



# Program Information Document (PID)

---

Concept Stage | Date Prepared/Updated: 28-Oct-2020 | Report No: PIDC29792



**BASIC INFORMATION**

**A. Basic Project Data**

Country Mexico	Project ID P174150	Project Name Mexico Resilient and Sustainable Economic Recovery DPF (P174150)	Parent Project ID (if any)
Region LATIN AMERICA AND CARIBBEAN	Estimated Board Date Dec 15, 2020	Practice Area (Lead) Macroeconomics, Trade and Investment	Financing Instrument Development Policy Financing
Borrower(s) UNITED MEXICAN STATES	Implementing Agency MINISTRY OF FINANCE AND PUBLIC CREDIT (SECRETARÍA DE HACIENDA Y CRÉDITO PÚBLICO)		

**Proposed Development Objective(s)**

To facilitate a more resilient private sector economic recovery and enable a more fiscally and environmentally sustainable recovery.

**Financing (in US\$, Millions)**

**SUMMARY**

<b>Total Financing</b>	750.00
------------------------	--------

**DETAILS**

<b>Total World Bank Group Financing</b>	750.00
World Bank Lending	750.00

**Decision**

The review did authorize the preparation to continue



## B. Introduction and Context

1. **The country is experiencing supply and demand shocks to the economy, that will generate impacts on firms, employment, and households.** In this context, the implementation of economic policies to improve the business environment and enable new job creation over the recovery period are critical. This operation support the authorities' efforts toward implementing reforms to support a more resilient and sustainable economic recovery over the medium term.

### Relationship to CPF

2. **The proposed operation is fully aligned with the CPF.** Specifically, the authorities' policies supported by this operation will contribute to reach the CPF's objectives 1, 2, 3, and 7.

## C. Proposed Development Objective(s)

3. The development objective is to facilitate a more resilient private sector economic recovery and enable a more fiscally and environmentally sustainable recovery.

### Key Results

4. The policies supported are expected to support reforms aimed at removing bottlenecks to firms' growth, reducing regulatory costs, and facilitating entry and operation. They also aim greater transparency and accountability in budget policies in relation to climate change.

## D. Concept Description

5. The proposed operation aims to support a stronger rebound of economic activities led by the private sector and a stronger, more resilient and sustainable recovery. These includes measures aimed at reducing the regulatory costs for businesses and increasing competition, efforts to expand credit to MSMEs, and a methodology to tag budget expenditures in relation to climate change.

## E. Poverty and Social Impacts, and Environmental, Forests, and Other Natural Resource Aspects

### Poverty and Social Impacts

6. **The policy measures supported under this DPF are expected to contribute to support the poor and vulnerable.** Measures aimed at facilitating a more resilient private sector economic recovery are expected to have positive distributional impacts over the medium term as measures to reduce regulatory costs would enable job creation and thus increased households' income growth. Reducing the regulatory costs for businesses and increasing competition are expected to have positive impacts on poor and vulnerable populations through job creation and labor income. Other measures supported also have positive distributional impact over the medium term.

### Environmental, Forests, and Other Natural Resource Aspects

7. **Prior actions supported by this operation are not expected to have any significant negative effects on the**



**environment, forests and other natural resources.** Rather, some the reforms are expected to bring longer-term positive environmental effects.

## CONTACT POINT

### World Bank

Stefano Curto, Eduardo Olaberría  
Senior Economist

### Borrower/Client/Recipient

UNITED MEXICAN STATES  
JOSE DE LUNA MARTÍNEZ  
Titular Crédito Público  
jose\_deluna@hacienda.gob.mx

### Implementing Agencies

MINISTRY OF FINANCE AND PUBLIC CREDIT (SECRETARÍA DE HACIENDA Y CRÉDITO PÚBLICO)  
JOSE DE LUNA MARTÍNEZ  
Titular Crédito Público  
jose\_deluna@hacienda.gob.mx

## FOR MORE INFORMATION CONTACT

The World Bank  
1818 H Street, NW  
Washington, D.C. 20433  
Telephone: (202) 473-1000  
Web: <http://www.worldbank.org/projects>

## APPROVAL

Task Team Leader(s):

Stefano Curto, Eduardo Olaberría

### Approved By

Country Director:

Jutta Ursula Kern

28-Oct-2020

