governance structures, and laws — that pertains to clean energy.

USAID also will support the creation of a policy environment that facilitates activities aimed to reduce GHG emissions from land-use, land-use change, and forestry sectors; ensures the involvement of all appropriate land-use and forestry sector stakeholders; and promotes a transparent regulatory structure. The program will focus both on the national level as well as on state governments. The current forestry and sustainable landscape policy environment needs to be strengthened to successfully formulate and implement a national strategy to reduce GHG emissions from these critical sectors. Policies that set out credible and transparent institutional, economic, legal, and regulatory structures are necessary to enable the GOM to implement a national strategy to reduce GHG emissions from the land-use, land-use change, and forestry sectors. These laws need to ensure that all necessary groups are involved in the policy-making process and program implementation. Currently, there is no structural assurance that owners of forest land in Mexico will benefit from REDD+ projects and increased private investment, which serves to passively undermine conservation efforts.

Support for design and implementation of strategic programs of the Mexican Government at the national and subnational level is required to move ahead with planned activities on REDD+. More than half of Mexico's state governments and several cities are in the process of elaborating their own climate change programs to address both mitigation and adaptation at the subnational level. Supporting states and local NGOs would also serve to put in place and strengthen their institutional capacity and multi-sectoral mechanisms in the planning and implementation of climate change programs.

Sub-IR 4.1.2: Low emissions development strategies created or strengthened

Mexico acknowledges that a low emission development strategy is indispensable to sustainable development. Mexico is far ahead of most developing countries in this regard and has actively worked to establish GCC policies and strategies. In close alignment with Mexico's policy development, USAID technical assistance will strengthen the GOM's capacity to implement and monitor the new PECC successfully and ensure its continuity and sustainability beyond the current administration. This will include support to state and municipal governments and promotion of the vigorous participation of the country's private sector and civil society in implementing GHG mitigation strategies. USAID will support the GOM to implement and monitor the clean energy and land-use and forestry components of the PECC, to develop and expand the PECC into a full LEDS, and to implement such a strategy successfully. The development and improvement of PEACCs is a top priority for the U.S. and Mexico under the

Bilateral Framework on Clean Energy and Climate Change. USAID will support selected state governments continue to develop, refine, and implement their PEACCs as contributing elements to the country's Low Emissions Development Strategy.

A critical part of Mexico's overall LEDS Strategy is a national strategy to reduce GHG emissions from the land-use, land-use change, and forestry sector. Recognizing the importance of such national strategy, USAID will support the strengthening of the policy environment necessary for its transparent, equitable and effective implementation. This will involve, among other actions, strengthening the policy, economic, institutional, and regulatory framework in order to address the main drivers of deforestation and forest degradation, as well as the social factors underlying these processes.

Supporting development and implementation of the GOM's PECC, the state PEACCs and the national strategy to reduce GHG emissions from land-use and forestry will be the main vehicles through which USAID will help continue to shape a LEDS for Mexico. The GCC Program will work to ensure the GOM PECC includes the appropriate sectors, solicits the participation of all the relevant stakeholders, and sets out clear, long term GHG emissions reduction goals in order to ensure a robust LEDS program.

IR 4.2: Sustainable financial models for climate change mitigation implemented

In concert with the policy work under IR 4.1 and institutional capacity building work under IR 4.3, USAID's GCC effort will help develop the financial architecture (including instruments, institutions and regulatory environment) necessary to secure the required financing for emissions-reducing projects. In particular, the program will pursue private sector alliances that leverage investments that will magnify the potential for emissions reductions and will help demonstrate the financial feasibility of low emissions economic development. The GCC Program also will help build the financial architecture necessary for sustainably implementing strategies to reduce the GHG emissions from land-use, land-use change and forestry sectors in Mexico. This will include evaluating the costs and benefits of implementing strategies under different economic scenarios, the identification of potential financing sources (including government, international cooperation, private-sector investments and carbon markets), and the development of financial mechanisms combining the most promising/affordable sources for each set of activities. As the private sector has historically been largely uninvolved in this sort of activity in Mexico, the GCC Program also will help build an investment climate that attracts private investment in these sectors. This also will include activities that help prepare the Mexican forestry sector to be the recipient of international investment, strengthen financial institutions, create the necessary private sector infrastructure, and provide on–the-ground follow through and monitoring of investments, among other activities. The Program will support the creation of the necessary financial incentives, as well as legal and governance structures necessary to promote private investment in these activities. Finally, the program will support the design of the legal and institutional mechanisms necessary to ensure access to funding for mitigation activities.

Sub-IR 4.2.1: Financial plans created

Financing renewable energy and energy efficient technology investments has proven difficult in Mexico given high capital investment costs and lack of financing options from the government and private sector. In particular, there is a lack of knowledge about the benefits of clean energy investments. This component of the GCC Program will help build institutional awareness among GOM agencies and private sector actors about the potential from these investments and support the creation of a financial

infrastructure that would facilitate lending in the residential, industrial, and small/medium business sectors.

Particularly, this component will look for partnerships with the private sector. It also will support federal, state, and municipal governments to create public sector financial incentives that promote clean energy projects and remove barriers that previously restricted growth in this area.

The Program also will address the need to build a financial architecture for reducing emissions from the land-use and forestry sectors by focusing on generating new funding from public and private sources, both national and international; developing institutional arrangements for the effective flow of financial resources; and designing mechanisms for adequate delivery of the financial resources to all relevant players, to emphasize the needs of forest owners, indigenous groups, women, and other sectors of society that have traditionally been marginalized.

Sub-IR 4.2.2: Access to resources increased

Wider adoption of renewable energy and more energy-efficient technologies in Mexico also has been hindered by market failures for financing and deploying clean energy projects. Among them are the lack of access to and availability of front-end project development funding support and project planning assistance for potential local developers and investors; lack of project review and due diligence experience on the part of local financial institutions during the loan application review and approval process; and policy and institutional barriers.

To facilitate and increase the deployment of promising clean energy projects, USAID will work to help eliminate remaining business and financial market shortcomings. USAID will, for example, provide technical assistance to GOM entities to support policy and regulatory reforms to encourage investments in clean energy and energy efficiency; collaborate with the GOM and the national and international finance community to develop innovative instruments to support financing for small-scale renewable and energy-efficient appliances and products; work with the private sector, the GOM, and state and local governments, as well as with public, private, and development financial institutions, to identify and create financing mechanisms, guarantee schemes, incentives, and institutions to attract and facilitate investments in renewable energy and energy efficiency projects; and assist public and private sector entities to attract and leverage financial resources from international donors and multilateral and bilateral development banks that would be allocated to low carbon investments.

IR 4.3: Institutional and technical capacity strengthened

USAID will work with a wide range of national, state, and local organizations to strengthen their institutional and technical capacity to expand the adoption of renewable energy and energy-efficient technologies and reduce GHG emissions from land-use, land-use change, and forestry. USAID will support strategic, focused capacity-building activities linked with policy formulation and implementation processes at the national and state levels, to include support for developing subnational climate change action plans.

According to the USAID Climate Change and Development Strategy, experience suggests that encouraging the engagement of civil society and ensuring access to information, opportunities for public participation, and access to redress can enhance capacity to enforce existing rules and regulations.

Informed and empowered civil society can help ensure compliance and fill the capacity gap between policy and practice. Therefore, in addition to working with government entities, USAID will cooperate with local and indigenous communities, conservation and forestry organizations, and research and educational institutions to increase their capacity to participate in the design and implementation of climate change mitigation initiatives. This will take place both at the national and subnational levels, including support for inclusion of non-governmental organizations in the national policy process and for locally-based initiatives that test innovative approaches to reducing emissions in the forestry or energy sectors which can be replicated. Much of the work at the local level is expected to be done in partnership with Mexican organizations.

USAID will support clean energy and REDD+ demonstration projects to identify best practices and lessons that can be adopted as policy by the GOM. Demonstration projects will illustrate cost-effectiveness, political feasibility, and potential for substantial GHG emissions reductions while ensuring that longer term public and private investments are strategic, replicable, and contribute to Mexico's LEDS. Within these projects, USAID will seek to leverage private sector resources to develop and adopt renewable energy and energy efficient technologies and promote the development of carbon markets.

Studies demonstrate that projects that consult women and succeed in creating safe spaces for them to voice their opinions and assume positions of leadership have better development outcomes and increased chances for sustainability. Capacity development activities will include strategies for empowering women, balancing stakeholder representation, and increasing women's participation in decision-making and access to benefits. Furthermore, in terms of training and other services, these will be offered at times, in places, and in languages that accommodate women's needs or constraints.

Sub-IR 4.3.1: Climate change knowledge and awareness improved

Proper understanding of the causes of climate change is key to formulating and implementing effective mitigation activities. USAID will work with a wide range of national, state, and local organizations to strengthen their capacity to understand the causes of climate change in order to expand the adoption of renewable energy and energy-efficient technologies and reduce GHG emissions from the land use and forestry sectors. Through workshops and knowledge exchanges, USAID will connect Mexican organizations with well-respected international climate change professionals and conduct cutting-edge research available to Mexican institutions in order to support strategic, focused capacity-building activities that link policy formulation and implementation processes at the national and state levels. In addition, the USAID GCC program will support demonstration activities that strengthen in-country capacity to generate knowledge and awareness about the causes of climate change and promote strategic partnerships, education and outreach, technology cooperation, and research to disseminate knowledge effectively throughout the Mexican population.

Sub-IR 4.3.2: LEDS/REDD tools and mechanisms utilized

In addition to awareness, development and utilization of appropriate tools and mechanisms are necessary in order to formulate and implement a low emissions development strategy. USAID will support development of appropriate tools and mechanisms, including macroeconomic models and effective methods for monitoring, reporting, and verifying GHG emission, to foster green growth and low emissions planning. For example, USAID will help the GOM reach its renewable energy targets by supporting renewable energy grid integration planning and the development of coordination systems among entities which provide the necessary data and those which will engineer the physical connections

for renewable energy generation stations to the power system. In supporting development of appropriate tools and mechanisms, USAID will work with representatives of federal, state, and municipal governments, along with the private sector to ensure the best information is available and shared among all relevant entities.

Illustrative Indicators for DO 4 and IRs 4.1, 4.2 and 4.3:

DO 4: Greenhouse gas emissions reduced in the energy, land-use, land-use change and forestry sectors

- Number of metric tons of CO2 reduced or sequestered as a result of USG assistance

IR 4.1: Climate change regulatory framework strengthened

- Number of laws, policies, strategies, plans, agreements, or regulations addressing climate change (mitigation or adaptation) and/or biodiversity conservation officially proposed, adopted, or implemented as a result of USG assistance

IR 4.2: Sustainable financial models for climate change mitigation implemented

- Amount of investment leveraged (in U.S. dollars) from private and public sources for climate change as a result of USG assistance
- Number of financial models for climate change mitigation implemented as a result of USG assistance

IR 4.3: Institutional and technical capacity strengthened

- Number of institutions with improved capacity to address climate change issues as a result of USG assistance

IV. Monitoring, Evaluation and Learning

The Mission will take a multi-faceted approach to monitoring, evaluating and learning from the results of its programs. This includes the establishment of the Mission's Performance Management Plan based on the CDCS, which will comprise the Mission's evaluation plan and finalized indicators with baselines and targets at the Goal-, DO-, IR- and sub-IR-levels to track, monitor, and manage progress toward achieving the results outlined in the CDCS results framework.

For local-level demonstration models related to crime prevention and global climate change, the Mission will establish a set of common performance indicators and standards in order to judge whether the intervention was successful and worthy of consideration for replication by other non-USAID actors. These standards are expected to cover, among other factors, technical performance, cost-benefit, and beneficiary satisfaction. In addition, the Mission also will document the factors that contributed to the activity's success or lack thereof, its interaction with other ongoing activities, and significant elements of the implementation context. The context for community-level crime prevention activities will be measured through qualitative and quantitative surveys similar to the Latin American Public Opinion Project (LAPOP) survey that was initially conducted in 2012. In the case of LAPOP, these surveys are expected to be conducted by local organizations; the initial LAPOP survey identified the principal risk factors that increase community vulnerability to crime and violence in nine control, nine target; and five not-at-risk communities with a follow-up survey planned for publication in 2014.

The Mission also is establishing a cross-cutting analysis and research mechanism with local organizations to carry-out special studies, assessments, reviews, and research to provide the Mission with well-

informed, evidence based, and timely data and information. This is expected to include trend and data analyses, and the review of analytical gaps to increase understanding of why certain activity approaches were or were not successful. Illustratively-speaking, the analyses, assessments, and special studies could cover such topics as the impact of migration flows on crime and violence, school desertion rates and risk factors in targeted communities, mapping counter reform initiatives related to criminal justice reform, responses to human rights violations against journalists and human rights defenders, and foreign investment in renewable energies. This mechanism also will be used to synthesize the experiences and lessons learned from activities that have been piloted at a local level in order to make the information available to interested stakeholders.

The Mission will utilize and formalize through the overall Mission Performance Management Plan, the Collaborating, Learning, and Adapting (CLA) feedback approach, which consists of three key elements:

- Collaborating: Establishing systems and networks of reporting and communication between Mission staff and appropriate stakeholders.
- Learning: monitoring indicators, generating systems for data analysis, and assessing progress through the lens of the development hypothesis.
- Adapting: utilizing evidence to enhance program and project management and performance to strengthen results.

In addition to incorporating the CLA approach, the Mission also will continue its evaluation planning for the life of the CDCS in accordance with the Automated Directives System and Agency Evaluation policy. Following are the expected evaluation questions for each DO:

Development Objective 1: The Mission anticipates conducting impact and performance evaluations for this DO related to local-level crime prevention activities. The LAPOP and successor surveys of local-level crime prevention activities are considered to comprise an impact evaluation. Evaluation questions for DO 1 may include:

1. To what extent are youth playing more productive roles in their communities? Which prevention models to engage at-risk youth in their communities were most effective and why?
2. To what extent did prevention interventions in the target community, as a whole, result in decreased perceptions of crime and violence? Which communities showed the greatest decrease and why?
3. To what extent have crime and violence rates in the target communities decreased? Which communities showed the greatest decrease and why?
4. How have municipal leaders and community members' capacity for prevention, planning, implementation and analysis improved in the target communities as a result of support provided from USAID?
5. To what extent has the provision of livelihood activities for youth resulted in less participation in criminal activities in the target communities?
6. To what extent has GOM capacity to implement crime prevention activities improved? In what ways?
7. To what extent has public and private sector and civil society collaboration on crime prevention initiatives increased? What are some examples of new alliances facilitated through USAID's projects?

Development Objective 2: The Mission anticipates conducting at least one performance evaluation for this DO as well as a joint impact evaluation with the GOM. Two analyses of the impact of the Mission's

work on criminal justice reform were completed in 2012, including a quantitative analysis of the effects of the reform process on justice system performance (Seguimiento del Proceso de Implementación de la Reforma Penal en México, Estados de Chihuahua, Estado de Mexico, Morelos, Oaxaca y Zacatecas, 2007-2011) and a national public opinion survey on the reform process (Encuesta Nacional sobre el Sistema de Justicia Penal en Mexico (ENSIJUP 2012)). Data from ENSIJUP was cited in Mexico's National Development Plan. The Mission plans to continue to support such analyses throughout the CDCS. The quantitative analysis of the effects of the reform process on criminal justice system performance is considered to be a performance evaluation that examines criminal justice system performance in states where the reform has been implemented fully, partly, and/or not at all. Evaluation questions for DO 2 may include:

1. To what extent did the GOM implement criminal justice reforms in all 32 federal entities (31 states and the Federal District), as is mandated by the constitution, by its 2016 deadline? Which states met this goal? At what level of implementation are states that didn't meet this goal? What are existing gaps and priority areas for follow-up interventions?
2. To what extent is civil society aware of the status and impact of the implementation of new criminal justice reform, as well as capable and involved in its promotion and monitoring, throughout the country? In what ways? What are the gaps in citizen knowledge and awareness that should be addressed in follow-on activities?
3. How has civil society's relationship with the GOM evolved to collaborate more closely on criminal justice reform implementation?
4. To what extent did citizen confidence in criminal justice sector institutions throughout the country increase?
5. How have alternative dispute resolution mechanisms for men and women changed as a result of implementation of criminal justice sector reforms?
6. To what extent are law schools and bar associations effectively training current and future lawyers in how to prosecute/defend cases under the new criminal justice system? Based on perception surveys, to what extent do bar associations have a more credible reputation among rule of law stakeholders?

Development Objective 3: The design of this objective was based on an assessment conducted in spring 2012 and spring 2013. Given the national policy and capacity development focus of this DO, the Mission will consider the appropriateness and timing for an impact evaluation during the CDCS period. Evaluation questions for DO may include:

1. In what ways has the GOM's provision of protection measures to journalists and human rights defenders at-risk changed as a result of USAID project interventions?
2. To what extent are journalists and human rights defenders throughout Mexico better-equipped in self-protection measures? In what ways?
3. To what extent is the GOM's Protection Mechanism for Journalists and Human Rights Defenders functioning effectively with adequate staff and budget, as a result of USAID assistance? What are existing gaps and priority areas for follow-up interventions?
4. To what extent do Mexican citizens in target states demonstrate greater awareness of human rights constitutional reforms pertaining to individual rights and the prevention of torture? Which states demonstrate the greatest awareness?

Development Objective 4: The Mission plans to carry out an impact evaluation as well as a performance. Evaluation questions for DO 4 may include:

1. To what extent have the project activities resulted in reduced GHG emissions?
2. In what ways have the project activities resulted in policies conducive to reducing emissions?

3. To what extent have the project activities resulted in institutional capacity conducive to reducing emissions?
4. In what ways have the project activities contributed to the creation of a financial architecture conducive to reducing emissions?

The biodiversity and tropical forest assessment was completed in April 2013. According to this assessment, the proposed USAID/Mexico strategy and program would cause no negative impacts on Mexico's biodiversity and tropical forests. While high levels of threatened biodiversity occur in many parts of Mexico, the assessment recommends that any assistance for conservation concentrate in the Yucatán Peninsula, including the state of Chiapas. Local level REDD+ activities currently take place in the Yucatan Peninsula and in the state of Chiapas.

Annex A - Relationship of USAID/Mexico Development Objectives to Mexico's National Development Plan

USAID Objectives (FY 2014-2018)	Bilateral Structure	Government of Mexico's National Development Plan Objectives	Primary GOM Counterpart
Crime and violence prevention models replicated by local stakeholders	Merida Initiative (Pillar IV)	**Mexico in Peace** (National Program for the Social Prevention of Violence and Delinquency) **Inclusive Mexico** (Generate community development plans through social participation processes)	SEGOB (U/S for Prevention and Citizen Participation)
Constitutional criminal justice reforms of 2008 are operational	Merida Initiative (Pillar II)	**Mexico in Peace** (Implementation of a criminal justice system that is efficient, expeditious, impartial and transparent) **Cross-cutting: Accessible and Modern Government** (Promote the efficiency of the formal and alternative justice system; improve judicial efficiency at the state level)	SEGOB (Technical Secretary for Penal Justice System/SETEC)
Enabling environment to protect human rights and prevent abuses improved	Merida Initiative (cross-cutting)	**Mexico in Peace** (Guarantee respect for and protection of human rights and the eradication of discrimination; establish human rights policy; provide integrated services to crime victims)	SEGOB (U/S for Human Rights)
Greenhouse gas emissions reduced in targeted key sectors	MOU signed January 2012	**Prosperous Mexico** (Promote inclusive and supportive green growth that preserves natural resources while also generating wealth, competitiveness and employment; implement an integrated development policy that links environmental sustainability with societal costs and benefits; strengthen national policies for climate change policy and environmental preservation to move towards a competitive, sustainable, resilient, low carbon economy)	SEMARNAT
Cross-cutting USAID-GOM relationship	AMEXCID-USAID/LAC MOU signed May 2013	**Mexico with Global Responsibility** (Promote a vigorous international cooperation policy that contributes both to Mexican development as well as the development and stability of other countries, as an essential element of Mexico's role as a responsible global actor)	SRE (Mexican Agency for International Cooperation and Development/AMEXCID)

Annex B- USAID/Mexico Economic Competitiveness and Workforce Development Programs

The Mission's economic competitiveness and workforce development programs are not included within the CDCS since resources for these programs were allocated in prior fiscal years. The final year of funding for both sub-elements was FY 2013. However, work in both areas is expected to continue through FY 2016 – halfway through the CDCS period – and provides an important complement to both crime prevention programming, especially with youth, and to global climate change activities. In addition, these areas are relevant to the revised framework for U.S.-Mexico relations that were announced during President Obama's visit in May 2013. This framework elevates the importance of economic and education issues, while continuing significant engagement on mutual security. The Joint Statement between the United States and Mexico noted the following:

> "The two Presidents agreed on the need to continue forging a close and productive economic relationship to enhance their nations' competitiveness and to create more trade and investment opportunities. With this purpose, they decided to establish a High Level Economic Dialogue, which will be chaired at the cabinet level and focus on promoting competitiveness, productivity and connectivity, fostering economic growth and innovation, and partnering for global leadership… The Presidents agreed to establish a Bilateral Forum on Higher Education, Innovation, and Research. It should start meeting this year and bring together government, academia, and civil society to develop a shared vision on educational cooperation and propose concrete short-term and mid-term initiatives to promote bilateral collaboration and policy coordination."

A brief description of current USAID initiatives in both areas is included below.

Enhance Economic Competitiveness to Improve Citizens' Lives

Although Mexico performs well on international competitiveness indices, greater competitiveness is constrained by security concerns that increase the costs of doing business, barriers to domestic competition in key sectors such as energy and telecommunications, weaknesses in the educational system, and inefficiencies in the labor market. The lack of competition in energy and telecommunications is a particular concern, with recent studies showing nearly 38 percent of average family income being spent on services in sectors lacking significant competition. USAID supports Mexico's efforts to enhance economic competitiveness by improving public policies, catalyzing public and private sector resources to expand socio-economic opportunities in areas most affected by crime, and developing sustainable financing models for community priorities.

USAID supports Mexico's competitiveness-related priorities as outlined in the Government of Mexico's National Development Plan, promoting the systemic reforms that will ultimately result in increased private investment, sustained economic growth, and the generation of employment opportunities for Mexico's young people. In addition, USAID supports targeted commercial law reform to make the resolution of commercial disputes more efficient, fair, and predictable, as well as to increase the availability of credit to small businesses through comprehensive secured transaction reform. USAID also engages local organizations directly to strengthen the role of civil society in oversight and advocacy for policy changes and transparency.

USAID supports pilot programs for women in high-crime communities that lead to employment opportunities, such as professional skills trainings, access to finance, and micro entrepreneurship. These programs are implemented through Global Development Alliances that leverage resources on a 1:1 basis.

Building on models developed over the last six years, USAID also supports the introduction of new financial structures and practices to enable subnational governments to access Mexico's capital market and lower the cost of borrowing. This will include methodologies to support local governments in accessing Mexican federal financing, unlocking access to significant resources for social and economic programs by identifying sources for required counterpart contributions. Promoting transparency in financial planning and in accounting for public resources will be a significant element of assistance in this area.

Workforce Development

Local and international organizations have identified a number of issues negatively affecting the youth education to employment continuum in Mexico. The most significant and commonly cited challenges include:

1) A relatively high school drop-out rate;
2) For those who do complete their education, a disparity between the skills of graduates and those required by employers, which is exacerbated by poor access to and/or insufficiently relevant vocational training programs;
3) A lack of functioning systems or mechanisms for effectively matching job seekers with employers; and
4) Obstacles to entrepreneurial activities.

To address these issues, USAID supports two activities: (i) a Global Development Alliance with Cisco to provide information technology and entrepreneurship training to youth in vocational schools in Tijuana, Ciudad Juarez and Monterrey, and (ii) a broader activity focused on systemic reform.

The latter activity supports Mexican initiatives to correct mismatches between supply and demand for skilled labor. USAID's efforts will work at a systemic level to increase labor market skills acquisition among youth, adapt upper- and post-secondary education and training programs to labor market needs, and increase portability of skills across the education, training and labor market systems. The activity supports the introduction of internships in upper secondary school curriculum, the improvement of school-based career guidance activities, the enhancement of job placement systems, and the creation of an online employment portal.

The activity is geographically focused along Mexico's northern border and is implemented through a Global Development Alliance with international and local private sector partners, including Walmart, Microsoft, Manpower, and the Carlos Slim Foundation.

Counterparts

The Government of Mexico is a principal partner of USAID's economic competitiveness and workforce development activities. Counterpart GOM agencies include the Secretariats of Economy, Finance, Public Administration, Labor, and Education, the Federal Economic Competition Commission, the National Entrepreneurship Institute, the National Council for Science and Technology, the Mexican Institute for Industrial Property, the National Banking and Securities Commission, the Bank of Mexico, the National Exterior Commerce Bank, Mexico's Stock Exchange, the Mexican Judiciary, and the Office of the President. Reform-minded state and municipal governments also are key partners. Because many types of advocates contribute to the formulation of economic and workforce development policies, USAID is also engaging with non-governmental stakeholders, including representatives of the private sector, academia, NGOs, policy think tanks, and civil society advocacy groups. International and local private sector partners with which USAID is collaborating on workforce development include Wal-Mart, Cisco, Microsoft, Manpower, and the Carlos Slim Foundation.

Illustrative Indicators

Enhancing Economic Competitiveness

- *Number of new or modified laws, regulations, programs, rules of operation, or open data mechanisms affecting Mexico's economic competitiveness/governance endorsed or implemented by a Mexican Government agency.*
- *Number of mechanisms adopted to improve the institutional capacity of a Government of Mexico or subnational government organization.*

Workforce Development

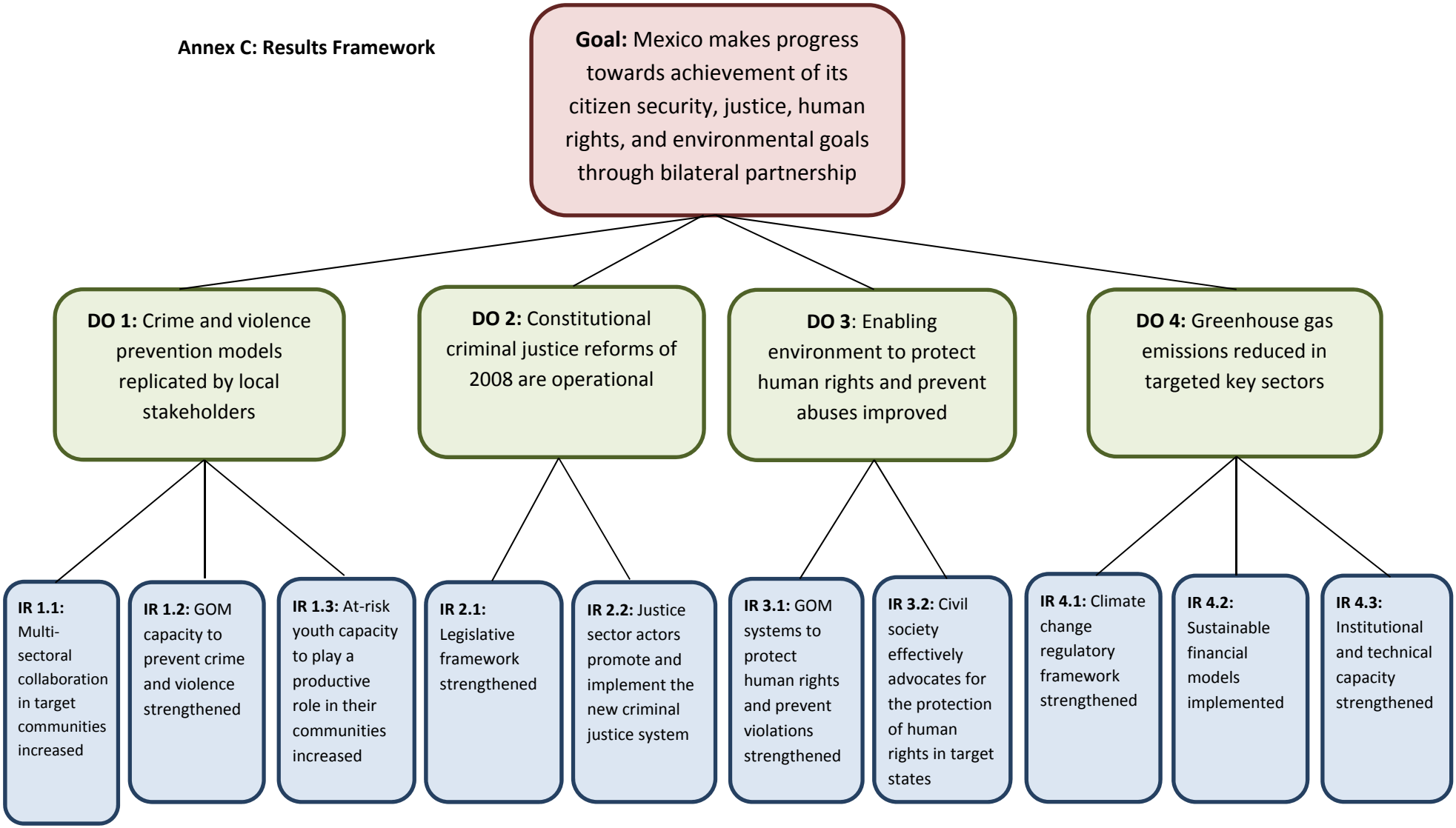
- *Number of youth utilizing employment databases enhanced by USAID.*
- *Number/percentage of students receiving job placement services through participating technical high schools.*

These performance indicators are among those that will be used to measure the impact of USAID assistance on economic policy, competitiveness, and workforce development. USAID's efforts to enhance Mexico's economic competitiveness are designed to contribute to the following outcomes: 1) Businesses face fewer obstacles to growth; 2) Competition is improved; 3) the Government of Mexico utilizes its funds more effectively to promote private sector development and productivity; 4) Regulatory reform improves SMEs' access to private capital; and 5) Business transactions are more efficient and reliable. USAID's activities to improve the workforce development system in Mexico are expected to result in: 1) Improved systems to facilitate youth transition from vocational high schools (and other secondary and higher educational institutions) to the labor market; and 2) Better alignment between vocational high schools (and other secondary and higher educational institutions) and the needs of dynamic sectors of the Mexican economy.

End-State Vision

When tied to the renewed political will of the Mexican government to increase competition, innovation, and transparency, completion of USAID/Mexico's portfolio of economic growth and workforce development activities will have enhanced Mexican-led efforts to strengthen economic competitiveness and will have helped Mexico transition from an efficiency-driven economy to one based on innovation. Through a comprehensive, systems-based approach to helping improve Mexican economic policy and workforce development, USAID will have facilitated a sustainable increase of Mexico's economic growth and the creation of a broader set of growth-enhancing industries and activities. Ultimately, Mexico's economy will be more closely integrated with the rest of North America and Mexican citizens will enjoy increased economic opportunities and improved living standards for its citizens.

Annex C: Results Framework



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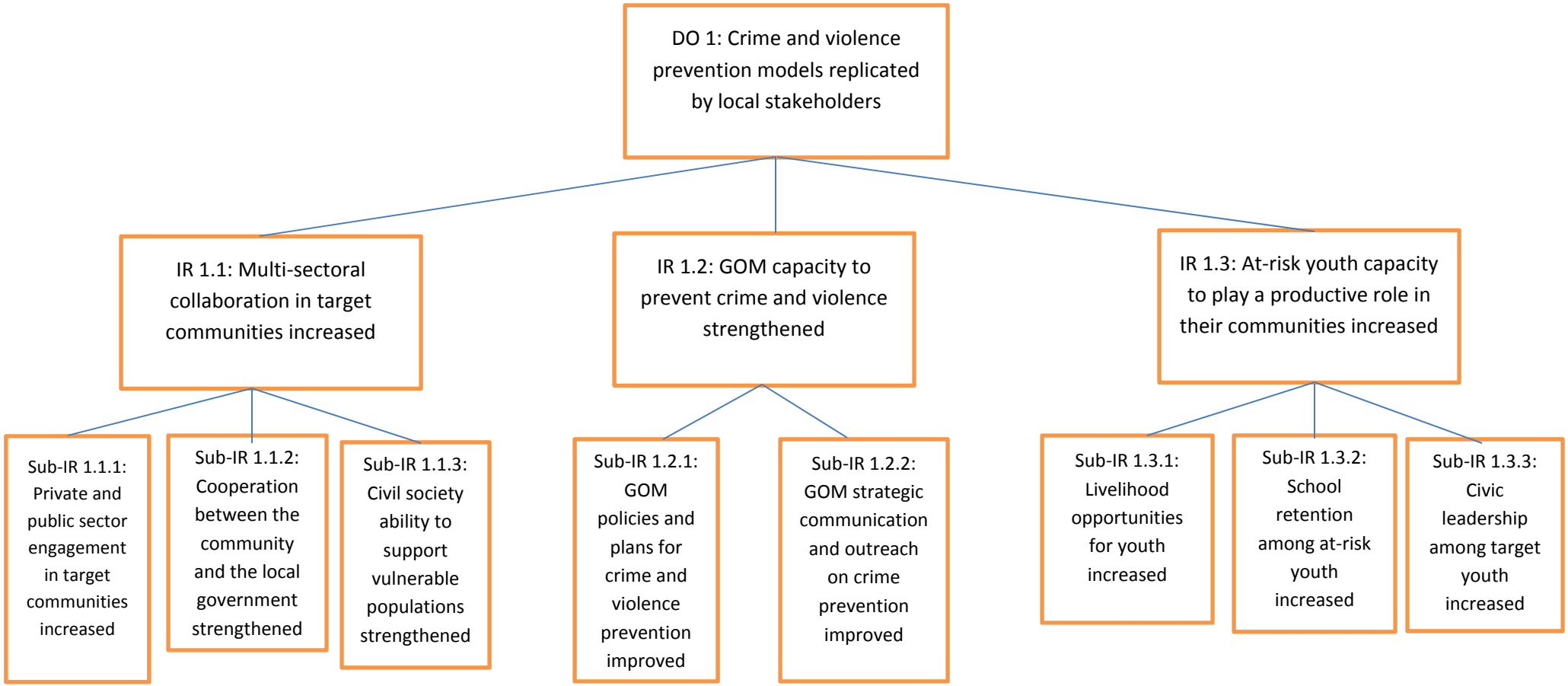
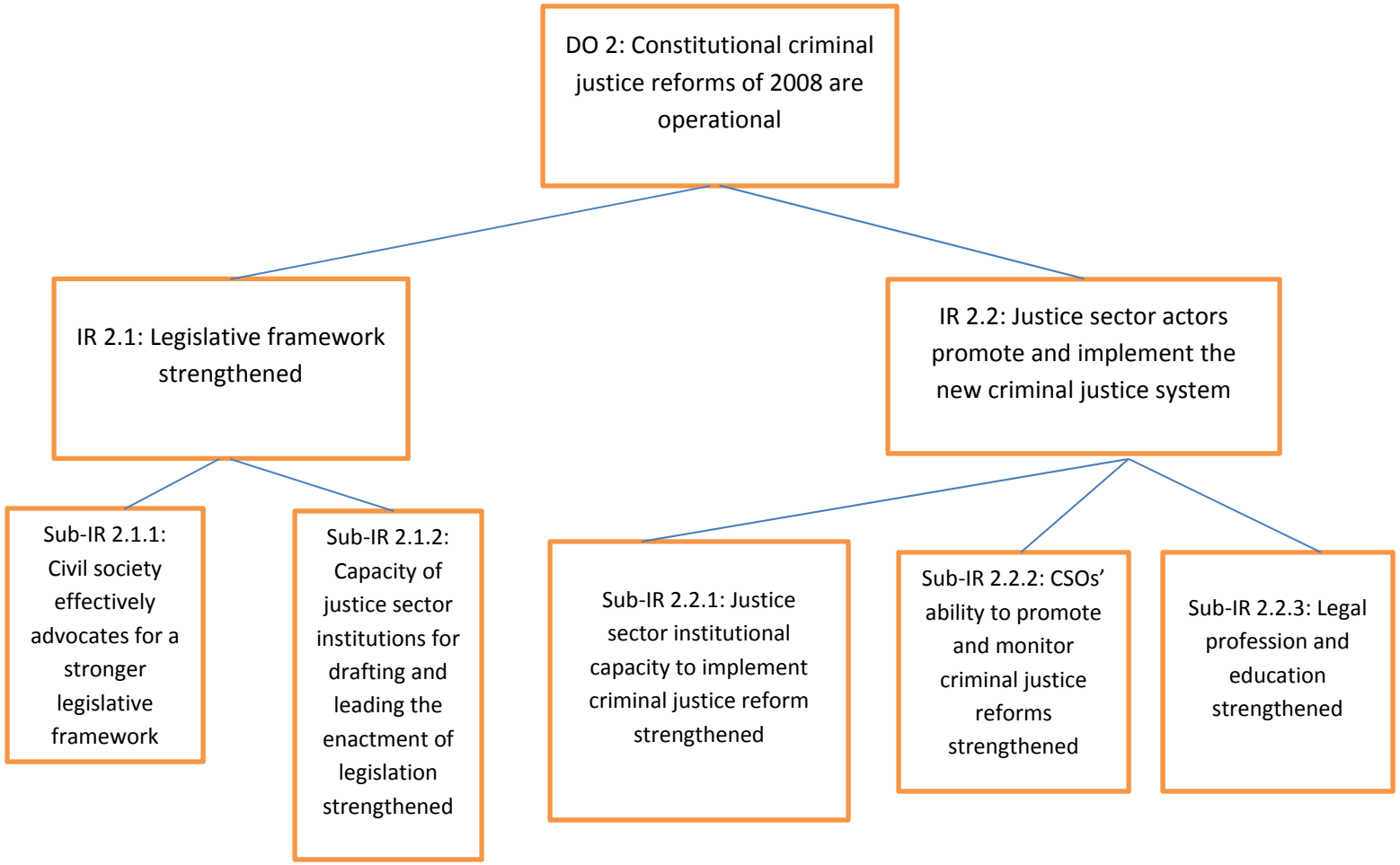
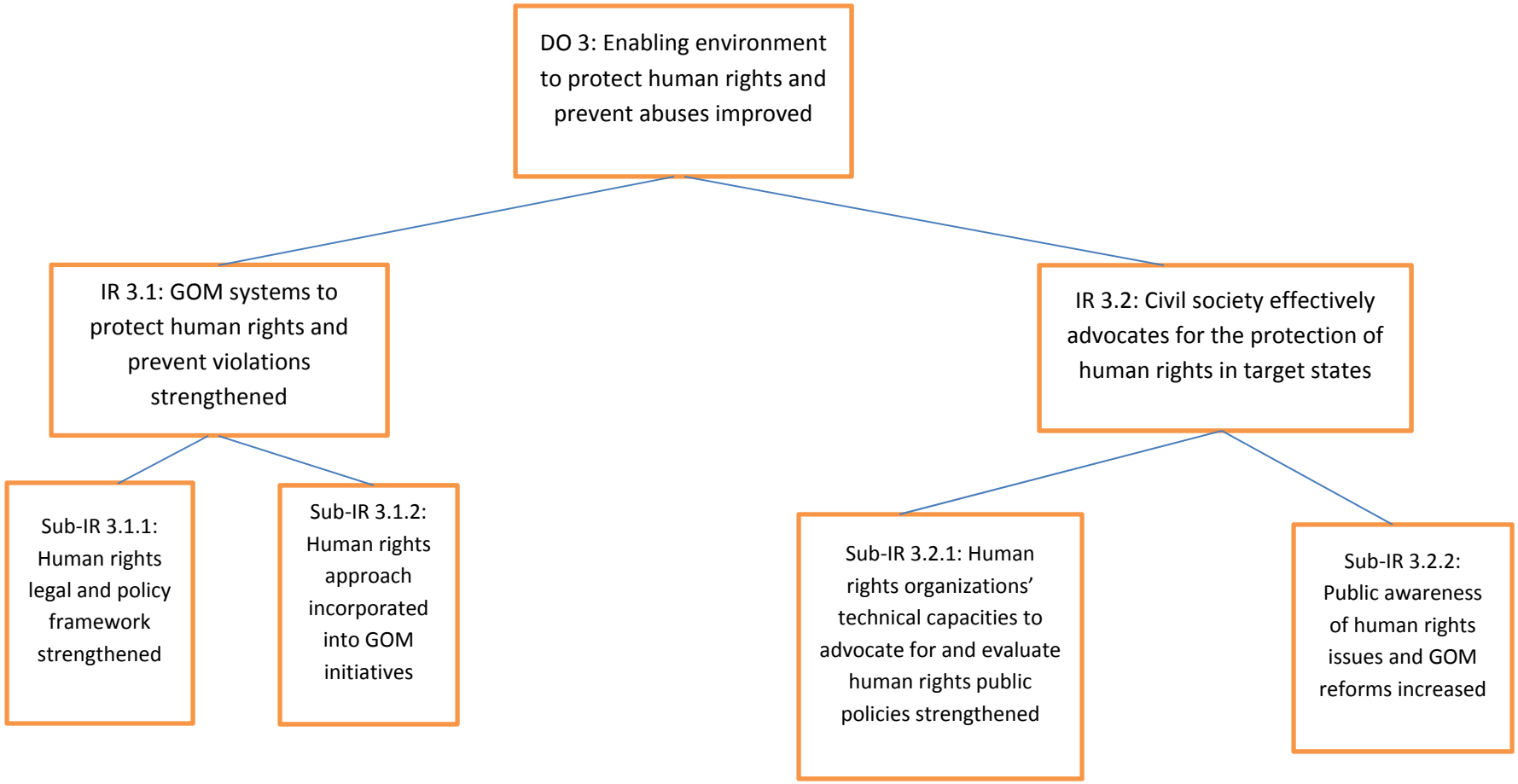
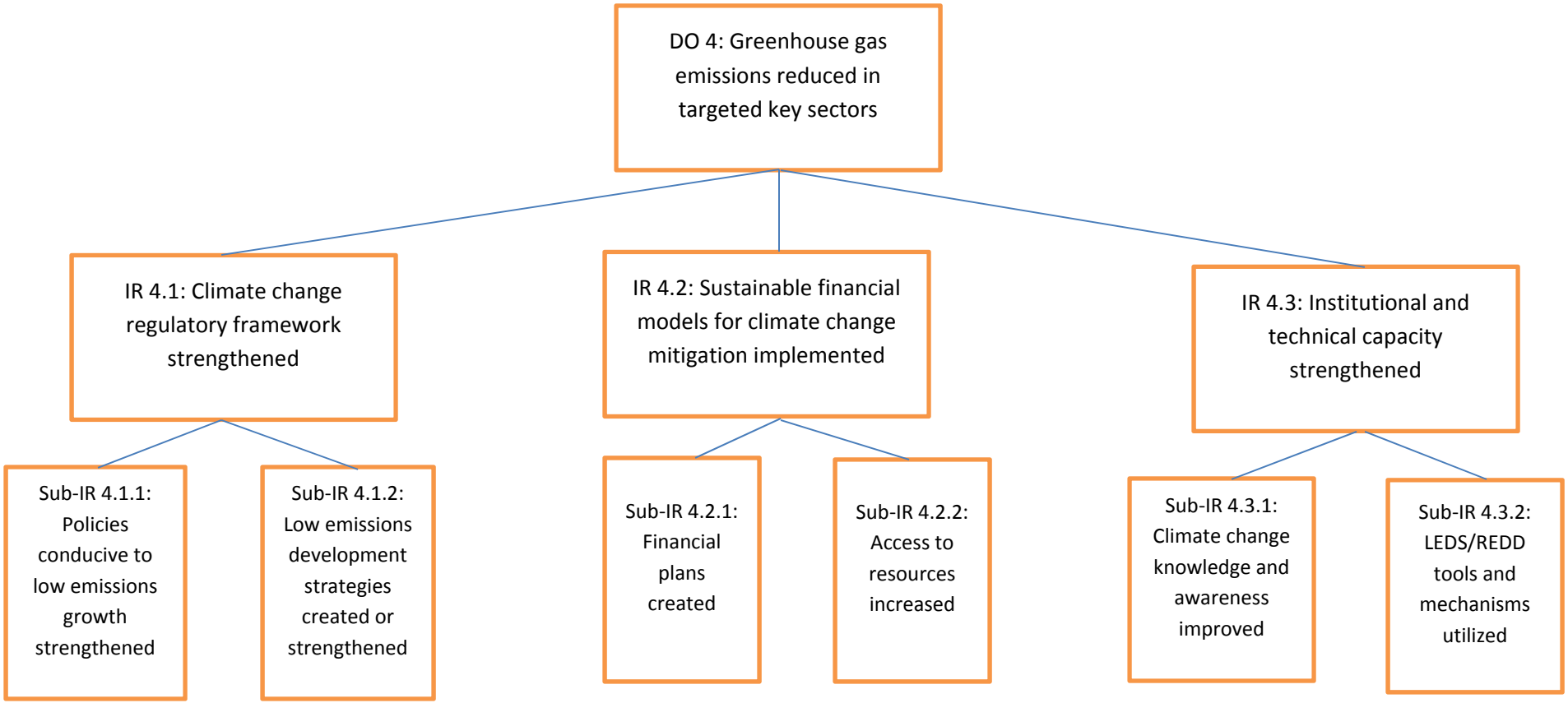

DO 1: Crime and violence prevention models replicated by local stakeholders
IR 1.1: Multi-sectoral collaboration in target communities increased
IR 1.2: GOM capacity to prevent crime and violence strengthened
IR 1.3: At-risk youth capacity to play a productive role in their communities increased
Sub-IR 1.1.1: Private and public sector engagement in target communities increased
Sub-IR 1.1.2: Cooperation between the community and the local government strengthened
Sub-IR 1.1.3: Civil society ability to support vulnerable populations strengthened
Sub-IR 1.2.1: GOM policies and plans for crime and violence prevention improved
Sub-IR 1.2.2: GOM strategic communication and outreach on crime prevention improved
Sub-IR 1.3.1: Livelihood opportunities for youth increased
Sub-IR 1.3.2: School retention among at-risk youth increased
Sub-IR 1.3.3: Civic leadership among target youth increased


DO 2: Constitutional criminal justice reforms of 2008 are operational
IR 2.1: Legislative framework strengthened
IR 2.2: Justice sector actors promote and implement the new criminal justice system
Sub-IR 2.1.1: Civil society effectively advocates for a stronger legislative framework
Sub-IR 2.1.2: Capacity of justice sector institutions for drafting and leading the enactment of legislation strengthened
Sub-IR 2.2.1: Justice sector institutional capacity to implement criminal justice reform strengthened
Sub-IR 2.2.2: CSOs' ability to promote and monitor criminal justice reforms strengthened
Sub-IR 2.2.3: Legal profession and education strengthened


DO 3: Enabling environment to protect human rights and prevent abuses improved
IR 3.1: GOM systems to protect human rights and prevent violations strengthened
IR 3.2: Civil society effectively advocates for the protection of human rights in target states
Sub-IR 3.1.1: Human rights legal and policy framework strengthened
Sub-IR 3.1.2: Human rights approach incorporated into GOM initiatives
Sub-IR 3.2.1: Human rights organizations' technical capacities to advocate for and evaluate human rights public policies strengthened
Sub-IR 3.2.2: Public awareness of human rights issues and GOM reforms increased


DO 4: Greenhouse gas emissions reduced in targeted key sectors
IR 4.1: Climate change regulatory framework strengthened
IR 4.2: Sustainable financial models for climate change mitigation implemented
IR 4.3: Institutional and technical capacity strengthened
Sub-IR 4.1.1: Policies conducive to low emissions growth strengthened
Sub-IR 4.1.2: Low emissions development strategies created or strengthened
Sub-IR 4.2.1: Financial plans created
Sub-IR 4.2.2: Access to resources increased
Sub-IR 4.3.1: Climate change knowledge and awareness improved
Sub-IR 4.3.2: LEDS/REDD tools and mechanisms utilized