

QUESTIONNAIRE
ON PROVISIONS SELECTED BY THE COMMITTEE OF EXPERTS OF THE FOLLOW-UP
MECHANISM FOR THE IMPLEMENTATION OF THE INTER-AMERICAN CONVENTION
AGAINST CORRUPTION FOR ANALYSIS WITHIN THE FRAMEWORK OF THE FIRST ROUND

I. BRIEF DESCRIPTION OF THE LEGAL-INSTITUTIONAL SYSTEM

Please briefly describe the legal-institutional system in your country in accordance with its constitutional framework.

The supreme law of our country is the Constitution of the United Mexican States (**Appendix 1**). Under the Constitution, Mexico is constituted as a representative, democratic Federal Republic, composed of states that are free and sovereign in all internal matters, but united in a federation established according to the principles of the Constitution. The states also have the free municipality as the basis for their territorial division and their political and administrative organization.

At the federal level, exercise of Supreme Power in the Federation is divided as follows:

The legislative branch, in the hands of a bicameral Congress (Chamber of Deputies and Senate). With respect to the topics covered by this questionnaire, there exists the Office of the Auditor General, the public oversight body that reports to the Chamber of Deputies (Articles 50 and 79 of the Constitution) (**Appendix 1**).

The executive branch is in the hands of the President of the United Mexican States, who implements the laws passed by the Congress and adopts at the administrative level the necessary measures to ensure their strict observance. He or she also conducts the administrative affairs of the Federation with the assistance of central government dependencies (ministries, administrative departments, and legal counsel) as well as the agencies that comprise the Federal Parastatal Public Administration (decentralized agencies, state-owned enterprises, national credit institutions, national insurance and guarantee institutions, and public trusts) (Articles 80, 89(I), and 90 of the Constitution) (**Appendix 1**). For the purposes of this exercise, mention should be made of the Ministry of the Civil Service (SFP), which is the federal government dependency responsible for the prevention, detection, prosecution and punishment of acts of corruption within the federal public administration, in accordance with the provisions provided in the Federal Law on Administrative Liability of Civil Servants (LFRASP).

The judicial branch, in the hands of the Supreme Court of Justice, the Elections Tribunal, the Collegial and Unitary Circuit Courts, and the District Courts, whose function is to settle disputes in accordance with the Constitution and to interpret the laws issued by Congress for these purposes. The Federal Judicature Council is responsible for the administration, oversight, and discipline in the judiciary, with the exception of the Supreme Court (Article 94 of the Constitution) (**Appendix 1**).

The Mexican State also has public agencies that, because of their function, have been given autonomy by the federal Constitution. These agencies do not form part of the branches of government, although by their public nature they are subject to the same legal framework. Such is the case of the Federal Elections Institute (Article 41(III) of the Constitution) (**Appendix 1**), the National Commission for Human Rights (Article 102(B) of the Constitution) (**Appendix 1**), and the Bank of Mexico (Article 28 of the Constitution) (**Appendix 1**).

With respect to the regulatory framework, the government of the Republic works constantly to keep up to date its anti-corruption mechanisms. Noteworthy in this regard is the recent adoption of the Federal Law on Administrative Liability of Civil Servants, the basic purpose of which is to strengthen prevention of administrative violations by establishing additional legal provisions to those contained in the previous Federal Liability Law. The new law also provides the authorities with new legal instruments designed to enable them to exercise their disciplinary power more effectively.

Mexico already has a Federal Law on Transparency and Access to Public Government Information (LFTAIPG), together with its respective Regulations (**Appendices 6 and 7**). It is a powerful tool for combating corruption by strengthening the system of government liability, since the principles of transparency and openness predicated in its provisions are designed to do away with anonymity in the exercise of government functions and allow acts to be traced to the persons who perform them. The law also includes provisions necessary to ensure access for all to information in the possession of the State, autonomous constitutional organs, and all other federal entities.

Based on Article 33 of the LFTAIPG (**Appendix 6**), the Federal Institute on Access to Public Information was created as a federal government organ with operational, budgetary and decision-making autonomy. Its task is to stimulate widespread exercise of the right of access to information at the federal level; pronounce decisions on refusals of information requests, and protect personal information in the possession of federal government dependencies and entities, whose specific nature and functions are described hereinbelow.

Also worth mentioning is the recent adoption of the Federal Civil Service Career Law, Article 2 of which provides that the civil service career system exists as a mechanism to ensure equal-opportunity employment in the civil service based on merit, and to stimulate the development of the civil service for the benefit of society (**Appendix 8**). In this connection, the aforesaid law provides that the fundamental principles of the civil service career system are legality, efficiency, objectiveness, quality, impartiality, equity, and competition based on merit. The aim is to professionalize the civil service in order to have better-suited employees who are able to perform the functions required of them.

II. CONTENTS OF THE QUESTIONNAIRE

CHAPTER ONE

MEASURES AND MECHANISMS REGARDING STANDARDS OF CONDUCT FOR THE CORRECT, HONORABLE, AND PROPER FULFILLMENT OF PUBLIC FUNCTIONS (ARTICLE III (1) AND (2) OF THE CONVENTION)

1. General standards of conduct and mechanisms

a) Are there standards of conduct in your country for the correct, honorable and adequate fulfillment of public functions? If so, briefly describe them and list and attach a copy of the related provisions and documents

Yes. Mexico has legal standards to prevent, detect, and punish illicit conduct by civil servants in the performance of their functions recognized in the Constitution, laws, regulations and other provisions of an administrative nature.

Title 4 (Articles 108 to 114) of the Mexican Constitution defines the system of liability to which civil servants are subject, the different types of liability (political, administrative, civil, or criminal), the general framework in which such liability operates (persons and cases to which it applies,

procedures, and sanctions), as well as the power of the states of the Federation to issue their own laws on liability (**Appendix 1**).

In the framework of the system of liability provided in Title 4 of the Constitution, the Congress passed the Federal Law on Administrative Liability of Civil Servants (LFRASP) (**Appendix 9**), which each branch of government and autonomous constitutional agency is required to implement within its jurisdiction. This law sets out the duties of civil servants, applicable penalties, procedures, and the authorities competent to impose those sanctions.

Article 8 of the aforesaid law clearly sets out the duties of civil servants. The basic purpose of those duties is to ensure appropriate use of resources and efficient provision of services, prevent conflicts of interest, and report illicit behavior.

The LFRASP adds to the duties for civil servants contained in its predecessor law in order to ensure transparency in federal government affairs and clearly determines different forms of conflicts of interest in government service. The law also provides for the existence of a system to register the wealth of civil servants (**Appendix 9**). Those innovations include, in particular, the following:

- The obligation of civil servants to be accountable for the exercise of their functions and, in general, for the management of federal public affairs, for which purpose they must submit the documentation and information required by the law (Article 8 (IV)) (**Appendix 9**).
- The obligation of civil servants to refrain from acquiring, for themselves, their spouses, their relatives by blood or affinity to the fourth degree, civil relations, or third parties with whom they have professional, working or business relations, or for partnerships or corporations in which they or any of said persons have or have had an interest, any real property whose value could increase or circumstances improve as a result of public works or investments that they authorize or become aware of in the performance of their duties (Article 8 (XXIII)) (**Appendix 9**).
- It clarifies the manner in which conflicts of interest may arise in the civil service, and defines the prohibitions that civil servants must observe for one year after ceasing their duties, so as to avoid conflict of interests (Articles 8 (XII) and 9) (**Appendix 9**).
- The statutory limits on the powers of the authorities to impose administrative sanctions are extended to five years for serious infractions and to three years for other infractions (Article 34) (**Appendix 9**).
- In addition to a registry of wealth of civil servants, the creation is also envisaged of a public registry of civil servants to be maintained at the federal level by the Ministry of the Civil Service. This registry would contain information relating to the employment and wealth of civil servants, any administrative proceedings instituted against them, and, as appropriate, punishments imposed on them (Article 40) (**Appendix 9**). The aforesaid registry may be consulted at the following web address: www.servidorespublicos.gob.mx.
- The Ministry of the Civil Service is given express powers to audit the asset holdings of civil servants of the federal government and to initiate investigation when illicit enrichment is suspected (Articles 41 and 42) (**Appendix 9**).
- The law also proposed the issue a code of ethics to govern the activities of civil servants of the federal public administration. This code was published in the Official Gazette on July 31, 2002, and it contains clear rules designed to ensure that civil servants always act in an honorable manner that befits the needs of society and guide their actions in specific situations that may arise (Article 49).

In accordance with the strategic guidelines of the Federal Government's National Program to Combat Corruption and Promote Transparency and Administrative Development 2001-2006 (PNC), each of the dependencies and entities of the federal public administration is required, under the aforementioned Code of Ethics, to prepare and issue a separate Code of Conduct governing the actions of their civil servants in specific situations, bearing in mind the functions and activities of each institution (PNC Line of Action 1.3.4).

In this connection, the Ministry of the Civil Service already has in place a code of conduct based on the ethical principles fostered by the federal government, which rest on the values of transparency, integrity, accountability and responsibility that civil servants of the Ministry are required to observe in the course of their duties (**Appendix 12**).

The foregoing notwithstanding, the specific laws governing the activity of the federal public administration establish certain obligations to be met by civil servants in their respective jurisdictions. For the good of public administration, observation of those obligations is mandatory for civil servants in the performance of their employment, position or commission. Following is a list - not designed to be exhaustive- of these laws, several of which apply not only in framework of the federal executive branch, but also in that of the other two branches of government. These laws will be addressed at greater length in subsequent responses, and are included as Appendices to this questionnaire for the purposes of analysis and examination:

- Organic Law of the Federal Public Administration (**Appendix 2**).
- Law on the Federal Budget, Accounts, and Public Spending, and its Regulations (**Appendices 13 and 14**).
- Federal Law on Transparency and Access to Public Government Information and its Regulations (**Appendices 6 and 7**).
- Federal Treasury Law (**Appendix 15**).
- Federal Law on Parastatal Entities and its Regulations (**Appendices 16 and 17**).
- Planning Law (**Appendix 18**).
- Federal Law on Administrative Procedure (**Appendix 19**).
- Law on Public-Sector Procurement, Leasing and Services and its Regulations (**Appendices 20 and 21**).
- Federal Civil Service Career Law and its Regulations (**Appendices 8 and 22**).
- Law on Public Works and Related Services and its Regulations (**Appendices 23 and 24**).
- Credit Institutions Law (**Appendix 25**).
- Federal Oversight and Control Law (LFSF) (**Appendix 26**).
- Federal Criminal Code (**Appendix 27**).
- National Development Plan 2001-2006 (**Appendix 28**).
- National Program to Combat Corruption and Promote Transparency and Administrative Development 2001-2006 (**Appendix 11**).

Article 1 of the Federal Civil Service Career Law of October 7, 2003 (**Appendix 8**), created the civil service career system as a mechanism to ensure transparency and equal-opportunity employment in the civil service based on merit, and to stimulate the development of the civil service for the benefit of society. Under the aforesaid law, entry to the system is through a public selection process based on Articles 4 and 28 of the law. At Article 11, the law sets out obligations for civil servants in this area. The Regulations on the Federal Civil Service Career Law were published in the Official Gazette on April 2, Article 8 of which expressly provides that nonobservance gives rise to administrative liability (**Appendix 22**).

With respect to criminal liability, the Federal Criminal Code (**Appendix 27**) contains two titles specifically concerned with offenses committed by civil servants, the purpose of which is to ensure the appropriate exercise of public duties (Articles 212 to 227). The aforesaid offences can be summarized in the following types of conduct: illegal exercise of public duties; abuse of authority; forced disappearance of people; conspiracy; illegal use of powers; extortion; intimidation; abuse of

office; influence peddling; bribery; bribery of foreign public officials; embezzlement and illicit enrichment.

b) Are there mechanisms to enforce compliance with the above standards of conduct? If so, briefly describe them and list and attach a copy of the related provisions and documents.

Yes. There are mechanisms in place to monitor compliance with these standards of conduct and to impose the relevant penalties in the respective jurisdictions of the authorities mentioned in Chapter 13 of this document (Ministry of the Civil Service, Office of the Auditor General, internal control organs, and control organs of the Federal Judicial Branch, of the Federal Legislative Branch, and of autonomous constitutional organs. These mechanisms are as follows:

Communication of reasonable doubts about the instructions of a superior. Article 8(VII) of the LFRASP provides that if civil servants have reasonable doubts regarding orders they receive from a superior that might entail violation of legal or administrative provisions, they must report it in writing to the head of the department or entity, who will adopt the appropriate legal measures (**Appendix 9**).

Objections. The Federal Government has a mechanism whereby suppliers and contractors can bring to the attention to the authorities any irregularities that arise in procurement procedures carried out by the federal public administration. The mechanism is known as an objection proceeding.

The objection proceeding is provided at Article 65 of the Law on Public-Sector Procurement, Leasing and Services (**Appendix 20**) and Article 83 of the Law on Public Works and Related Services (**Appendix 23**), in both of which the first paragraph says: *“The interested parties may communicate to the Office of the Auditor their objection regarding any act in the contracting procedure that violates the provisions governing the subject matter of this law.”*

Accordingly, objection is a protection mechanism by which private persons may appeal to the internal control organs of the dependencies and entities of the federal public administration, and, as appropriate, the Objections Bureau of the Ministry of the Civil Service, in order to request the review of a procurement process so as to determine if it complied with the applicable standards. All relevant information on objection proceedings may be consulted at the web site of the Ministry of the Civil Service under the heading DGI (<http://www.funcionpublica.gob.mx/sacn/dginconf/>).

In addition to reporting alleged irregularities in government procurement processes, objection can also be invoked with respect to any facts that imply unlawful conduct on the part, either of the civil servants involved, or of the corporations that participate in such processes. Accordingly any misconduct by civil servants detected by the internal control organ or the DGI must be brought to the attention of the specialized areas of the Ministry of the Civil Service concerned with matters of administrative liability, in order to institute the respective proceedings and, as appropriate, punish the civil servants involved in accordance with Article 48 (III) and (IV) of the Internal Regulations of the Ministry of the Civil Service (RISFP) (**Appendix 29**). Furthermore, based on the foregoing decision, under Article 25 (IX) of the aforesaid Internal Regulations, the Regulatory Unit for Procurement, Public Works, Services and Federal Assets of the Ministry of the Civil Service may penalize corporations found to bear responsibility in connection with such acts.

Verification. Article 20 of the LFRASP provides that the Ministry of the Civil Service or the internal auditor of the federal government institution concerned may investigate compliance with the obligations of civil servants through specific verifications, in which, as appropriate, private individuals who meet the requirements to do so may participate (**Appendix 9**).

In this connection, Article 19 of the RISFP empowers the Governmental Audit Unit of the aforesaid Ministry to propose and carry out an annual program of audits and inspection visits of the various

dependencies, decentralized organs and entities of the federal public administration, as well as of the Office of the Prosecutor General (**Appendix 29**).

Audits. The Ministry of the Civil Service and the internal control organs of federal government dependencies and entities have the power to conduct audits to verify the effectiveness and efficiency of operations carried out with public funds; the accuracy of financial and operational information; and due compliance with the applicable laws, regulations and policies in this area (Article 20, LFRASP - **Appendix 9**; and Articles 19, 27 and 37 (VII), RISFP - **Appendix 29**).

External audits. In order to obtain the opinion of an independent professional to guarantee the credibility of the figures presented by entities in their financial statements, as well as their compliance with fiscal regulations, the Ministry of the Civil Service, in accordance with Article 37 (X) of the LOAPF (**Appendix 2**), appoints external auditors to examine the financial statements at the close of the fiscal year, and to perform other specialized reviews applicable to parastatal entities of the federal public administration.

Internal committees. Each federal government institution has a Control and Audit Committee or an Internal Control Committee, depending on the dependency or entity. These committees analyze and assess information relating to audits and the effectiveness of internal control systems, as well as the system of control and evaluation of public administration in the federal government overall. Active participants in these committees as representatives of the Ministry of the Civil Service are Delegates and Public Commissioners, who encourage management of federal government institutions to adopt measures designed to enhance transparency, combat corruption, and ensure efficient performance of duties. The activities of these civil servants are under the direction and supervision of the Office of the Coordinator General for Oversight and Control Organs of the Ministry of the Civil Service (Article 57 (I), LOAPF - **Appendix 2**; Articles 132 and 133, RLPCGPF - **Appendix 14**; Article 18 (I), (II), (III), and (XIV) of the RISFP - **Appendix 29**).

Inspectorates. The Ministry of the Civil Service has a Coordination Office for Inspections of Citizen Assistance, Liability, and Objections, the principal function of which is to inspect internal control organs to verify that citizens' complaints, reports and requests are properly handled, and to investigate administrative liability and lapses in the internal control organs of dependencies, and the performance of persons responsible for those functions in accordance with Article 59 of its internal regulations (**Appendix 29**).

For its part, the Office of the Prosecutor General has an Inspectorate, which establishes the system of internal inspection, supervision, investigation, and control of its civil servants pursuant to Article 20 of the Regulations on the Organic Law of the Institution (**Appendix 59**).

Citizen complaints and reports. Under Article 10 of the LFRASP, the dependencies and entities of the federal government have established specific units, readily accessible for the public to submit complaints on or report the failure of civil servants to fulfill their obligations. Furthermore, complaints and reports may be lodged in various ways: by post, by electronic mail, by telephone via SACTEL (a nationwide call center), and in person at the 221 internal control organs of federal government dependencies and entities (**Appendix 9**).

As regards the Office of the Prosecutor General, Decisions A/106/04 and A/107/04 were published in the Official Gazette of August 2, 2004. Those decisions created the Offices of the Special Anti-Corruption Attorneys in the Institution and in the SPF, respectively (Appendix 56).

Citizen participation. As a mechanism for enforcing the aforementioned rules of conduct, the third paragraph of Article 26 of the Constitution (**Appendix 1**) provides for the establishment of procedures for popular participation in consultations within the national system of democratic planning. In this respect, Article 20 of the Planning Law (**Appendix 18**) allows for the participation of various social groups in consultations to ensure that the public can express its opinions on the

preparation, updating and implementation of the National Development Plan and its sectoral programs, which includes the National Program to Combat Corruption and Promote Transparency and Administrative Development 2001-2006 (**Appendix 11**).

Administrative sanctions. At the federal level, failure to observe the provisions of Article 8 of the LFRASP, or any other legal standard, gives rise to the sanctions established in Article 13 of that Law. These administrative sanctions are imposed, as appropriate, following the respective administrative proceeding (Article 21), in accordance with the seriousness of the offense. The sanctions are public or private reprimand; suspension from duties for a period of three days to one year; dismissal; economic sanctions of up to three times the benefit or injury caused (Article 15); and temporary disqualification from positions in public service for up to 20 years (**Appendix 9**).

In turn, Chapters VIII and IX of the Organic Law of the Office of the Prosecutor General, published in the Official Gazette of December 27, 2002, contain provisions on administrative liability separate from that mentioned in the foregoing paragraph. These provisions apply to agents of the Attorney General's Office (*Ministerio Público*) and of the Investigative Federal Police and Experts who commit violations in the performance of their duties, which may give rise to a public or private reprimand, suspension or dismissal; the latter penalty is imposed by the Professionalization Council (**Appendix 58**).

Criminal sanctions. Titles X and XI of the Second Book of the Federal Criminal Code define the crimes committed by civil servants in the exercise of their duties, the penalties for which are imprisonment, fine, dismissal, or disqualification in the terms set down at Articles 212 to 227 of the Code (**Appendix 27**).

Political sanctions. Pursuant to Article 109 of the Constitution, civil servants mentioned in Article 110 (Appendix 1) incur political liability when in the performance of their duties they commit acts or omissions that run contrary to fundamental public interests or to the proper conduct of their office in accordance with the provisions of Article 7 of the LFRSP in force on political liability (**Appendix 4**). The sanctions to be imposed in that connection are dismissal and disqualification from all duties in public service. The LFRSP sets out the appropriate procedure at Articles 21 to 34 (**Appendix 4**).

Interagency mechanisms. The Interagency Committee for Transparency and Combating Corruption (CITCC) in the federal public administration, created by Presidential Decision published in the Official Gazette of December 4, 2000, coordinates policies and activities to prevent and combat corruption and to promote transparency in the activities of dependencies and entities, as well as to monitor the programs and actions that they are required to implement each year in these areas (Appendix 17).

Duty to provide compensation. Article 113, second paragraph, of the Constitution provides that the State is liable for any injuries caused to the property or rights of private persons as a result of irregularities in its administration. In accordance with the foregoing, the liability of the State shall be objective and direct, and private persons shall be entitled to compensation in accordance with the conditions, limits, and procedures provided by law.

In this connection, secondary laws provide for various proceedings to the above ends, such as the LFRASP - Article 33 (**Appendix 9**); LFSF - Articles 46 to 52 (**Appendix 26**); and the LPCGPF - Article 46 (**Appendix 13**); as well as guidelines and procedures for control, oversight, and collection of economic sanctions, fines, and lists of charges published in the Official Gazette of January 15, 1998 (**Appendix 31**); together with other cooperation and coordination agreements between entities and dependencies of the federal public administration and federative entities.

External control. Pursuant to Article 79 of the Constitution and the Federal Oversight and Control Law, the external control body is the *Office of the Auditor General of the Federation*, an organ of the Chamber of Deputies that discussed in greater detail in chapter 3 of this questionnaire.

c) Briefly state the results that have been obtained in implementing the above standards and mechanisms, attaching the pertinent statistical information, if available.

The control provided by the aforementioned laws has made it possible to prevent misconduct on the part of civil servants by safeguarding the legality, honesty, loyalty, impartiality, efficiency, transparency, and accountability that must prevail in public administration.

Through its internal control organs and its central areas, Ministry of the Civil Service has received, processed and disposed of cases arising from irregular acts or omissions committed by civil servants. The following table contains the actual figures for the entire federal public administration from January 1, 1998 to June 2004, together with estimates up to August of that year:

TYPE OF SANCTION	1998	1999	2000	2001	2002	2003	2004	TOTAL
WARNING	4032	4078	5651	2035	353	266	157	16572
REPRIMAND	1603	1463	2075	1846	1919	1578	945	11429
SUSPENSION	1800	1308	1345	1254	1317	1072	712	8808
DISMISSAL	1008	778	957	864	535	307	196	4645
DISQUALIFICATION	1356	1510	1939	1952	1440	1155	854	10206
ECONOMIC	1027	961	1201	1095	962	846	580	6672
TOTAL	10826	10098	13168	9046	6526	5224	3444	58332



From the above graph it will be noted that the number of administrative sanctions declined from 2000 to 2003, reflecting the effectiveness of preventive measures and the consequent greater observance of rules of conduct in the civil service. The statistics for 2004 are not definitive, because they are still being processed.

Ministry of the Civil Service has focused its efforts on strengthening the necessary mechanisms to prevent, detect, and eradicate acts of corruption. In this connection, the Ministry of the Civil Service has conducted the following audits since 1998:

Year	Audits by Ministry of the Civil Service	by External Audits	Audits by internal control organs*	Total
1998	512	374	7,723	8,609
1999	368	374	7,444	8,186
2000	275	637	6,307	7,219
2001	81	348	6,849	7,278
2002	32	348	5,863	6,243
2003	92	329	4,452	4,873
2004**	62	333	1,864	2,259

*Internal control organs.

** Figures for Ministry of the Civil Service and External Audits up to July

** Figures for Audits by internal control organs to June 2004

With respect to objection, in the framework of the administrative modernization process, the Objection Bureau (DGI), of the Ministry of the Civil Service, adopted a policy of quality and continuous improvement in processing and resolving objections, and meeting the needs and expectations of the public. To that end it has made it its mission for the Federal Government to have an impartial organ that resolves objections arising from competitive bidding processes, in order to ensure their transparency as well as the best possible procurement conditions for the State in terms of price, quality, financing, and timeliness.

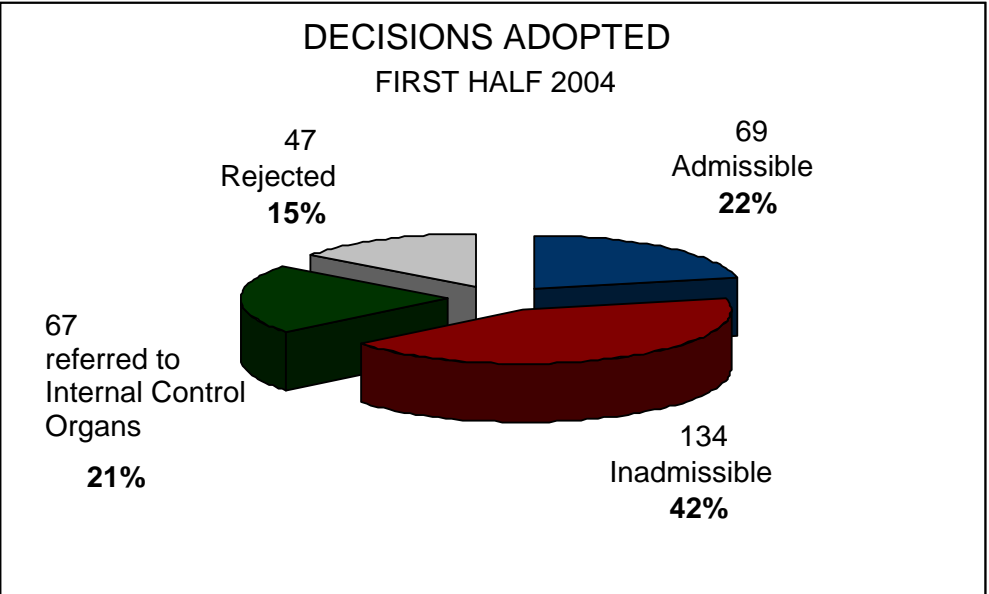
Efficiency. The DGI has made more efficient use of human and material resources to perform its functions and achieve its objectives. It has cut the average resolution time by 55% compared to 2000. In addition it has undergone a 50% staff reduction and the number of objections submitted has gone up by 100%.

Year	DGI Staff	Average resolution time	No. objections
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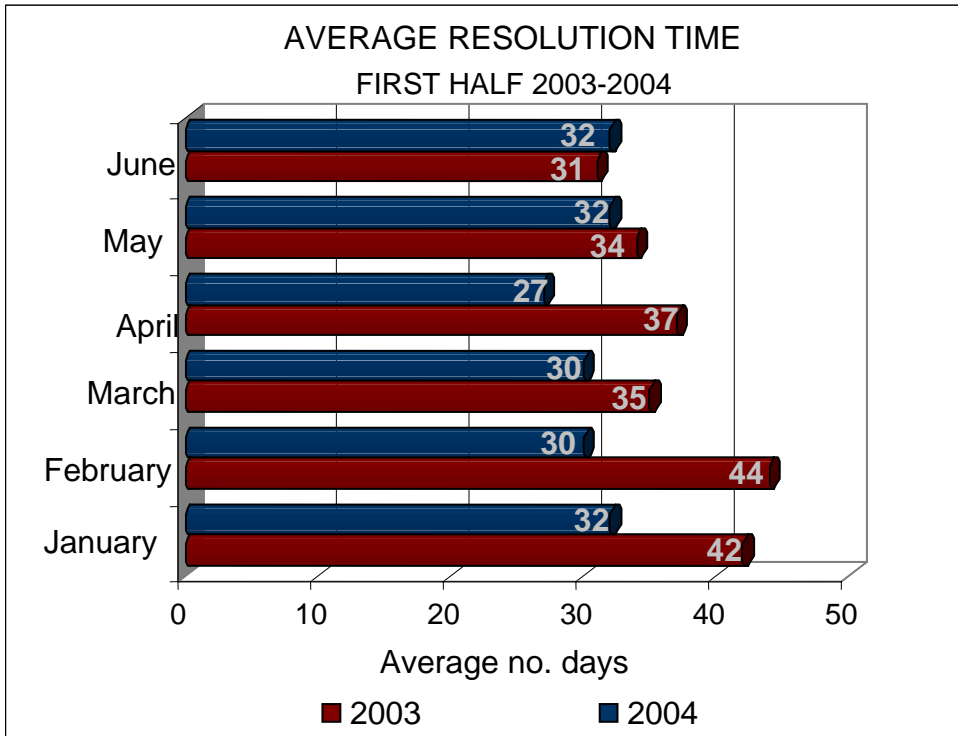
2000	70	90 days	281 resolved
2003	35	35 days	744 resolved

Objections received and resolved. From January 1 to June 30, 2004, the DGI received 330 objections and resolved 317. The Minister for this sector, in exercise of his reachdown jurisdiction, instructed the DGI to take up and resolve 184 cases submitted to internal control organs in that period.

Decisions adopted. With respect to its decisions, the DGI found 69 (22%) admissible and 134 (42%) inadmissible; it also referred 67 (21%) to different internal control organs and rejected 47 (15%).



Average resolution time. In the first half of 2004 the Objection Bureau reduced the average time taken to resolve objections to 30.54 days, which is 66% shorter than the legally prescribed deadline.



As regards inspection visits, a total of 562 were carried out in 2003, while from January 1 to July 31, 2004, 102 full inspections have been made of internal control organs of federal government dependencies and entities.

With respect to the Interagency Committee for Transparency and Combating Corruption (CITCC) in the federal public administration, the results of its activities are as follows:

- In fiscal year 2003, there were 155 institutions with programs under way, covering 292 critical processes in 550 critical areas. In these areas the programs detected 773 instances of potential misconduct, which led to the adoption of 3,032 improvement measures.
- In June 2003 the Executive Secretariat of the Interagency Committee for Transparency and Combating Corruption produced the document entitled "CITCC: Progress Report as of 2002", which outlines the first two years of activities of the dependencies and entities of the federal public administration in the framework of the Interagency Committee for Transparency and Combating Corruption (CITCC) (**Appendix 30**).
- In first quarter 2004, a safety factor was added to the goals of operational programs, which has made it possible to obtain a more precise idea of the approaches they use, so that subsequent evaluations of the Transparency Monitoring Indicators (IST) more accurately reflect the effectiveness of the measures adopted by each institution.
- In 2003, the Transparency and Anti-Corruption Programs as well as decisions of the CITCC were adopted in the Presidential Goals system as part of the strategy for Honest and Transparent Governance. Their performance is measured by the Transparency Monitoring Indicator that has a weighting system in which Programs account for 60% and Decisions 40%.

- In the first half of 2004, the number of participating institutions has increased to 161, which represents a 4% rise. Furthermore, there was a 22% increase in coverage of critical cases, which rose to 378 in 655 critical areas (up 16%). The number of cases of potential misconduct came to 947, which led to the adoption of 4,056 improvement measures, a climb of 25% with respect to the whole of the previous year.

The Interagency Committee has decided to create subcommittees to deal with different aspects of the strategy for Honest and Transparent Governance. To date, the following three subcommittees are convening sessions:

- Subcommittee on Access to Public Information which supports compliance with the Federal Law on Transparency and Access to Public Government Information.
- Subcommittee on Ratings Improvement, which implements measures to improve Mexico's rating in the main indicators on corruption and good governance.
- Subcommittee for Compliance with the UN Convention against Corruption, which coordinates the efforts of the relevant government bodies with a view to ensuring full observance of the above-mentioned Convention as well as with the OAS Convention in this area, among other instruments. For a more information on functions of the Committee the reader is kindly asked to consult its web (<http://www.programaanticorruccion.gob.mx>).

Statistics on the complaints system and SACTEL can be seen at Chapter IV(I)(c) of this document.

2.- Conflicts of interest.

a) Are there standards of conduct in your country regarding the prevention of conflicts of interest in the performance of public functions? If yes, briefly describe them, indicating aspects such as to whom they apply and the concept on which they are based, and list and attach a copy of the related provisions and documents.

Yes. The purpose of the standards of conduct under Mexican law designed to prevent conflicts of interest in situations in public service where civil servants use the power or influence that derive from their duties, position or commission, or from information to which they are privy by virtue thereof, to benefit their personal, family, or business interests to the detriment of the impartiality that they are required to observe in the performance of the duties entrusted to them, and also after those duties have concluded.

1.- Articles 108 to 114 of the **Constitution of the United Mexican States** mention the different types of liability (civil, criminal, administrative, and political) that civil servants can incur in the course of their functions. They also contain the basic framework for the system of administrative liability of civil servants but leave regulation of the various legal aspects they comprise to laws.

Article 101 of the Constitution sets out specific duties for ministers of the Supreme Court of Justice, circuit court judges, district judges, their respective clerks, and members of the Council of the Federal Judiciary, as well as the magistrates of the Superior Committee of the Electoral Tribunal, designed to prevent conflicts of interest in public service. Those duties include the prohibition to accept or discharge posts or positions in the Federation, states, or private parties, except honorary positions in scientific, literary, or charitable associations, without prejudice to any exceptions that might exist to take cognizance of matters mentioned in the relevant procedural standards.

With respect to the legislative branch, under Article 62 of the Constitution, proprietary deputies and senators, during their terms of office, may not hold any other salaried federal or state commission or

employment, without prior permission from the respective chamber; however, while they are holding the new position their representative functions shall cease.

2.- Federal Law on Administrative Liability of Civil Servants: This law provides a definition of conflict of interests and imposes on civil servants at all levels various abstention duties designed to avert such conflicts in the performance of their duties. This law also contains express rules with respect to the obligations of civil servants after they leave public service Article 8 (VIII), (XI), (XII), (XIII), (XIV), (XV), (XX), (XXI), (XXII), and (XXIII) and Article 9 (**Appendix 9**). These are summarized as follows:

- Abstain from carrying out the functions of a post, position, or commission after completing the period for which they were designated, or once they have been dismissed, or for any other reason prohibited by law;

- Excuse themselves, by reason of their functions, from participating in any manner in attending to, processing or making decisions in matters in which they have a personal, familiar or business interest, including any that might be potentially beneficial to them, their spouse, blood relatives, third parties with whom they have professional, working, or business relations, partners, or corporations in which the civil servant or any of the aforementioned persons are or have been a part.

- Abstain in the course of their functions from requesting, accepting or receiving, for themselves or through another party, money, or movable or immovable property, through their transfer to them at a price notoriously lower than on the ordinary market, or any donation, service, post, position, or commission for themselves or for the aforementioned persons that originates from any natural or legal person whose professional, commercial or industrial activities are directly related to, or governed or supervised by the civil servant concerned, in the performance of their post, position, or commission, which entail conflicting interests.

- They shall perform the functions of their post, position, or commission without obtaining or seeking to obtain benefits in addition to those provided by the State for fulfilling such functions, either for themselves or for the aforementioned persons.

- Abstain from improperly intervening or participating in the selection, appointment, designation, hiring, promotion, suspension, removal, dismissal, termination of contract, or sanction of any civil servant, when they have a personal, family or business interest in the case, or that could accrue any advantage or benefit to them or to the aforementioned persons.

- Submit timely and accurate assets statements in accordance with the law.

- Abstain, in the exercise of their functions or with regard to such functions, from making or authorizing orders or contracts related to procurement, leases, and transfer of any goods, provision of any services, and contracting of public works or of services related thereto, with any parties holding a post, position, or commission in the civil service, or with corporations in which such persons have an interest.

- Abstain from any acts that would impede the presentation of complaints, or from any acts or omissions that would prejudice the interests of those who formulate or present such complaints.

- Abstain from using the status inherent to their post, position, or commission to induce another civil servant to perform, delay, or omit any act within their purview, that might accrue to them any benefit or advantage for themselves or for any of the aforementioned persons.

- Abstain from purchasing, either for themselves or for the aforementioned persons, immovable property whose value might increase or whose overall circumstances might improve as a result of any public or private works or investments that they might have authorized or been aware of by

virtue of their post, position, or commission. This restriction is applicable for up to one year after the civil servant has left the post, position, or commission.

The foregoing shows that the LFRASP clarifies the concept of conflict of interests in public service, inasmuch as it sets out the conduct which civil servants are required to avoid, which restrictions remain in force even after their public post, position, or commission has concluded (Articles 8 (XII) and 9).

Some forms of misconduct can constitute offences under Articles 217 and 220 of the Federal Criminal Code concerning illegal use of powers and abuse of office (**Appendix 27**).

3. The Federal Law on Administrative Procedure governs, at Articles 21 to 27, the circumstances in which a civil servant is prohibited from taking up or taking part in an administrative proceeding because they have a personal, family, or business interest in the matter concerned. The aforesaid articles also describes the manner in which the public servant in question must recuse themselves, and, should they fail to do so, provides for the possibility of recusation by private persons (**Appendix 19**).

4.- The Federal Civil Service Career Law establishes the duty for civil servants to excuse themselves from taking up any matters that might entail a conflict of interests (Article 11 (X)) (**Appendix 8**).

The law also makes public service incompatible with the holding of another post, position, or commission that impedes or undermines the ability of a civil servant to perform their duties (Article 9).

5.- The Regulations of the Federal Civil Service Career Law provide that the aforementioned incompatibility refers to public posts and even positions in the social and private sectors. This provision sets down the rules on authorization, as appropriate, of compatible functions provided that their performance does not impede or undermine strict observance of public duties or hours, or generate or potentially generate conflicts of interests (Article 7) (**Appendix 22**).

6.- Federal Criminal Code: Contains specific provisions to punish improper conduct in connection with conflicts of interests, with the aim to safeguard efficiency and honesty in public service. It also categorizes the crimes mentioned in Article 214 (IV) (Misconduct in public office); 215 (X) (Abuse of authority); 217 (Illegal use of powers); 220 (Abuse of office); 221 (Influence peddling); 222 (Bribery), 222 bis (Bribery of Foreign Public Officials); 223 (Embezzlement); and 225 (Crimes against the administration of justice) (**Appendix 27**).

By way of an example, some of the conducts that are considered a crime are as follows:

Article 214

“A civil servant commits the crime of illegal exercise of public duties, when:

I to III. ..

IV.- They, or persons acting on their behalf, remove, destroy, conceal, use or illicitly fail to use information or documents in their custody or to which they have access, or to which they are privy by virtue of their post, position, or commission.”

Article 221

“The crime of influence peddling is committed when:

I.- A civil servant, or another person acting on their behalf, instigates or orchestrates the processing of or an illicit decision on public affairs that are not connected with the duties inherent to their post, position, or commission, and

II.- Any person who encourages misconduct by a civil servant or who collaborates in the instigation or orchestration mentioned in the foregoing paragraph.

III.- A civil servant, or a person acting on their behalf, improperly requests or encourages any decision or the performance of any act connected with the post, position, or commission of another civil servant, that produces economic benefits for themselves or for any of the persons mentioned in Article 220 (I) of this Code.

Any person found guilty of the crime of influence peddling shall be liable to two to six years' imprisonment, a fine of 30 to 300 times the minimum daily wage in effect in the Federal District at the time of the offense, as well as dismissal and ineligibility to hold any public post, position, or commission for two to six years."

Article 222

"The crime of bribery is committed when:

I.- A civil servant, or a person acting on their behalf, improperly requests or receives, for themselves or on the behalf of another person, money or any other gift, or accepts a promise in exchange for doing or omitting to do something legal or illegal related to their duties, and

II.- A person spontaneously gives or offers money or any other gift to the persons mentioned in the foregoing paragraph, in order that a civil servant might do or omit to do something legal or illegal related to their duties.

Any person found guilty of the crime of bribery shall be liable to the following penalties:

When the amount or value of the gift or promise is less than the equivalent of 500 times the minimum daily wage in effect in the Federal District at the time of the offense, or when the value of the gift is undeterminable, the penalty imposed shall be three months to two years' imprisonment, a fine of 30 to 300 times the minimum daily wage in effect in the Federal District at the time of the offense, and dismissal and ineligibility to hold any public post, position, or commission for three months to two years.

When the amount or value of the gift, promise or service is more than 500 times the minimum daily wage in effect in the Federal District at the time of the offense, the penalty imposed shall be two to 14 years' imprisonment, a fine of 300 to 500 times the minimum daily wage in effect in the Federal District at the time of the offense, and dismissal and ineligibility to hold any public post, position, or commission for two to 14 years.

In no circumstances shall the money or gifts given be returned to the persons who committed bribery. Instead they shall be used for the benefit of the State."

7.- Federal Law on Transparency and Access to Public Government Information. While it contains no express rules on conflict of interests, it is an important legal instrument for the prevention of misconduct in this area inasmuch as it provides that information in the possession of the State pertains to the public domain (**Appendix 6**).

8.- The Law on Public-Sector Procurement, Leasing and Services and the Law on Public Works and Related Services provide at Articles 50 (**Appendix 20**) and 51 (**Appendix 23**), respectively, that dependencies and entities of the federal public administration shall refrain from placing orders or entering upon contracts with persons to whom any civil servant involved in any stage of the contracting process has a personal, family, or business connection, including any such operations that are potentially beneficial to them, or to their spouse, relatives by blood, affinity or legal ties; third parties with whom they have a professional, working, or business relationship;

partners, or corporations in which they or any of the aforementioned persons holds or has held an interest.

Furthermore, such operations are prohibited to persons who hold a post, position, or commission in public service, and for corporations of which they form a part, without express authority in advance from the Office of the Auditor in accordance with the Federal Law on Liability of Civil Servants; this prohibition also applies to persons ineligible for public service.

In keeping with these provisions, the Regulations on the aforementioned laws provide at Articles 30 (III) (**Appendix 21**) and 24 (III) (**Appendix 24**), respectively, that in the terms and conditions for competitive bidding processes the dependencies or entities concerned must clearly state that to be awarded an order or contract, bidders shall be required to submit, along with their technical bid, a signed affidavit stating that none of the aforementioned impediments apply to them. In this way, the mechanism that prevents conflict of interests in government procurement is effectively applied.

In accordance with Article 49 of the LFRASP (**Appendix 9**), the Ministry of the Civil Service issued on July 31, 2002, the **Code of Ethics for Civil servants of the Federal Public Administration (Appendix 10)**, which contains general rules of conduct based on the core principles of public service that guide activities under the supervision and coordination of government institutions, in order to meet the needs of society.

As shown, the foregoing provisions target persons seeking to enter public service, as well as active civil servants, and those who cease to hold a post, position, or commission in the federal public administration, their aim being to prevent personal, family, or business interests interfering with the appropriate exercise of public duties.

b) Are there mechanisms to enforce compliance with the above standards of conduct? If so, briefly describe them and list and attach a copy of the related provisions and documents.

Yes. The authorities mentioned in Chapter III of this document (Ministry of the Civil Service, Office of the Auditor General of the Federation, and internal control organs, as well as the control organs of the Federal Judicial Branch, of the Federal Legislature, and of autonomous constitutional organs) monitor compliance with these standards of conduct in their respective jurisdictions.

The mechanisms that enable the authorities to detect possible conflicts of interest are those mentioned in Chapter I (1)(b) of this document. The principal mechanisms are a citizen complaint or report, audit, or inspection visits. At the federal level these may lead to an investigation of the conduct attributed to a civil servant or a former civil servant, and, as appropriate, to administrative disciplinary proceedings pursuant to the LFRASP, which also calls for sanctions if an irregularity is confirmed –Articles 10, 13 to 15, and 20 to 34 (**Appendix 4**).

Article 8 (XI) of the LFRASP (**Appendix 9**) requires civil servants to report in writing to their immediate superior on the handling, processing or resolution of matters of a personal, family or business interest, including those potentially of benefit to the civil servant, his spouse or relatives by blood or affinity to the fourth degree, or civil relations, or to third parties with whom they have a professional, working or business relationship, or to corporations in which they or any of the aforementioned persons holds or has held an interest. In such cases, civil servants must excuse themselves from intervening in those matters or, as applicable, comply with instructions issued in writing by their immediate superior when the civil servant cannot abstain from such intervention and thus avoid unlawful conduct.

Should the above-described types of conduct constitute a criminal offense, they must be reported to the Attorney General's Office for it to carry out the necessary preliminary investigation and, as appropriate, submit the matter to the courts for criminal prosecution.

c) Briefly state the results that have been obtained in implementing the above standards and mechanisms, attaching the pertinent statistical information, if available.

The control afforded by the abovementioned laws makes it possible to prevent unlawful conduct on the part of civil servants, inasmuch as they safeguard the legality, honesty, loyalty, impartiality, efficiency, transparency, and accountability that must prevail in and characterize government administration.

Due to the fact that the administrative sanctions imposed on civil servants for failing to observe these rules are determined by the above-mentioned administrative disciplinary procedure, the relevant figures are included in the data given in section 1 (c) of this chapter on irregular acts or omissions of civil servants.

Pursuant to Article 11 of the Internal Regulations of the Ministry of the Civil Service, the Legal Affairs Unit has the authority, *inter alia*, to set, systematize, standardize, and disseminate adoption of guidelines for interpretation and application of the laws that comprise the legal framework in its area of competence, including the LFRASP (**Appendix 9**). In this connection, under the current administration, the Legal Affairs Unit has dealt with a total of 72 queries in order to provide advice to civil servants in senior management positions so that they might avoid conflicts of interest in the exercise of their posts, positions or commissions.

3.- Conservation and proper use of resources entrusted to public officials in the performance of their functions.

a) Are there standards of conduct in your country that govern the conservation and proper use of resources entrusted to public officials in the performance of their functions? If yes, briefly describe them, indicating aspects such as to whom they apply and whether there are exceptions, and list and attach a copy of the related provisions and documents.

Yes. There are legal standards on conservation and proper use of public funds that apply to all civil servants without distinction.

These provisions govern the planning, execution, and control of spending on one hand, and procurement, conservation, and transfer of assets on the other.

In this connection, the legal structure of the Mexican State is composed of the following principal standards:

The Constitution of the United Mexican States provides at Article 134 That the economic resources at the disposal of the Federal Government shall be administered with efficiency, effectiveness, and honesty, to satisfy their objectives. Furthermore, under Title IV of the Constitution, civil servants shall be responsible for compliance with the aforesaid principles (**Appendix 1**).

Article 8 (II), (III), and (IV) of the Federal Law on Administrative Liability of Civil Servants establishes the obligation for civil servants to draw up and execute the plans, programs and budgets within the sphere of their competency, and to comply with the laws and other standards that govern the management of public economic resources; to use the resources assigned to perform the duties of their post, position, or commission, exclusively for the purposes for which they are allocated; to account for the exercise of their functions, and to collaborate in the accountability of the federal public administration by providing such documents and information as may be required of them. This legal corpus also provides sanctions for misuse of public funds, which may give rise to political, administrative, criminal, or civil liability (**Appendix 9**).

As regards criminal liability, the misappropriation or misuse of public resources may constitute embezzlement or misuse of powers and office under Articles 217 and 223, respectively, of the Federal Criminal Code (**Appendix 27**).

Articles 1 and 13 of the Federal Revenue Law adopted for each fiscal year mention the types of revenue (*inter alia*, taxes, withholdings, charges, duties, proceeds, benefits and income from financing) as well as the estimated amounts that the Federal Government will receive. Those articles also provide that said revenue goes to Federal Treasury for quantification and subsequent administration to the bodies responsible for spending. The Ministry of Finance has 35 days after the close of each quarter to provide a quarterly report to the Mexican Congress on the revenue that accrues to the Federation. Furthermore, under the terms of the provisions contained in Chapter IV “On Information, Transparency and Evaluation of Efficiency of Collection, Oversight, and Borrowing”, the federal executive branch, through the Ministry of Finance, provides information on the financial position, public finances, the public debt, as well as the respective financial requirements and available resources of the central government administration, of autonomous organs, of the federal public sector, and of the consolidated federal public sector (**Appendix 41**).

Similarly, the Law on the Federal Budget, Accounts, and Public Spending (Articles 1 and 45) (**Appendix 13**) and its Regulations (Articles 1 and 156) (**Appendix 14**) establishes rules that govern programming, budgeting, execution, bookkeeping, control, and evaluation of public spending by dependencies and entities of the federal public administration, as well as the liability that civil servants may incur in the handling of state resources (Appendix 6).

Articles 31 and 37 of the Organic Law of the Federal Public Administration (**Appendix 2**) grants the Ministry of Finance and the Ministry of the Civil Service various powers in the area of public spending control and audits.

Article 1 of the Federal Expenditure Budget Decree (**Appendix 32**), which is issued annually by the Mexican Congress, governs execution, control and evaluation of public spending by the dependencies and entities of the federal public administration, which are required to carry out their activities in accordance with the objectives, strategies, and priorities established in the National Development Plan, as well as with the objectives and goals adopted in the budget.

The Federal Treasury Law provides rules to ensure the preservation and proper use of government funds and resources by the public entities that hold, handle, oversee or collect them (Articles 89, 99, 101, 109 and 117). Furthermore, Article 55 of this law provides for the creation of a Guarantee Fund for reimbursement of public funds. This Fund has two basic purposes: a) Guarantee the activities of civil servants who work in the areas of collection, management, custody or administration of funds, securities, and assets owned by or in the keeping of the federal government, as well as of those involved in the determination, authorization and contracting of government lending and borrowing; and, b) Reimburse the federal public funds in the amount of the injury arising from liability incurred by civil servants guaranteed by this Fund (**Appendix 15**).

Article 1 of the General Law on the Public Debt governs bonds as well as direct and contingent liabilities arising from the financing operations of dependencies and entities of the federal public administration. The Ministry of Finance manages the funds produced by financing contracted pursuant to this law (Article 7). For its part, Article 23 makes it an obligation for dependencies and entities to keep a record of the financing operations in which they engage in accordance with the rules laid down by the Ministry of Finance. They are also required to provide the Ministry, in the frequency and manner that the latter requires, with all the information necessary for it to perform the function incumbent upon it of supervising the use of funds produced by authorized financing operations (**Appendix 33**).

The General Law on National Property (*published in the Official Gazette of May 20, 2004*) provides at Article 1 that its purpose is to determine the assets that comprise the wealth of the Nation; the

system of public ownership of the assets of the Federation and of the real property of decentralized federal agencies; the distribution of competencies among the dependencies that manage real property; rules on the composition and workings of the Federal and Parastatal Real Property Administration System, including the functioning of the Public Federal Property Register; the rules on purchase, titling, administration, control, monitoring, and transfer of federal real property and that owned by entities that comprise the parastatal public administration, except those governed by special laws; the rules for regulation of movable assets owned by entities and appraisal standards for national assets **(Appendix 34)**.

The aforementioned law applies to all dependencies and entities, as well as to civil servants responsible for the administration, allocation, and separation of federally owned assets.

The Law on Public-Sector Procurement, Leasing and Services says at Article 1 that its purpose is to govern activities in connection with planning, programming, budgeting, contracting, spending and control of the purchase and lease of movable property, and the provision of any services. Under Article 56, dependencies and entities are required to submit information to the Ministries of the Civil Service or of Finance and the Economy on all acts and contracts entered upon under the aegis of the aforesaid law. Furthermore, the Ministry of the Civil Service imposes sanctions on civil servants that violate the provisions contained in this Law (Article 62) **(Appendix 20)**.

Article 1 of the Law on Public Works and Related Services provides that its purpose is to govern activities in connection with planning, programming, budgeting, contracting, spending, execution, and control of public works, as well as the services related thereto. Under Article 74, dependencies and entities are required to submit information to the Ministries of the Civil Service or of Finance and the Economy on all acts and contracts entered upon under the aegis of the aforesaid law. Furthermore, the Ministry of the Civil Service imposes sanctions on civil servants that violate the provisions contained in this Law (Article 80) **(Appendix 23)**.

The foregoing notwithstanding, following are a number of administrative provisions that contain standards and mechanisms to ensure the conservation and proper use of resources allocated to civil servants in the course of their duties:

Manual of Budgetary Standards for the Federal Public Administration. The standards contained in the manual are compulsory for all dependencies and entities of the federal public administration. Their aim is to govern the budget planning process to ensure that the persons that execute spending have a clear knowledge of the rules by which they must abide and, in that way, facilitate execution of their budgets. The foregoing makes it possible to give certainty and legal security to, as well as remove discretion from, budget management processes (Article 1) **(Appendix 35)**.

Decision enacting the rules for classification of expenditure of the federal public administration by object **(Appendix 36)**. This decision is compulsory for all dependencies and entities of the federal public administration. The chapters, concepts, and headings it contains may be used by the legislature and the judiciary, as well as by constitutionally autonomous federal public persons, in order to integrate their expenditure budget proposals and the records of appropriations from approved budgets. The aforesaid decision comprehensively, uniformly and coherently organizes and identifies the human, material, technological and financial resources required by dependencies and entities of the federal public administration to complete the objectives and programs set down in the Federal Expenditure Budget Decree for a particular year. (Articles 1 and 2) **(Appendix 32)**

Standards for the Administration and Disposal of Movable Property of Dependencies of the Federal Public Administration. The aim of these standards is to govern application of the General Law on National Property as regards movable property administration and warehouse

management, as well as allocation, final destination, and removal of such property in dependencies of the federal public administration. (Standard 1) **(Appendix 40)**

Manual on Remunerations in the Federal Public Administration. This manual governs the salaries of federal government servants for the performance of their functions, and, as appropriate, and incentives, bonuses and other pay to which they are entitled **(Appendix 37)**.

Decision creating the permanent Interagency Financial Expenditure Committee for Matters of Public Spending and its financing, as well as that of the respective programs under the supervision of the Ministry of Programming and Budget and the Ministry of Finance. This instrument creates the aforementioned committee in order to support implementation of development policy; to adopt measures designed to balance public spending; and to ensure that any decisions adopted with respect to public spending and its financing are consistent in content and with national development planning. (Article 4) **(Appendix 38)**

b) Are there mechanisms to enforce compliance with the above standards of conduct? If so, briefly describe them and list and attach a copy of the related provisions and documents.

Yes. It is important to mention that under Article 74 (IV) of the Constitution **(Appendix 1)**, the federal executive branch has the obligation annually to formulate and submit the draft budget of the Federation to the Chamber of Deputies of the Mexican Congress for examination, discussion, and approval. In first place, the Chamber must discuss the contributions with which it is intended to pay for federal public spending. The Chamber must also review the public accounts of the previous year. In this way the Budget is a working tool for the three branches of the Mexican government, inasmuch as it permits control and the possibility of adopting provisions to ensure rational and effective public spending.

For the purposes of preparing the Federal Expenditure Budget, the dependencies and entities of the federal public administration must submit a preliminary draft budget to the Ministry of Finance, based on programs that mention objectives and goals, as well as the units responsible for their implementation, in order for the Ministry to put together and formulate the draft budget that the federal executive branch will submit to the Chamber of Deputies each year (Articles 17 and 20 of the Law on the Federal Budget, Accounts, and Public Spending) **(Appendix 13)**.

For their part, the competent organs of the Chamber of Deputies and the Senate of the Mexican Congress, as well as the Supreme Court, must draw up their respective draft budgets, bearing in mind the projections for federal revenue and public spending, and submit them at the appropriate time to the chief of the federal executive branch in order for him or her to order their inclusion in the draft Federal Expenditure Budget (Article 18 of the Law on the Federal Budget, Accounts, and Public Spending) **(Appendix 13)**.

Once the Chamber of Deputies approves the Expenditure Budget, the Ministry of Finance authorizes the administration of the relevant funds in the amounts approved in the aforementioned budget, and the dependencies and entities of the federal public administration, as well as the legislature, judiciary, and autonomous organs, must confine their public spending to said amounts. (Article 15 of the Federal Expenditure Budget Decree in force and Article 26 of the Law on the Federal Budget, Accounts, and Public Spending) **(Appendix 13)**.

After the validity period of the budget expires it is only possible to make payments based on the budget for items actually accrued in the year in question, provided the relevant operations have been duly entered in the books in a timely manner and, as appropriate, a report is submitted to the Ministry of Finance before the last day of February of each year that projects the size and nature of the floating public debt or current liabilities at the end of the previous year. (Article 29 of the Law on the Federal Budget, Accounts, and Public Spending) **(Appendix 13)**.

Each entity that executes a public spending budget is required to keep books for each separate fiscal year, which should include accounts to record assets, liabilities, capital or equity, income, costs and expenditure, as well as appropriations, commitments and the respective execution of programs and budget headings. (Article 39 of the Law on the Federal Budget, Accounts, and Public Spending) **(Appendix 13)**.

The aforesaid bookkeeping will serve to determine costs and facilitate the formulation, execution and evaluation of budgets and programs, as well as their objectives and goals, and the units responsible for their execution, and, in general, make it possible to measure the effectiveness and efficiency of federal public spending. (Article 40 of the Law on the Federal Budget, Accounts, and Public Spending) **(Appendix 13)**.

Executors of federal public spending are required to submit to the Ministry of Finance, with the frequency it chooses, budgetary, accounting, financial, and any other information that it requires. (Article 41 of the Law on the Federal Budget, Accounts, and Public Spending) **(Appendix 13)**.

Financial statements and other financial, budgetary, and accounting information arising from the books of public spending executors are consolidated by the Ministry of Finance, which prepares of the Annual Federal Public Account and submits it to the chief of the federal executive branch for referral to the Chamber of Deputies, which, through the Office of the Auditor General, shall corroborate execution of the appropriations approved in the Budget, compliance with spending timetables, and progress toward goals. (Article 43 of the Law on the Federal Budget, Accounts, and Public Spending) **(Appendix 13)**.

Furthermore, the Federal Expenditure Budget in force makes it an obligation for the chief of the federal executive branch to submit quarterly reports to the Chamber of Deputies on execution of the budget, as well as on the financial position and public finances for the year; those reports include a comparison between amounts approved and amounts executed. The information that public spending executors provide must be complete, timely, and accurate. Failure to comply gives rise to liability in accordance with Title IV of the Constitution, the Federal Law on Administrative Liability of Civil Servants, the Organic Law of the Congress of the United Mexican States, and other applicable provisions (Article 66 (I) of the Federal Expenditure Budget Decree in force) **(Appendix 32)**.

In addition to the foregoing, pursuant to Article 65 of the Federal Expenditure Budget Decree **(Appendix 32)** for the fiscal year in progress, and of the Federal Law on Transparency and Access to Public Government Information **(Appendix 6)**, 35 days after the end of the of each quarter public spending executors shall make available to the public through its Internet web pages information on the budget allocated to them as well as up-to-date reports on its execution. These web pages contain a link to the Ministry of Finance, which, by virtue of its powers, has comprehensive information on the public spending budget executed by the federal executive branch. As an example of the foregoing, we provide the address of the web site of the Ministry of the Civil Service (www.funcionpublica.gob.mx).

By the same token, the legislative and judicial branches, and federal public entities and dependencies, are required to meet obligations in the area of information and transparency on budgetary matters set down in Articles 7 and 12 of the Federal Law on Transparency and Access to Public Government Information **(Appendix 6)**, and must make public all information regarding amounts and persons who receive public resources, whatever the reason, as well as reports that said persons submit to them on the use of such resources. The foregoing strengthens management control and encourages transparency as well as accountability (Article 65 of the Federal Expenditure Budget Decree for the fiscal year in progress).

It should be mentioned that the federal executive branch relies on the assistance of the Ministry of the Civil Service for internal control and evaluation of federal public spending (Article 26 of the Organic Law of the Federal Public Administration). The Ministry of the Civil Service has powers to

organize and coordinate the government control and evaluation system, as well as to audit and inspect execution of federal public spending and its consistency with the Expenditure Budget. To that end, the aforementioned Ministry appoints the heads of the internal control organs, as well as delegates, public commissioners and external auditors (Article 37 (I), (V), (VIII), (X), (XI), and (XII) of the LOAPF) (**Appendix 2**).

In accordance with Article 60 of the Federal Law on Parastatal Entities and with Articles 29, 30, and 33 of its Regulations, the monitoring organ of decentralized agencies shall be composed of a titular and an alternate public commissioner appointed by the Ministry of the Civil Service, whose powers will include monitoring the implementation and workings of the programming and budgeting systems of parastatal entities (**Appendices 16 and 17**).

Similarly, under Article 63 of the Federal Law on Parastatal Entities, corporations in which the state has a majority interest and public trusts shall have internal control organs and a public commissioner appointed by the Ministry of the Civil Service (**Appendix 16**).

As regards the centralized federal public administration, delegates (also appointed by the Ministry of the Civil Service) have the power to inspect the efficiency with which the dependencies carry out the programs entrusted to them, and the manner in which they make disbursements for related current and capital expenditures, as well as their human, financial, material and other resources, pursuant to Article 61 of the internal regulations of Ministry of the Civil Service (Appendix 29).

The Ministry of the Civil Service also appoints external auditors (Article 19 (VI) of the Internal Regulations of the Ministry of the Civil Service) to examine the financial statements at the close of the fiscal year, and to perform other specialized reviews of parastatal entities of the public administration, in order to obtain an independent professional opinion. Each dependency has an Internal Control Committee and each entity an Control and Audit Committee that examine and evaluate information relating, *inter alia*, to audits, the effectiveness of internal control systems, evaluation of public administration, anti-corruption measures, support for good governance, transparency and access to public government information and the civil service career in the federal public administration. (Article 9 (XI) of the Internal Regulations of the Ministry of the Civil Service and Guidelines on the Functioning of the Control and Audit Committee and on the Internal Control Committee) (**Appendix 29**).

Furthermore, the Federal Oversight and Control Law establishes procedures whereby the Office of the Auditor General of the Federation (an external control body reporting to the Chamber of Deputies) conducts ex-post control of public administration in order to demonstrate that the collection, administration, handling, custody and use of federal revenues and outlays are in accordance with legal and administrative provisions, criteria and approved programs. The Auditor General has powers to formulate lists of observations and, as necessary, hold public officials liable to provide the appropriate compensation for misconduct in public administration in accordance with Articles 51, 52 and 53 of the aforesaid law (**Appendix 26**).

The Mexican legal framework contains various standards that provide the manner, terms and competent authorities for carrying exercising control and evaluation of the execution of federal public spending, as well as for determining, as appropriate, the liability of civil servants who violate the applicable rules in this area.

In this connection, Article 13 of the Federal Law on Administrative Liability of Civil Servants (**Appendix 9**) provides sanctions for breach of standards of conduct on conservation and proper use of public resources, which may consist of a public or private reprimand; suspension from duties; dismissal; economic sanctions and temporary ineligibility for posts, positions, or commissions in public service. Similarly, Article 16 of the Law provides that, if the suspect disappears or if in the judgment of Ministry of the Civil Service there is an imminent risk that he will conceal, destroy or

dispose of his assets, the Federal Treasury will be asked to order precautionary seizure of those assets in guarantee of any economic sanctions that may be imposed for the violation committed.

In addition, Article 20 (2) of the aforementioned law gives the Ministry of the Civil Service or the internal auditor the power to determine compliance by civil servants with their obligations through specific verifications, in which, as necessary, private persons who meet the relevant legal requirements may participate. **(Appendix 9)**.

With respect to civil servants responsible for collection, handling, custody or administration of funds, securities and assets that are owned or in the keeping of the federal government, who are involved in the determination, authorization and contracting of government lending and borrowing; and who are protected by the Guarantee Fund for Reimbursement of Federal Public Funds, under Articles 65 and 65 bis of the Federal Treasury Service Act **(Appendix 15)**, if the aforesaid civil servants incur any liability that proves detrimental to public funds, the Ministry of the Civil Service is empowered to claim from the Federal Treasury the amount of the injury charged to the Fund.

Article 37 of the Law on the Federal Budget, Accounts, and Public Spending provides that federal public spending executors are required to provide the Ministries of Finance and of the Civil Service with such information as they request, and allow their personnel to conduct inspections and audits to determine compliance with the obligations under the aforesaid law, and with the provisions issued on the basis thereof **(Appendix 13)**.

Article 45 of the aforementioned law empowers the Ministry of the Civil Service to order administrative measures on responsibilities that affect the Federal Department of Public Finance and the property of parastatal entities **(Appendix 30)**, resulting from breach of the existing provisions **(Appendix 13)**.

Article 46 establishes three types of liability: a) direct liability of public officials for any damage or injury quantifiable in money suffered by the Federal Department of Public Finance through acts or omissions attributable to them, or for noncompliance or nonobservance of their obligations; b) subsidiary liability of public officials who have failed to review or have authorized such acts through deliberate intent or negligence; and c) joint and several liability of public officials and private persons in cases where they have participated and incurred liability.

Article 49 of the aforesaid law gives the Ministry of the Civil Service power to impose fines on private persons who knowingly participate in acts which give rise to liability that would be detrimental or injurious to federal public funds, without prejudice to the liability that would be applicable to the civil servants involved **(Appendix 13)**.

Articles 134 to 150 of the Regulations on the Law on the Federal Budget, Accounts and Public Spending governs audits of federal public spending as an additional mechanism of control and assessment of transactions carried out by dependencies of the federal public administration (Appendix 14). Furthermore, Articles 156 to 186 describe the types of liability of public officials who collect, handle or have custody of budgetary resources, for their acts or omissions that result in quantifiable damage or injury to the public purse or to the property of parastatal entities. Irregularities are reported in a document entitled "list of charges" (*pliego de responsabilidad*), which determines the net amount of damage caused, the persons responsible, and the type of liability incurred. Similarly, the Federal Treasury Law establishes various mechanisms for this purpose, at Articles 10, 93, 94, 103, and 108 (Appendix 15).

The Government Electronic Contracting System (COMPRANET) was created with the aim of harnessing information technology to simplify administrative procedures, improve the quality and timeliness of public services, as well as to introduce greater efficiency in decision making processes, resource administration, and streamlining of work systems. COMPRANET is a

mechanism that makes it possible to publicize, expedite, and give transparency to the contracting processes of the federal public administration in the area of procurement, services, and public works. The system also makes it unnecessary for bidders to go to the offices of the bidding process organizers because it allows them to submit their bids electronically; they may also present objections to the internal control organs of the federal public administration in the same way. (Decision adopting provisions on the use of remote electronic communication for the submission of bids in public competitive bidding processes held by dependencies and entities of the federal public administration, as well as on presentation of objections by the same means) **(Appendix 39)**.

The Federal Expenditure Budget Decree for Fiscal Year 2004 **(Appendix 32)** provides for the implementation of measures to streamline the structure and use of resources in specific areas under the supervision of the Federal Government. To that end the Ministry of the Civil Service and the Ministry of Finance issued guidelines and jointly carried out promotion activities and provided advisory services to ensure that dependencies and entities of the Federal Government complied fully with Article 30 of the aforementioned decree, which creates a special cost-cutting and streamlining program for administrative structures.

The Standards for the Administration and Disposal of Movable Property of dependencies of the federal public administration make it a requirement to keep a record of all movable property that is in service and part of the fixed assets of the dependencies; as well as to control, allocate, and transfer said property, dispose of it, and determine the final destination of any that are no longer serviceable for the uses to which they were put (Rule 5 and Chapter III) **(Appendix 40)**.

The Manual on Remuneration in the Federal Public Administration describes the system of compensation (salary, benefits, and, as appropriate, hazard pay) applicable to civil servants in management positions in federal dependencies and entities, in order to ensure full transparency and legal certainty in the use of the resources entailed in the remuneration systems for these civil servants (Sections 1 and 4) **(Appendix 37)**.

As part of the cooperation and coordination of activities among the different levels of government, and in order to attack the problem of corruption on all fronts, the Federal Government and the state governments have entered on Agreements to Strengthen the State Systems of Control and Evaluation of Public Expenditure and Collaboration for Transparency and Combating Corruption, which call for joint activities to ensure the efficient, timely, transparent and honest use of the funds that the Federal Government allocates, reassigns or transfers to the state governments; provide greater transparency in the public administration of the federative entities; strengthen the mechanisms of citizen participation in the control and oversight of public administration, and promote efforts to prevent and punish misconduct by civil servants (Article 33 of the Planning Law **(Appendix 18)** and Article 37 (I) and (XXV) of the Organic Law of the Federal Public Administration) **(Appendix 2)**.

Any civil servant who fails in the course of their duties to report a wrongdoing that comes to their attention may be charged with the crime of concealment provided at Article 400 of the Federal Criminal Code or with the misconduct in public office provided at Article 214 (III) of the same code (Appendix 27).

c) Briefly state the results that have been obtained in implementing the above standards and mechanisms, attaching the pertinent statistical information, if available.

The control afforded by the abovementioned laws --from planning to auditing of public spending-- has made it possible to prevent unlawful conduct on the part of the civil servants involved in the execution of public funds, inasmuch as they are designed to safeguard the legality, honesty, loyalty, impartiality, efficiency, transparency and accountability that must prevail in and characterize government administration.

The foregoing is true given that when the draft Federal Expenditure Budget is submitted to the Chamber of Deputies for consideration, the Chamber determines the appropriateness of the budget and can adopt rationalization, austerity, and budgetary discipline measures to be applied by each public spending executor, as well as establish periodic reporting requirements.

Furthermore, in order to ensure that public spending executors perform their activities in accordance with the applicable laws, the federal executive branch monitors, controls and evaluates execution of budget funds. This supervision is exercised through the reports that executors are required to present to the competent authorities, as well as through federal public spending audits to examine the operations of executors, verify that financial statements reasonably reflect the financial position, that resources are efficiently used, that objectives and goals are accomplished in an effective and coherent manner, and that the performance of activities meets the legal provisions in force (Article 135 of the Regulations on the Law on the Federal Budget, Accounts, and Public Spending) **(Appendix 14)**.

At the close of the fiscal year, the Chamber of Deputies, which examined, discussed, and approved the Expenditure Budget, exercises its power of oversight –through the Office of the Auditor General of the Federation- of the use of funds, in order to determine if they were executed in accordance with applicable standards, and, as necessary, to punish any breach of those standards.

In response to public demand that civil servants carry out their duties in an efficient, honest, and transparent manner, the imposition of administrative sanctions is also a possibility.

In this connection, it should be mentioned that there are reference mechanisms that enable the public to examine the performance of the authorities and the responsibility of civil servants in the performance of their activities.

The foregoing consolidates the foundations of transparency in federal public administration, helps to combat corruption, and generates builds up the confidence of society in its institutions and civil servants.

Furthermore, under the foregoing provisions any diversion of public funds can carry a variety of penalties.

In addition to the foregoing, Title X of the Federal Criminal Code **(Appendix 27)** classifies the types of misconduct by civil servants that could constitute criminal offences, such as illegal exercise of public duties; abuse of authority; conspiracy; illegal use of powers; extortion; intimidation; abuse of office; influence peddling; bribery, embezzlement, and illicit enrichment.

The Ministry of the Civil Service –*formerly the Ministry of Control and Administrative Development*- signed Coordination Agreements with the Governors of 28 Federative Entities, which represents 87% of the states of Mexico. The purpose of these agreements is to implement the Program on “Strengthening of State Systems of Control and Evaluation of Public Administration and cooperation for Transparency and Combating Corruption”. It is worth mentioning that 13 of these agreements have been updated under the current administration.

The broad objective of these agreements is for the federal and state executive branches to adopt joint measures to strengthen the systems of control and evaluation of state and municipal public administration, in order to ensure the efficient, timely, and honest use of the funds that the Federal Government –*through the dependencies and entities of the federal public administration*– allocates, reassigns or transfers to the state governments in the framework of the annual Federal Expenditure Budget. The foregoing paves the way for joint activities to monitor and evaluate completion of the goals and commitments selected for federal funding, make public administration more transparent, and combat corruption.

4.- Measures and systems requiring public officials to report to appropriate authorities acts of corruption in the performance of public functions of which they are aware.

a) Are there standards of conduct in your country that establish measures and systems governing the requirement that public officials report to appropriate authorities acts of corruption in public office of which they are aware? If yes, briefly describe them, indicating aspects such as to whom they apply and if there are any exceptions, and list and attach a copy of the related provisions and documents.

Yes. Article 8 (XVIII) of the LFRASP requires civil servants to report in writing to the Ministry of the Civil Service or the internal control office of their dependency any corrupt acts or omissions of which they become aware in the course of their duties with respect to any other public official that could incur their liability (**Appendix 9**). Moreover, Article 117 of the Federal Code of Criminal Procedure requires any person who, in the exercise of public functions, becomes aware of the probable existence of a publicly actionable crime to report it immediately to the Attorney General's Office (**Appendix 43**).

Furthermore, Article 37 of the Organic Law of the Federal Public Administration empowers the Ministry of the Civil Service to examine and investigate the conduct of civil servants and, as appropriate, to prefer charges to the Attorney General's Office, and to provide all cooperation requested of it to that end (**Appendix 2**).

b) Are there mechanisms to enforce compliance with the above standards of conduct? If so, briefly describe them and list and attach a copy of the related provisions and documents.

Yes. There are mechanisms in place to monitor compliance with these standards of conduct in the respective jurisdictions of the authorities mentioned in Chapter 13 of this document (Ministry of the Civil Service, Office of the Auditor General, Internal Control Organs, and control organs of the Federal Judicial Branch, of the Federal Legislative Branch, and of autonomous constitutional organs).

In the administrative sphere, Article 8 (XVII) and (XXI) of the LFRASP creates the obligation for civil servants to ensure that employees under their direction comply with the provisions for safeguarding the principles of legality, honesty, loyalty, impartiality and efficiency that must govern public service, and to abstain from any acts that would impede the presentation of complaints, or to engage in any acts or omissions that would prejudice the interests of those who formulate or present such complaints (**Appendix 2**). Article 10 of the law provides that dependencies and entities must establish specific units, readily accessible to the public, through which any person may submit a complaint or report the failure of civil servants to fulfill their obligations. Complaints may be lodged anonymously provided that the information furnished is sufficient to suspect the responsibility of the civil servant concerned (**Appendix 9**).

This obligation is connected with the complaints system described in greater detail in Chapter IV (1) a) of this document.

c) Briefly state the results that have been obtained in implementing the above standards and mechanisms, attaching the pertinent statistical information, if available.

The implementation of the aforementioned standards of conduct has served as a preventive measure in the context of the federal public administration because they work as a mechanism whereby the civil servants report any misconduct that comes to their attention and, in that way, they serve a control and supervisory function in the performance of public functions. The adoption of the aforementioned measures has made it possible to detect misconduct in the federal public administration because civil servants are more aware of the exercise of public functions and the irregular conduct that arises therein.

In this connection, as mentioned, the current system permits complaints to be lodged anonymously and electronically, and the results reflect the overall number of complaints received. From January 2001 to July 2004, there were 29,410 reports, 24,252 complaints, 5,927 requests, 7,647 suggestions, 2,764 inspections, and 18,614 enquiries into irregularities, all of which were appropriately processed through the mechanisms mentioned in Chapter 4 (1) of this document.

CHAPTER TWO

SYSTEMS FOR REGISTERING INCOME, ASSETS, AND LIABILITIES (ARTICLE III, 4)

a) Are there regulations in your country establishing methods for registering the income, assets and liabilities of those who perform public functions in certain posts as specified by law and, where appropriate, for making such disclosures public? If yes, briefly describe them, indicating aspects like to whom they apply and when the declaration must be presented, the content of the declaration, and how the information given is verified, accessed, and used. List and attach a copy of the related provisions and documents.

Yes. Each of the control organs in framework of the different branches of the federal government (executive, legislature, judiciary) and in autonomous constitutional organs monitors the wealth of their civil servants.

In particular, the civil servants referred to in Article 36 of the LFRASP are required to submit declarations of their personal wealth (**Appendix 9**). In each branch of government these civil servants are as follows:

- In the Congress: Deputies and Senators, Secretaries General, Treasurers, and Directors of the Houses;
- In the centralized federal public administration: all civil servants, from department heads or their equivalent, up to the President of the Republic.
- In the parastatal federal public administration: all civil servants, from department heads or their equivalent, or the equivalent of civil servants required to submit declarations to the federal executive branch, up to the Director General or their equivalent;
- In the Office of the Prosecutor General: all civil servants, from department heads or their equivalent, up to the Prosecutor General, including agents of the Attorney General's Office, experts, and members of the Judicial Police;
- In the Federal Judiciary: Justices of the Supreme Court, Members of the Federal Judicature Council, Circuit Court Judges, Electoral Judges, District Court Judges, and clerks of court in any capacity or appointment;
- In the Federal Tax and Administrative Court, and in labor tribunals and: Judges, board members, clerks of court, or their equivalent;

- In the Ministry of the Civil Service: all select appointees;
- In the Ministry of Public Security: all civil servants, from department heads or their equivalent up to the Minister of Public Security, including all members of the Federal Preventive Police;
- In the Federal Elections Institute: all civil servants, from department heads or their equivalent up to the President of the Council;
- In the Office of the Auditor General of the Federation: all civil servants, from department heads or their equivalent up to the Auditor General of the Federation;
- In the National Commission for Human Rights: all civil servants from department heads or their equivalent up to the President of the Commission;
- In other judicial organs and institutions that determine laws: all civil servants, from department heads or their equivalent up to the head of the organ or institution concerned;
- In general, all civil servants who handles and use federal economic resources, securities and funds; engage in inspection or monitoring activities; determine or perform ratings with a view to the issue of licenses, permits or concessions; and those involved in the award of procurement order or contracts;
- In the Bank of Mexico: all civil servants, from department heads or their equivalent in the centralized federal public administration up to the Governor.

The aforesaid obligation shall also apply to the civil servants of any federal administration dependency, entity, or authority that the Minister of the Civil Service determines through duly warranted and founded general provisions **(Appendix 44)**.

Article 37 of the aforesaid law requires the declaration of personal wealth to be submitted within the following time limits (Appendix 9):

- Initial declaration, within 60 calendar days after taking office.
- Final declaration within 60 calendar days from leaving office.
- Annual declaration of changes in personal wealth in May of each year.

To expedite and simplify the submission of personal wealth declarations, under Rule 1 of the Decision that sets out the rules making it compulsory for civil servants to submit disclosures of personal wealth electronically, published in the Official Gazette on April 19, 2002 **(Appendix 45)**, as of 2002 all civil servants of the federal public administration required to present a declaration of personal wealth must do so electronically, using the *Declaranet* computer program.

With respect to the valuation criteria and the manner of access to the information supplied, because the presentation of personal wealth disclosures is mandatory, these disclosures constitute the basic initial document for analyzing the evolution of civil servants' wealth. Disclosures are divided into two parts: the first contains personal information on the civil servant, identifying the place, position and remuneration associated with their position, as well as other income that they may receive; the second part deals with the real and movable property that comprise their assets, including personal assets, those of their spouse or economic dependents, any encumbrances on their origin or destination, and information on investments, bank accounts and all other transactions with banking and securities institutions. The forms used for the initial or concluding declaration and for reporting changes in wealth are attached **(Appendices 53 and 54)**.

Article 41 of the Federal Law on Administrative Liability provides that when there are sufficient evidence or data to presume that the wealth of a civil servant is significantly higher than their legitimate income would justify, the Ministry of the Civil Service, basing its decision on reasonable evidence, may require them to provide an explanation (**Appendix 9**).

Furthermore, pursuant to Article 43 of the law, public dependencies, entities, and institutions are required to provide the Ministry of the Civil Service with tax, real estate or any other type of information relating to civil servants, their spouses, partners and direct economic dependents, so that the authority can comprehensively verify the evolution of their wealth.

Information on personal wealth may only be made public with the prior and express consent of the civil servant concerned, and will be available for a term of three years following the date on which the civil servant leaves their position, in accordance with Article 40 of the LFRASP (**Appendix 9**) and Articles 3, 18, and 21 of the LFTAIPG (**Appendix 6**). Article 41 of the LFRASP provides that the Ministry of the Civil Service may provide the information from personal wealth disclosures for use as evidence when the Attorney General's Office or the judicial authorities, in the scope of their respective responsibilities, or the civil servant concerned, so request, or when the Ministry of the Civil Service so requests in the course of administrative liability proceedings.

The information contained in the declarations is fed into a data matrix that tracks the behavior of a civil servant's wealth along two axes: the first, horizontal, identifies the evolution of movable and immovable assets, through the recording of purchases, sales, donations or inheritances declared by the civil servant. The same treatment is given to information on any encumbrances that may have been contracted. With respect to banking information, it identifies whether the balances coincide with the movements declared by the civil servant year after year, in this way verifying whether the increases or decreases in savings and payment instruments are reasonable, in order to determine if they are consistent with the income of the civil servant. The other axis, vertical, identifies whether the income that the civil servant obtained in specific periods is sufficient to cover his expenditures during that time. The methodology used is similar to that for measuring cash flow: the sources of funds are compared against their applications, to determine whether the resulting change is reasonable or irregular.

Once the analysis stage is concluded, the results are compared with information collected independently, such as from other public institutions and internal control bodies, which can be asked to provide data on the remuneration obtained by the civil servant during his time in office, or from property and business registries, which provide information on the real property declared or not by the civil servant, and on any encumbrances on those properties, as well as shareholdings in a company and the corresponding benefits. Finally, banking information can be requested from the National Banking and Securities Commission, to corroborate the information in the declaration, by analyzing bank movements in order to determine whether they are consistent with the civil servant's wealth. The results of all this analysis are presented in a report containing observations on any inconsistencies, irregularities, omissions or presumed applications of excess funds, as revealed in the wealth analysis.

As can be seen from the foregoing, the information contained in the personal declaration of wealth is used to track the evolution of civil servants' personal wealth and, in certain cases, is placed before the authorities as evidence of the status of a civil servant, or of an increase in wealth that would point to illicit enrichment, false declaration, etc.

b) Briefly state the results that have been obtained in implementing the above standards and mechanisms, attaching the pertinent statistical information, if available.

The application of the above-described standards has made it possible to prevent illicit conduct by encouraging transparency in government administration and proper public accountability, with an attendant improvement in the quality of public services.

Furthermore a roll has been created of all civil servants required to submit personal wealth disclosures.

The program for monitoring the personal wealth of civil servants is clearly useful for preventive purposes, since it makes it possible to determine whether a civil servant's personal wealth is consistent with his or her income. In this respect, the number of civil servants required to submit such declarations varies annually from 120,000 to 130,000, notwithstanding movements within the year. Of late, the list of federal civil servants required to declare their wealth increased from between 120,000 and 130,000 to between 150,000 and 160,000, reflecting the positive response of civil servants to the new electronic filing system.

The personal wealth declaration is also an instrument that helps to detect possible instances of illicit enrichment.

Statistical data from the personal wealth declarations received from 1998 to July 2004 are shown below:

	1998	1999	2000	2001	2002	2003	2004
INITIAL	63,449	52,827	61,868	43,256	47,832	36,609	45,679
ANNUAL	138,690	132,210	154,969	137,619	173,777	192,426	193,955
FINAL	23,271	33,645	49,961	47,823	17,787	14,696	21,410
TOTAL	225,410	218,682	266,798	228,698	239,396	243,731	261,044

* The figures for initial, annual, and final declarations vary because of personnel movements within the federal public administration.

Any civil servant covered by this requirement who fails to file a personal wealth declaration, or who does so late, or who deliberately falsifies the declaration, will be punished in accordance with LFRASP(**Appendix 9**), following substantiation in a disciplinary administrative proceeding.

CHAPTER THREE

OVERSIGHT BODIES

a) Are there oversight bodies charged with the responsibility of ensuring compliance with the provisions stated in Article III (1), (2) and (4)? If yes, list and briefly describe their functions and characteristics, and attach a copy of the related provisions and documents.

Yes. Control functions in Mexico are exercised by specific authorities:

- a) The Office of the Auditor General of the Federation, as the external control body, pursuant to Article 79 of the Constitution and the Federal Oversight and Control Law, **(Appendices 1 and 26)**;
- b) The Ministry of the Civil Service, in the framework of the federal executive branch, in accordance with Articles 90 of the Constitution and 37 of the LOAPF **(Appendices 1 and 2)**;
- c) The control organs of the legislative branch and the judiciary pursuant to Article 70 (final paragraph) of the Constitution **(Appendix 1)**, and Articles 53, 112 and 113 of the Organic Law of the Congress of the United Mexican States **(Appendix 5)**; as well as Article 100 of the Constitution and Articles 81, 98 to 104, and 122 to 140 of the Organic Law of the Federal Judiciary **(Appendix 3)**.
- d) The control organs of autonomous constitutional organs pursuant to Article 61 of the Law of the Bank of Mexico **(Appendix 46)**, Article 38 of the Internal Regulations of the National Commission for Human Rights **(Appendix 47)**, and the Decision of the General Council of the Federal Elections Institute of October 21, 2002 **(Appendix 48)**.
- e) The control organs of the federative entities, as mentioned in the course of this chapter.

The Auditor General's Office is an organ of the Chamber of Deputies, with technical and managerial autonomy in the exercise of its powers. It reviews the public accounts to determine the following: if programs and their implementation are compatible with the approved appropriations; if revenues and outlays correspond to their respective headings; if programs are completed in line with budget indicators; if financing was lawfully obtained and applied; the financial management results of the branches of government and federal public bodies, to determine if financial management complies with the applicable provisions as regards government records and bookkeeping; if funds are collected and used in accordance to law; and liability for compensatory sanctions pursuant to Articles 74 (IV) and 79 of the Constitution **(Appendix 1)**, as well as Articles 1, 2, 4, 7, 11, 14, 46, and other related provisions contained in the Federal Oversight and Control Law **(Appendix 26)**.

The Oversight Committee of the Chamber of Deputies coordinates and evaluates the Auditor General's activities.

As mentioned, the Ministry of the Civil Service exercises internal control in the federal public administration, pursuant to Articles 90 of the Constitution and 37 of the Organic Law of the Federal Public Administration, **(Appendices 1 and 2)**. Control and oversight of employees of the Ministry of the Civil Service itself is exercised by an internal auditor, who reports directly to the Secretary, and is appointed by the President of the Republic.

Ministry of the Civil Service has, *inter alia*, the following powers: to organize and coordinate the system of governmental control and evaluation; to inspect federal public expenditure and its consistency with the expenditure budget; to issue rules governing internal control in the federal public administration and to see to their enforcement; to supervise compliance by dependencies and entities with provisions relating to planning, budgeting, revenues, financing, investment, debt,

assets, funds and securities; to supervise records systems, bookkeeping, staff contracting and remunerations, and government procurement.

It also receives and records personal wealth disclosures from civil servants, and investigates their conduct when administrative liability is suspected, applies the appropriate sanctions, and, as necessary, lodges complaints with the Attorney General's Office.

This dependency coordinates the overall administrative activities of the federal public administration and the civil service career system; issues rules on government procurement; manages national assets; implements federal public administration real estate policy; and determines policy in the area of electronic government, as well as transparency and accountability.

The control instruments that the Ministry of the Civil Service uses to fulfill its functions include:

- *Government audit.*
- *Standards governing federal procurement, public works, services, moveable properties, warehouses and real properties.*
- *External audit.*
- *Internal control bodies.*
- *Public Commissioners and Delegates.*
- *National system of complaints, reports and citizen assistance.*
- *Investigation of objections in procurement and public works.*
- *Liability of civil servants.*
- *Control and Audit Committees and Internal Control Committees*

The Ministry of the Civil Service exercises its powers with respect to complaints, responsibilities and audits on two fronts: a) through its central administrative units; and b) through the internal control organs of each dependency or entity of the federal public administration. A significant aspect of the control system is that internal control organs are subordinate and report to the Ministry of the Civil Service, not to the audited entity, which assures their autonomy and independence.

These areas of the Ministry of the Civil Service have concurrent powers. Central units have reachdown jurisdiction with respect to administrative liability and objections; as regards complaints and audits, their powers are complementary (Article 37 (XII) of the LOAPF (**Appendix 2**); Article 62 of the LFEP (**Appendix 16**); Article 18 of the LFRASP (**Appendix 9**); and Articles 2, 9, 18, 19, 25, 37,38, 48, and 63 of the Internal Regulations of the Ministry of the Civil Service (**Appendix 29**).

Public commissioners are the oversight mechanism of parastatal entities and have the power to monitor their operations at any time in order to evaluate their overall performance and separate functions; conduct efficiency studies on different areas of current expenditure, investments, and revenue; and issue opinions on the contents of financial statements, which are examined by external auditors. They may also speak but not vote at meetings of the government organs of

entities of the federal public administration, pursuant to Article 37 (XI) of the LOAPF, 60 of the LFEP, and 60 and 62 of the Internal Regulations of the Ministry of the Civil Service (**Appendices 2, 16 and 29**).

Delegates perform the aforesaid evaluation functions in dependencies of the federal public administration pursuant to Article 37 (XI) of the LOAPF and Articles 60 and 61 of the Internal Regulations of the Ministry of the Civil Service (**Appendices 2 and 29**).

Following is a comparative table of the nature and powers of these two control and oversight bodies:

OFFICE OF THE AUDITOR GENERAL OF THE FEDERATION	MINISTRY OF THE CIVIL SERVICE
An organ of the Chamber of Deputies of the National Congress, with technical and managerial autonomy in the exercise of its functions, internal organization, functioning and resolutions.	A dependency of the centralized public administration of the federal executive branch.
Conducts ex-post control, verifying compliance with the budgetary and financial obligations of the three branches of government, and of federal autonomous agencies.	Organizes and coordinates the governmental control and evaluation system in the framework of the federal public administration.
Has the power to submit to the Chamber of Deputies the report on the results of the review of the public accounts contained in the annual report on the financial management of the branches of government.	Reports annually to the President of the Republic on the results of its evaluation of the dependencies and entities of the federal public administration.
The body through which the legislative branch exercise control over public finances.	The body through which the executive branch exerts control over financial, material and human resources for detecting and correcting shortcomings in its administration.
Has the power to impose compensatory sanctions.	Has the power to impose administrative sanctions.

The evaluation and supervision of internal control over the legislative and judicial branches, given the separation of powers provided in the Constitution, and of the autonomous federal agencies (including the property registry) is done through their own internal organs without the intervention of the Ministry of the Civil Service. Those organs are subject only to ex-post control by the Auditor General.

In this connection, following is a brief description of the system of control and determination of liability in the different branches of government:

System of liability in the Federal Judiciary:

Article 94 of the Constitution of the United Mexican States provides that the judicial power of the federation is deposited in a Supreme Court of Justice, in an Electoral Tribunal, in collegiate and unitary circuit courts, in district courts, and in a Federal Judicature Council (Appendix 1).

Furthermore, paragraph four of the aforesaid article says that the jurisdiction of the Supreme Court, its functioning as a Plenary and in Committees, the jurisdiction of circuit courts, of district courts, and the Electoral Tribunal, as well as liability incurred by civil servants of the federal judiciary, shall be governed by laws, in accordance with the framework established by the Constitution.

Article 100 of the Constitution provides that administration, oversight, and discipline in the judiciary, with the exception of the Supreme Court, is the responsibility of the Federal Judicature Council as prescribed by the applicable laws in accordance with the framework set down in the Constitution.

Furthermore, Article 11 of the Organic Law of the Federal Judiciary (**Appendix 3**) provides that the Plenary of the Supreme Court is competent to resolve administrative complaints that concern its members or staff, subject to the opinion of its Chief Justice, including those that have to do with violation of the impediments provided in Title VIII, Article 101 of the Constitution (**Appendix 1**).

For its part, Article 81 of the Organic Law of the Federal Judiciary defines the powers of the Federal Judicature Council, the relevant ones for the purpose of this chapter being to:

- Suspend from duties Circuit and District Court Judges at the request of the court that presides over the criminal proceeding against them. The decision in such cases is communicated to the requesting authority.
- Suspend from duties any Circuit and District Court Judges implicated in a crime, and, as appropriate, file a criminal accusation or charge against them;
- Resolve administrative complaints, as well as complaints concerning liability of civil servants under the terms recognized in this law, including those that have to do with violation of the impediments provided in Article 101 of the Constitution by the appropriate members of the federal judiciary, but not those that concern members of the Supreme Court.
- Investigate and determine liability and sanctions for civil servants and employees of the Council and of circuit and district courts, in the terms and through the procedures provided by the law, regulations, and disciplinary decisions adopted by the Council;

The foregoing notwithstanding, pursuant to Article 103 of the above-cited law, the federal judiciary has an auditor with powers to:

- Monitor compliance with the control standards adopted by the Federal Judicature Council.
- Verify compliance by administrative organs with obligations arising from standards in the area of planning, budgeting, revenue, expenditure, financing, assets and funds.
- Keep, except insofar as the Supreme Court is concerned, a record of and monitor changes in the personal wealth of civil servants of the federal judiciary mentioned in Article 80 (VI) of the Federal Law on Administrative Liability of Civil Servants.
- Inspect and monitor compliance with the standards and provisions on records systems, bookkeeping, staff contracting and remunerations, and procurement of services and material resources for the federal judiciary; and
- Exercise any other powers contained in the appropriate laws, regulations, and general decisions.

Finally, the sanctions applicable under the aforementioned proceedings are contained in Article 135 of the Organic Law of the Federal Judiciary (**Appendix 3**) as follows:

- Private or public warning.

- Private or public reprimand.
- Economic sanctions.
- Suspension.
- Dismissal
- Temporary ineligibility to hold posts, positions or commissions in public service.

System of liability in the Federal Legislative Branch:

Article 50 of the Constitution provides that legislative power of the United Mexican States is deposited in a Congress divided into a Chamber of Deputies and a Senate (**Appendix 1**).

Article 63 of the Constitution provides at paragraph four that elected deputies or senators, who, without just cause, as adjudged by their respective Chamber, do not present themselves to discharge their responsibilities, shall incur liability and be subject to the sanctions that the law determines.

In turn, Article 53 of Title II (“On Organization and Workings of the Chamber of Deputies”) of the Organic Law of the Congress of the United Mexican States provides that the Chamber of Deputies has its own internal auditor, who is empowered to receive complaints, carry out investigations, conduct audits, and apply the proceedings and sanctions appropriate to administrative liability incurred by civil servants thereof (**Appendix 5**).

For its part, Title III of the aforementioned law concerns the organization and workings of the Senate. In this connection Articles 112 and 113 provides that the Senate will have an internal auditor who shall be appointed by a majority of the members present at the plenary meeting at the proposal of the Policy Coordination Board. The auditor may be removed from office for gross misconduct, as determined by a majority vote of the senators present at the plenary.

The auditor examines execution of the Expenditure Budget of the Chamber, including funds allocated to parliamentary groups, which are required to submit to the Office of the Auditor a semi-annual report that duly justifies the use of the funds that the Chamber grants them.

In turn, the Office of the Auditor examines the execution by parliamentary groups of funds allocated to them by the Chamber.

The Auditor shall also present to the plenary, through the Executive Board, a semi-annual report on execution of the Expenditure Budget of the Chamber, which, once approved, is relayed by the Speaker of the Chamber to the federal oversight body for the purposes the law prescribes.

System of liability in autonomous constitutional organs:

The Mexican State has public agencies that are not part of the branches of government, which, based on the functions they perform, have autonomy under the Constitution. Such is the case of the Bank of Mexico, the National Commission for Human Rights, and the Federal Elections Institute. These institutions have their own control organs that resolve and investigate matters involving the liability of their civil servants. They also have oversight powers pursuant to Article 61 of the Law of the Bank of Mexico, Article 38 of the Internal Regulations of the National Commission for Human Rights, and the Decision of the General Council of the Federal Elections Institute of October 21, 2002, respectively (**Appendices 46, 47, and 48**).

Provisions on liability of civil servants in federative entities.

Article 108, paragraph three of the Constitution of the United Mexican States provides that state governors, deputies of local legislatures, judges of local superior courts, and, as appropriate, members of local Judicature Councils, shall be held liable for violations of the Constitution and of federal laws, as well as for misuse of federal funds and resources (**Appendix 1**).

Furthermore, paragraph four of the aforementioned article says that the constitutions of the Mexican states shall class as civil servants, for the purposes of liability, all persons who hold posts, positions or commissions in states and municipalities.

For its part Article 109 of the Constitution (**Appendix 1**) provides, *inter alia*, that state legislatures, **shall adopt laws on liability of civil servants within their respective jurisdictions, together with other standards to punish those who incur political, criminal or administrative liability while serving in such a capacity.**

In that connection Article 113 of the Mexican Constitution stipulates that laws on administrative liability of civil servants shall set out obligations to ensure their legality, honesty, loyalty, impartiality and efficiency in the discharge of their duties, posts, positions and commissions; applicable sanctions for any unlawful acts or omissions; as well as procedures and the authorities to apply them.

b) Briefly state the results that said oversight bodies have obtained in complying with the previously mentioned functions, attaching the pertinent statistical information, if available.

The powers exercised by these control organs have made it possible to prevent misconduct, as shown by the statistical information contained in Chapter I of this document.

There are also appropriate legal instruments in place to correct and punish misconduct by civil servants.

Transparency in government management has been encouraged, as has proper accountability to the citizenry with an attendant improvement in the provision of public services.

The organic structure of the Ministry of the Civil Service has enabled broader coverage in control measures implemented in the framework of the federal public administration, while seeking to safeguard the decentralized nature and independence of the audited entity.

Following are a number of statistical data in this area:

In its review of the public accounts for fiscal year 2002, the Auditor General's Office conducted the following audits:

As the table below shows, of the audits conducted, 24 (7.1%) were on performance; 129 (38.4%) were financial and on compliance; 60 (17.9%) were on public works and physical investment; three (0.9%) on systems; 21 (6.2%) on federal funds executed by federative entities; 47 (14.0%) on federal funds executed by municipalities; and 52 (15.5%) were special audits:

**SUMMARY OF AUDITS CONDUCTED (BY TYPE)
FISCAL YEAR 2002**

TYPES OF AUDIT	IAGF	CHPF	TOTAL	%
Performance		24	24	7.1

Observance of standards:					
		34	226	260	77.4
	• Financial and on compliance	22	107	129	38.4
	• Public works and physical investments	12	48	60	17.9
	• Systems		3	3	0.9
	• Federal funds to federative entities		21	21	6.2
	• Federal funds to Municipalities		47	47	14.0
	Special audits	10	42	52	15.5
	Total	44	292	336	100.0

IAGF: Financial Management Progress Report

CHPF: Federal Public Accounts

For its part, the Ministry of the Civil Service gave particular attention to strengthening the mechanisms necessary to prevent, detect, and eradicate acts of corruption. To that end, the Ministry has conducted the following audits:

Year	Ministry of the Civil Service Audits	External Audits
1998	512	374
1999	368	374
2000	275	637
2001	81	348
2002	54	348
2003	92	329
2004	62*	333

* Audits initiated

Furthermore, to strengthen the government control and evaluation system, in March 2004 the Ministry of the Civil Service, with the participation of its central areas and the Federal Institute on Access to Public Information (IFAI), launched the Performance Evaluation Model for Oversight and Control Organs (MIDO). This model makes it possible to steer the activities of internal control organs, delegates, and public commissioners to support the management of their respective dependencies and entities under the following strategic guidelines:

- ❖ Reduction of risks of corruption in the federal public administration
- ❖ Strengthening of transparency.
- ❖ Strengthening of efficient public administration.
- ❖ Development of an adequate relationship with the institutions of the federal public administration
- ❖ Consolidation of the preventive approach in control.
- ❖ Correct oversight of public administration.
- ❖ Effective application of corrective measures.

The results of the first MIDO evaluation for fiscal year 2004 are anticipated for the first fortnight in March 2005. This exercise covers 214 internal control organs, as well as 40 delegates and public

commissioners, which are evaluated against the coverage prescribed by the central areas of the Ministry of the Civil Service measured by a maximum of 31 indicators.

In the framework of the federal public administration, 15,194 administrative sanctions were imposed as a result of irregular acts or omissions committed by civil servants from January 2002 to June 2004. A breakdown of these figures can be seen in Chapter I(1)(c) of this document. In addition, there were 13,375 audits from January 2002 to June 2004. This figure includes those conducted by the Ministry of the Civil Service, internal control organs, and external auditors. A breakdown of these figures can also be seen in Chapter I(1)(c) of this document.

CHAPTER FOUR

PARTICIPATION BY CIVIL SOCIETY (ARTICLE III(11))

1.- General questions on mechanisms for participation.

a) Are there in your country a legal framework and mechanisms to encourage participation by civil society and non-governmental organizations in efforts to prevent corruption? If so, briefly describe them and list and attach a copy of the related provisions and documents.

Yes. Our country's legal framework encourages participation by civil society and nongovernmental organizations in efforts to detect and prevent corruption. Following are some of the provisions that serve that purpose, which will be addressed in greater detail in subsequent responses:

- *Constitution of the United Mexican States (Appendix 1).*
- *Organic Law of the Federal Public Administration (Appendix 2).*
- *Planning Law (Appendix 18).*
- *Federal Law on Transparency and Access to Public Government Information (Appendix 6).*
- *Federal Law on Administrative Procedure (Appendix 19).*
- *Federal Law on Metrology and Standardization (Appendix 49).*
- *General Law on Ecological Balance and Environmental Protection (Appendix 50).*
- *General Law on Social Development (Appendix 51).*
- *Federal Law on Promotion of the Activities of Civil Society Organizations (Appendix 52).*
- *Internal Regulations of the Ministry of the Civil Service (Appendix 29).*
- *National Development Plan 2001-2006 (Appendix 28).*
- *National Program to Combat Corruption and Promote Transparency and Administrative Development 2001-2006 (Appendix 11).*

- *Decision creating the Commission for Transparency and Combating Corruption in the Federal Public Administration as a permanent interagency committee (Appendix 30).*

The Federal Government has devised a number of programs and measures to encourage participation by civil society and nongovernmental organizations in anti-corruption efforts, based on the powers that each dependency and entity involved in those efforts has within their jurisdiction.

Paragraph three of Article 26 of the Constitution (**Appendix 1**) provides for the creation of procedures for popular participation and consultation in the National System of Democratic Planning. At the same time, Article 20 of the Planning Law (**Appendix 18**) provides for the participation and consultation of diverse social groups in order to allow the population to express its opinions in the process of preparation, updating, and implementation of the National Development Plan and its sectoral programs, including the National Program to Combat Corruption and Promote Transparency and Administrative Development 2001-2006 (Appendix 12), through which most of the following mechanisms designed to stimulate citizen participation have been implemented.

Worth mentioning is the initiative of the Ministry of the Civil Service in the implementation of joint measures to promote transparency and combat corruption with other dependencies and entities of the federal public administration and with social and private sectors of the country, given that under Article 37 (XXV) of the LOAPF (**Appendix 2**) the Ministry has powers to formulate and supervise the broad policy of the federal public administration on measures to foster transparency in public administration, accountability, and on access for private citizens to the information that it generates.

Furthermore, pursuant to Articles 5 (XIV) and (XV) and 17 (I), (II), (IV), (VI), (VII), and (VIII) of the Internal Regulations of the Ministry of the Civil Service (**Appendix 29**), this dependency has power to sign agreements with other dependencies or entities and with state and municipal governments; formulate strategies and policies necessary to stimulate the participation of society, and national and foreign, public and private institutions in the objectives, goals, priorities and programs of the Ministry of the Civil Service to promote honesty and transparency in public administration and combat corruption; assist the efforts of the private and social sectors to implement strategies to promote transparency and honesty in those areas and in their relationships with government; stimulate the production and dissemination of materials and programs to boost awareness on transparency, honesty and combating corruption, in accordance with Ministry policy; foster institutional relations with organizations and leaders that shape public opinion on transparency, honesty, and combating corruption; encourage the creation of coordination instruments with the public, social, and private sectors to promote transparency and combat corruption; and implement publicity campaigns and produce informative material for general distribution on its powers, such as those to prevent and combat corruption.

Based on these constitutional and legal mandates and in exercise of the legally prescribed powers in the area of the federal public administration, the following citizen participation mechanisms have been implemented in this area:

Electronic Citizen Assistance System (SEAC). A computer system that keeps a detailed record of all complaints and reports of misconduct by civil servants, as well as all citizen requests addressed to institutions of the federal public administration, except those received by dependencies and entities whose scope of coverage and specialized nature of their services, necessitate specific areas for public assistance. The SEAC currently functions in a decentralized manner at 221 internal control organs of the federal public administration. (Article 37 of the Internal Regulations of the Ministry of the Civil Service (**Appendix 29**)).

Citizen Portal of the Federal Government. This Portal (www.gob.mx) is the main gateway for information, transactions, and interaction between the public and government. It is designed as an instrument that provides access to the most relevant government information, services, and procedures, organized by subject area and citizen needs.

For information on official procedures and services, the engine that drives the Citizen Portal of the Federal Government is *Tramitanet*.

National System of Complaints, Reports, and Citizen Assistance. The Ministry of the Civil Service introduced this program to receive complaints, reports, suggestions, advice, and acknowledgments with respect to federal civil servants, in order to provide the citizenry with a channel for participation and establish its shared responsibility with the federal public administration in combating corruption.

SACTEL. This is a telephone switchboard implemented by the Ministry of the Civil Service that provides a service that operates 24 hours a day, 365 days a year, responding promptly and effectively to citizens submitting requests concerning the action of civil servants and the provision of federal services, as well as answering queries on procedures and services provided by the federal public administration.

The SACTEL numbers are 30 03 2000 in the Federal District; 01 800 112 0584 in Mexico, and 1 800 475 2393 from the United States.

Direct Citizen Assistance and Management. This mechanism deals with complaints and reports and provides the citizen with different alternatives to solve problems, either immediately, in the short term, or through personalized advisory services and assistance provided by staff of the internal control organs of dependencies and entities of the federal public administration. It also permits detection *in situ* of possible cases of corruption in federal government procedures and services.

Requests for Information Access. The LFTAIPG determined that as of June 12, 2003, all people could request and consult (without the need to demonstrate a specific interest) public information in the possession of the Federal Government, except any classified as secret or confidential.

Electronic Government Contracting System "Compranet". This system has been operating since 1996 for the purpose of conducting automated public competitive bidding processes. The system ensures transparency in the procurement of goods and services, public works, and leasing by the federal public administration, by allowing online consultation of information on publicly tendered procurement contracts, from the publication of calls for bids to data on the contracts, as well as on procurement processes that entail invitation of at least three persons, and those awarded directly. (www.compranet.gob.mx).

Integral Social Oversight System (SICS). This is a federal government system whose objective is for the branches of government to adopt or improve measures and strategies to promote social participation (either individual or organized) in government management as a way to foster transparency and combat corruption.

Integral Service Centers (CIS). This system has been in place since 2001, and has initiated a new service culture where the user is in the driver's seat. This module helps users to find information on the respective procedures or services, and to submit requests, complaints and suggestions; it steers users to the appropriate office (the services are provided by telephone or in person), and supervises the areas of service in order to detect problems in the process.

Simulated user program. This is a tool for the permanent capture of information on the quality and transparency of public services, procedures that need simplifying, and user satisfaction with service received. The program operates with civil servants, social service providers, and citizens in general who are technically qualified, so that they can permanently, impartially and anonymously evaluate the quality of public services and detect corrupt practices by means of indicators and the simulation of procedures.

Focus Groups. In September 2002 the Ministry of the Civil Service began to use focus groups as an institutional mechanism to collect information from the public (suppliers, service users, etc.) on corruption and irregular practices in general. These groups are run by specialized staff of the Citizen Assistance Bureau of the Ministry of the Civil Service and are held at dependencies and entities of the federal public administration where a large amount of government contracting occurs in a framework of strict confidentiality and anonymity.

Officials Online. This mechanism allows the public to communicate online with civil servants and receive information about programs in the Ministry of the Civil Service with the aim of eliminating corruption in the country and ensure complete transparency in the management and performance of institutions and civil servants of the federal public administration.

Internet Page for Children. This is a site created by the Ministry of the Civil Service for children (www.adiosalastrampas.gob.mx) that contains games, stories, riddles and a space for parents who wish to stimulate honesty and integrity in children aged 6 to 12. Its aim is to encourage an early formation in ethics for the population, especially in the areas of transparency and probity.

Goodbye Cheating (*Adiós a las Trampas*). This competition was jointly organized by the Ministry of the Civil Service, the National Council for Culture and the Arts (CONACULTA), and the Federal Elections Institute (IFE) to promote values connected with transparency among children in the country. In 2002, a graphic method that involved the submission of drawings was used to promote transparency. More than 15,000 drawings were sent in from all over the Republic, in which children expressed what they thought about cheating and offered solutions for a better Mexico. A selection of drawings was exhibited at Zaragoza Metro Station, at the Papalote Museum of the Child, at the offices of various federal dependencies, and on the children's web site (www.00corrupcion.gob.mx). Some of the drawings were also included in a book also entitled "*Adiós a las Trampas*", published by the *Fondo de Cultura Económica* that contained articles by Germán Dehesa, Denise Dresser, Carlos Elizondo Mayer-Serra, and Federico Reyes Heróles. In the 2003 version, the Ministry of the Civil Service received the support of the IFE, CONACULTA, the Mexican Radio Institute, and the Communication Council. This time the format was changed and children aged 7 to 14 were invited to participate in the design of a story that described what things would be like if no-one cheated. Over 3,000 essays were received. A sample of some of the winning entries was published. The drawing format will be repeated in August 2004, in which the competing children will also be asked to add a phrase that sums up what it means for them to "fight cheating." <http://www.funcionpublica.gob.mx/micrositios/adiostrampas2004/>

Transparent Enterprise Program. This program disseminated anticorruption messages through specialized media, as well as holding training courses and workshops to share tools for strengthening ethics in companies.

Magazine "*Para Leer sobre Transparencia*" ["Read about Transparency"]. The Transparency Outreach Unit of Ministry of the Civil Service publishes this bimonthly magazine with information relating to transparency, recommended books, principal actions, progress and related topics. The magazine is sent in English and Spanish to key audiences, and an electronic version can be found at the Internet page (www.funcionpublica.gob.mx).

b) Briefly state the results that have been obtained in implementing the above standards and mechanisms, attaching the pertinent statistical information, if available.

Implementation of the aforementioned mechanisms has brought the following results:

- Prevention of acts of corruption through improvement of public processes and services.
- Implementation of controls in areas of the federal public administration susceptible to corruption.

- Investigation and collection of basic information on the activities of institutions, in order to design measures that led to an improvement in their performance.
- Adoption of disciplinary measures, with the application of the appropriate sanctions in cases of misconduct.
- Improved quality of services to the public
- Transparency in public administration.

In connection with the foregoing the most significant results were as follows:

Citizen Portal of the Federal Government. This portal has made it easier and quicker for the public to find information it needs on the federal government. It has also had a positive effect on transparency in public administration and accountability of government officials as a result of the opening up of and access to public information.

Since its launch on November 8, 2002, the portal has received local and international accolades. This year it was the winner in the electronic government category of the Stockholm Challenge. The portal provides access to 529 procedures and services, and there has been a steady rise in the volume of visitors to the site (the daily average is currently 12,370). The areas of the portal that receive the highest number of visitors are Education, Employment, and Family.

Electronic Citizen Assistance System (SEAC): This system has made it possible to control, follow up on, and evaluate attention in dealing with complaints, reports and requests from the public. At the end of 2001, the system was operating in 195 internal control organs, which represented 100% completion of the program target. By June 2002, it was installed in 215 internal control organs. As of June 2004, it was operating externally in 221 internal control organs with approximately 720 users; within the Ministry of the Civil Service it provides a service to 148 users, including the Regional Supervisor's Offices attached to the Citizen Assistance Bureau. In this way, national coverage was achieved in terms of receipt, follow-up and resolution of requests from citizens in the federal sphere. In order to inform the public about the handling of their petitions, from March 2001 to June 2002, 32,367 replies were issued, responding to 100% of applicants who provided sufficient data to be contacted.

To supplement SEAC, in 2002 we developed the Executive Information System for Evaluation of the Citizen Assistance Process (SIEPEPAC), a business intelligence computer tool that uses the data contained in the SEAC to compare and correlate information overall, and generate statistics, in order to identify, *inter alia*, behavior patterns, trends, and relative frequencies in the framework of the dependency or entity of the federal public administration where the irregularity is committed, its geographic location, the type of wrongdoing committed by the civil servants involved, the federal procedure or public service concerned and, in general, all the variables entailed in irregularities that occur in public service. As of June 2004, this system operated in 73 internal control organs via the Internet.

Direct Citizen Assistance and Management. From September 2001 to June 2004 direct assistance was provided in 591,463 cases. Of those 30,859 were cases of citizen management, 92% of which were successfully completed.

Requests for Information Access. This mechanism has enabled citizen monitoring of the civil service and contributes to effective compliance by civil servants with the standards of conduct that they are required to observe, thereby ensuring the transparency and accountability that must prevail in public service.

In that connection, as of July 29, 2004, 44,556 requests have been received for access to information in the federal public administration, of which 39,270 (approximately 88.2%) have been answered, and 2,601 have been left pending due to non-payment of reproduction costs or to failure of the private citizens concerned to furnish additional information necessary to meet their request.

Citizen Telephone Assistance System (SACTEL): From January 2000 to June 2004, 602,641 telephone calls have been received from the public.

National System of Complaints, Reports, and Citizen Assistance: From January 2001 to July 2004, a total of 108,764 citizen requests have been received from the public.

Electronic Government Contracting System "Compranet": The implementation of this system has meant that any citizen can find out what the government is buying, from whom, at what price, and under what conditions, thereby benefiting government procurement. Thus, in 2002 the system provided information on 30,595 bidding processes; 27,967 in 2003; and 12,961, as of June 2004; in addition to calls for bids, terms and conditions, and clarification meetings.

The page received 3,950,000 hits in 2002, making an average of 15,700 hits a day, which represented a 25.6% increase compared to 2001.

In 2003, it received 4,864,000 hits, for an average of 18,600 a day, rising 18.47% compared to 2002.

So far in 2004, there have been 2,706,872 hits, which represents a daily average of 21,000 and an increase of 15.55% over 2003.

More than 35,000 companies used Compranet in 2002 to obtain 1,879,013 bidding documents, which generated 223,674 receipts for their payment. The foregoing represents an increase of 28.65% compared to 2001.

En 2003, 37,000 companies used Compranet to obtain 1,919,109 bidding documents, which represents a rise of 5.74% compared to 2002, generating 198,193 receipts for their payment.

So far in 2004, 40,000 companies have used Compranet, generating 106,390 receipts for bidding documents.

In 2002, 326 Internet links were set up for various purchasing units of federal government dependencies and entities to conduct electronic bidding processes. In 2003, 229 such links were set up, and as of June 2004, 116 links have been created. In addition to bringing full transparency to the process, this system also avoids contact between suppliers and civil servants, thereby reducing the possibility of acts of corruption.

To date, the Compranet web page has an average of 21,000 daily visits. Approximately 40,000 suppliers and contractors were using it to obtain information on more than 27,000 public bidding processes a year, and approximately 5,622 bidding documents per day. These are estimated to have generated 16,547 receipts for bidding documents a month. More than 18,000 electronic bidding processes were held between January 2001 and June 2004.

Integral Social Oversight System (SICS)- Implementation continued of social oversight measures in 31 federative entities and their respective municipalities. In 2002, under the Quality Schools Program (supervised by the Ministry of Public Education), with the creation of the Ministry of the Civil Service, and through its Social Oversight area, coverage of SICS was broadened in programs with high budgetary and social impact. To date there are six dependencies of the federal public administration taking part. They are responsible for the following programs: "Agricultural Laborers", "Micro Regions", "Opportunities" (Ministry of Social Development), "Employment Support" (STPS), "IMSS-Opportunities" (Health), and "Quality Schools" (Ministry of Public Education (SEP)).

Integral Service Center (CIS): From 2001 (when this citizen assistance program was launched) until July 2004, a total of 33 CIS have been set up in dependencies and entities of the federal public administration. These centers have dealt with 444 procedures and services with high social impact and broad coverage, providing assistance to an average of 865,000 users per year.

The main accomplishments that have come with its implementation are as follows: A telephone appointment system for obtaining federal driver's licenses was set up in the Ministry of Communications and Transport. This system provides drivers with all necessary information on this procedure; a computer system was also set up that enables transport companies to initiate various procedures electronically, which represents a frontal assault on corruption and provides greater transparency. As a result of the foregoing measures the time taken to obtain a federal driver's license has been cut from six days to one day, and processing capacity has increased from 40 to 120 licenses per day.

In the Ministry of the Environment and Natural Resources, the delivery time for environmental impact assessments has been reduced from 180 to 70 days, and the time taken to obtain a hunting license has come down from two hours to five minutes, on average. In the State Workers Social Security and Services Institute the drug supply level has been maintained at close to 95%; the waiting time for medical appointments has been brought down from between two and three hours to one hour, and user satisfaction has increased by 10%. In the Federal Committee for Protection against Health Risks one CIS handled 120 processes; waiting time for members of the public descended from 2.5 hours to 30 minutes; a telephone switchboard was installed to handle queries and make appointments, and certification areas, which were a major source of corruption, were separated.

In the Ministry of Labor and Social Security, the CIS that handles the Program for Mexican Temporary Migrant Agricultural Workers with Canada cut its application processing time from four to two days.

It should be mentioned that eight CIS were set up to deal with temporary vehicle entry and imports at principal entry points along the northern border (Tijuana, Baja California; Nogales, Sonora; Ciudad Juárez, Chihuahua; Piedras Negras, Coahuila; Colombia, Nuevo León; and Matamoros, Reynosa, and Nuevo Laredo in the State of Tamaulipas). These CIS have reduced the time taken by this procedure, which involves three federal government dependencies, from around eight hours to 23 minutes, on average, during peak season, which was from the last week in November 2003 to the first week in January 2004. During that period a total of 211,482 permits were issued in a completely transparent and corruption-free environment.

“Simulated User” program: In fiscal year 2001, public assistance areas were set up in 96% of federal government institutions. Overall, the dependencies and entities in which the simulated user program has been implemented since 2001 have carried out 5,934 inspections of procedures and services considered to have a high citizen impact.

Following are statistics on implementation of this program by the Ministry of the Civil Service and the internal control organs:

Item	2001	2002	2003	2004	TOTAL
INSPECTIONS	754	693	929	644*	3,020
REPORTS	6	2	23	7	38
TRAINING COURSES	43	21	10	7	81
TRAINED STAFF	860	496	148	123	1,623
OPERATIVES	25	29	22	11	87
PUNISHED	5	15	6	1	27

*Up to July 2004

Focus Groups. This technique was applied in areas with high potential for corruption, such as government contracting processes, particularly those that involve large sums, as well as in corporate procedures under the supervision of the federal government identified as highly

susceptible to corruption. Focus groups were held in PEMEX (the State oil company), Ministry of Communications and Transport (SCT), the National Water Board (CNA), the Tax Authority (SAT) and the Mexican Social Security Institute (IMSS). Annual figures are presented in the following tables:

September to December 2002						
Institution	No. Sessions	Civil servants	Suppliers and Contractors	Service Users	Labor Representatives	Accounts Offices
SAT	2	22	0	0	0	0
IMSS	3	7	0	0	0	0
PEMEX	42	328	334	0	0	0
TOTAL	47	426	334	0	0	0

January- December 2003						
Institution	No. Sessions	Civil servants	Suppliers and Contractors	Service Users	Labor Representatives	Accounts Offices
IMSS	4	71	0	0	0	0
SAT	0	0	0	0	0	9
CNA	4	22	0	23	0	0
SCT	16	143	0	20	42	0
PEMEX	17	248	105	0	0	0
TOTALS	41	484	105	43	42	9

January - July 2004						
Institution	No. Sessions	Civil servants	Suppliers and Contractors	Service Users	Labor Representatives	Accounts Offices
IMSS	5	68	0	0	0	0
TOTALS	5	68	0	0	0	0

Based on information obtained from the focus groups and from subsequent in-depth interviews with members of the public and civil servants with key data, we are currently working with PEMEX and collecting information in the following areas: precise guidelines on audits and investigation of acts of corruption; reception of concrete proposals for the improvement of processes, and implementation of direct feedback mechanisms between interested parties and those responsible for those improvements; and prevention of corruption in public bidding processes.

“Officials online” program: A number of “Officials online” chat forums are planned for the second half of 2004 to stimulate participation of civil society and nongovernmental organizations in discussions on the following topics:

- Civil service careers in the federal public administration.
Four chat forums (one each month) from August to November 2004.
- Transparency and combating corruption in critical areas of the federal public administration.
One chat forum in September 2004.

- Electronic Government.
One chat forum in October 2004.

Transparent Enterprise Program: This program provided the framework for the launch of a campaign entitled “For transparency to bear fruit, stop paying bribes”. The purpose of this campaign is to broadcast a series of short films that have been pivotal in helping to ensure compliance with international recommendations to combat corruption in the Mexican corporate and production sectors. To date, nearly 100 companies have joined the campaign. In the framework of the “Spokesperson’s Program”, since January 2003, 68 training workshops on honesty have been held in different dependencies, academic institutions, and schools, as well as various social organizations and associations. Furthermore, a free four-hour virtual training course was designed in conjunction with the Virtual University of the Technological Institute of Monterrey. The course is titled “Honesty as a profit strategy” and provides training to any organization in the design of honesty promotion programs based on codes of conduct. Since September 2003 the course has attracted 6,123 participants and 19,876 hits through the Ministry of the Civil Service web site. Companies seeking to become more competitive have also begun to adopt this preventive tool.

2.- Mechanisms for access to information.

a) Are there mechanisms in your country that regulate and facilitate the access of civil society and non-governmental organizations to information under the control of public institutions? Is so, describe them briefly, and indicating, for example, before which entity or agency said mechanisms may be presented and under what criteria the petitions are evaluated. List and attach a copy of the related provisions and documents.

Yes. To fulfill the principles of accountability and transparency in public administration, and thereby encourage citizen participation in government affairs, Article 69 of the Constitution requires the President of the Republic to present an annual report to Congress on the general state of the country's public administration (**Appendix 1**). Furthermore, under Article 93 of the Constitution, Congress may summon ministers and the prosecutor general to submit reports (Appendix 38).

Furthermore, the Federal Law on Transparency and Access to Public Government Information (LFTAIPG), which entered into force on June 12, 2002, guarantees access for all to information in the possession of the branches of government, the autonomous constitutional organs, and any other federal entity (**Appendix 6**).

Under that law, information in the possession of the State is public, although its release may be reserved for a time if such disclosure could compromise national security or pose a risk to the life, safety or health of any person, among other reasons. Furthermore, if the information relates to personal data that require the written consent of the individual for their distribution or marketing, or if this information has been provided by individuals to the government in confidence, it will retain that classification.

As to the federal public administration, this law provides a procedure of access to dependencies or entities whereby any person or his representative may apply for access to the information, by submitting a letter or a preauthorized form, which must contain data identifying the applicant, a precise description of the information sought, and, if necessary, indications of where it is to be found, among other elements; however, there is no need to demonstrate a legitimate interest. In this connection, a computer program was implemented known as the Information Request System (SISI) to facilitate presentation and follow-up of applications for members of the public, and in response to requests for access to public government information. This program may be accessed over the Internet.

The LFTAIPG also creates the Federal Institute of Access to Public Information, as an organ of the federal public administration with operational, budgetary and decision-making autonomy. Its task is to promote and stimulate widespread exercise of the right of access to information; pronounce decisions on rejections of information requests, and protect personal information in the possession of federal government dependencies and entities.

In the case of the legislative and judicial branches, as well as the autonomous constitutional organs and administrative tribunals, they are to adopt, in accordance with the law, general regulations or decisions establishing mechanisms, rules and procedures for providing access to information for individuals.

This law establishes specific grounds for the administrative liability of civil servants who fail to fulfill the obligations contained therein, making them liable to sanctions under the LFRASP, without prejudice to any civil or criminal liability they may incur.

It should be noted that, prior to the adoption of the above-mentioned law, there were already a number of administrative provisions in place that required dependencies and entities to make public certain information for the sake of transparency in government management. Examples are the Federal Law on Administrative Procedure, the Planning Law, the National Development Plan 2001-2006, Federal Expenditure Budget Decree, and the Decision establishing general guidelines on direction, planning, authorization, coordination, supervision, and evaluation of social communication strategies, programs, and campaigns of dependencies and entities of the federal public administration (**Appendix 55**).

b) Briefly state the results that have been obtained in implementing the above standards and mechanisms, attaching the pertinent statistical information, if available.

The above-described mechanisms are an effective anti-corruption tool. They have also brought greater transparency in the exercise of public functions and prompted effective accountability on the part of civil servants.

The LFTAIPG was published in the Official Gazette on June 11, 2002. Transitory Article 8 of this law provided that private citizens would be able to present information requests one year after its entry into force; in other words, as of June 12, 2003.

As of June 2004, 39,902 applications had been submitted electronically and 3,268 manually, for a total of 40,170. In addition 32,928 replies were sent electronically and 2,472 were sent manually, for a total of 35,400 replies. Finally, the IFAI has received a total of 1,171 appeals.

Pursuant to a decision adopted by the Interagency Committee for Transparency and Combating Corruption in the Federal Public Administration, since June 2002, the 33 dependencies and entities that comprise the Committee have been required to publish on their web sites information on their organic structure, powers, governance body, goals and objectives, services and procedures, regulatory framework, contracts, frequently asked questions, official reports, budget, subsidy programs, licenses, and permits. The obligation to make public the aforementioned information was strengthened with the entry into force of the LFTAIPG, Article 7 of which provides the obligation to disseminate publicly the information mentioned in the foregoing Decision with the purpose of ensuring transparency and accountability in public functions.

The dependencies and entities that comprise the federal public administration publish on their web sites the requirements to be met when submitting an application for information (these requirements are set out in Article 7 of the LFTAIPG). Furthermore, there are now 15 federative entities that have adopted a law on transparency; no doubt this number will progressively increase (**Appendix 6**).

3.- Mechanisms for consultation.

a) Are there mechanisms in your country for those who perform public functions to consult civil society and non-governmental organizations on matters within their sphere of competence, which can be used for the purpose of preventing, detecting, punishing, and eradicating public corruption? If so, briefly describe them and list and attach a copy of the related provisions and documents.

Yes. Article 26 (3) of the Constitution calls for the establishment of procedures for public participation and consultation in the national system of democratic planning (**Appendix 1**). In this connection Article 20 of the Planning Law (**Appendix 18**) provides the right to participation and consultation of different social groups, in order to enable the public to express its opinions on sectoral programs.

In accordance with the foregoing, the citizenry has the right to effective participation in the preparation of government strategies through involvement in consultations on the National Development Plan, an instrument that sets out the national objectives and priorities for sustainable integral development in the country. It also contains, *inter alia*, provisions governing the allocation of funds to that end; the instruments and persons responsible for their implementation, and global, sectoral, and regional policy guidelines.

Mention should also be made of the preparation of the National Program to Combat Corruption and Promote Transparency and Administrative Development 2001-2006, which was submitted for public consultation prior to adoption. That consultation led to the need to address the following issues: a) corruption; b) quality of public services; c) citizen participation; and, d) transparency (**Appendix 11**).

Also, Article 8 of the Mexican Constitution guarantees the right of petition for individuals, and says that public officials and employees are required to respect the right of petition when petitions are submitted peacefully, respectfully, and in writing. They also have the obligation to reply to every petition they receive (**Appendix 1**).

Furthermore, the federal government has held a number of citizen consultation forums as part of the process of preparing legislative initiatives, in order to sound out the demands of various sectors of society. This was the case with the Federal Law on Transparency and Access to Public Government Information, the draft amendments to the Law on Public-sector Procurement, Leasing and Services, and the Law on Public Works and Related Services.

The foregoing notwithstanding, in order to avoid repetition the reader is referred to the consultation mechanisms described elsewhere in this chapter.

b) Briefly state the results that have been obtained in implementing the above standards and mechanisms, attaching the pertinent statistical information, if available.

The foregoing mechanisms have made it possible to foster transparency and accountability in the exercise of public functions, as well as to adopt government strategies designed to satisfy the interests of society.

During the consultations held in connection with preparation of the National Development Plan 2001-2006, a total of 153,367 surveys were returned through the mail system (including 1,000 from Mexicans residing abroad), providing opinions on 110 national issues. An Internet survey, conducted via a dedicated web page of the National Development Plan, produced 43,230 proposals.

In terms of public participation in preparation of the National Program to Combat Corruption and Promote Transparency and Administrative Development 2001-2006, consultations produced 15,700 proposals from the public, and 262 papers were submitted.

Among the consultations held during the preparation of legislative initiatives, mention may be made of proceedings relating to the Federal Law on Transparency and Access to Public Government Information, during which 210 papers and 764 specific proposals were submitted. Various sectors of society participated: 23.04% of participants were from the academic world, 12.75% from nongovernmental organizations, and 9.31% from the general public.

To determine the impact of the awareness raising efforts of the Ministry of the Civil Service, a national survey was held to canvas the perceptions and attitudes of the public with respect to corruption; who they considered responsible for combating this problem; and what headway has been made with communication and awareness raising campaigns in this area. The main findings included the following: 87.3% of citizens thought that corruption causes Mexico great harm; 78% did not say that the government was the reason why Mexicans engage in corruption; 94% of Mexicans consider that the citizenry should be involved in anti-corruption efforts; and 74.7% said that they are committed to combating corruption. Among those who recalled anti-corruption messages, 52.5% mentioned one produced by the Ministry of the Civil Service and 22.9% said they remembered at least one short film in the series "*Cineminutos contra la corrupción*".

4.- Mechanisms to encourage active participation in public administration.

a) Are there mechanisms in your country to facilitate, promote, and obtain the active participation of civil society and non-governmental organizations in the process of public policy making and decision making, in order to meet the purposes of preventing, detecting, punishing and eradicating acts of public corruption? If so, briefly describe them and list and attach the related provisions and documents.

Yes. The Mexican legal system provides for various mechanisms to stimulate citizen participation in public policy making and decision making, including ones designed to prevent and combat government corruption.

Both the Federal Law on Administrative Procedure (LFPA) and the Federal Law on Transparency and Access to Public Government Information establish the obligation for dependencies and entities of the federal public administration to make public, prior to their formal adoption, draft laws and administrative provisions of a generally applicable nature, such as regulations, decrees, decisions, Mexican official standards, circulars, forms, guidelines, criteria, methodologies, instructions, directives, rules, manuals, provisions creating specific obligations for private citizens in the absence of competitive conditions, and any other provision similar to any of the foregoing.

In this connection, Article 10 of the LFTAIPG provides that dependencies and entities shall publicize all draft laws and administrative provisions of a generally applicable nature mentioned in the foregoing paragraph at least twenty business days in advance of their intended date of publication or submission for signature by the chief of the federal executive branch (**Appendix 6**).

The principle of openness for the aforementioned provisions has a broader scope under Articles 69(A) to 69(Q) of Title III(A) "Regulatory Improvement" of the LFPA. Pursuant to those provisions, citizens have the possibility to express an opinion on draft legal provisions connected with areas such as corruption (**Appendix 19**).

Thus, Article 69(E) of the LFPA provides for the existence of the Federal Commission for Regulatory Improvement (COFEMER), a decentralized organ of the Ministry of Economy with technical autonomy, among other powers, to review the national regulatory framework and analyze its implementation; examine the aforementioned draft legal provisions of a generally applicable nature and their respective regulatory impact assessments (MIR's) submitted to it by dependencies and entities of the federal public administration; and keep the Federal Registry of Processes and Services (RFTyS).

Under the provisions of Article 69(K) of the LFPA (**Appendix 19**), COFEMER is required to make draft provisions and their respective MIR's public from the moment it receives them, which it does by publishing them on its internet portal (www.cofemer.gob.mx). The purpose in disseminating these draft legal provisions and their MIR's (documents prepared by the regulatory bodies to justify the costs and examine the benefits of their enactment) is to enable the different sectors affected by the matters that such draft provisions would govern, to express opinions and formulate proposals on them, such as the possible inclusion of measures designed to prevent or punish acts of corruption.

Pursuant to Article 69(M) of the LFPA, all federal government procedures must be recorded in the RFTyS. For its part, under Article 69(O) of this law, those procedures must be provided for in laws, regulations, decrees or presidential decisions, or, as appropriate, in Mexican official standards or general decisions issued by the dependencies or entities of the federal public administration that apply the procedures. In this connection, the participation is envisaged of private citizens in the regulation of federal government procedures when the dependencies and entities concerned submit the draft legal provisions that provide the basis for those procedures to COFEMER for consideration. Citizen participation is highly important in such cases because it is a mechanism whereby anti-corruption measures can be proposed for inclusion in certain procedures, which, by their nature, are a potential source of corruption.

In accordance with Article 69(J) of the LFPA, the opinions issued by COFEMER on these draft laws or their MIR's are of a technical nature and consist of an assessment as to whether or not the measures they propose are warranted. The Commission must take into consideration any opinions submitted by private citizens in this regard (**Appendix 19**).

It should be mentioned that while the opinions of COFEMER are not binding on regulatory bodies, under Article 69(K) of the LFPA, its opinions must be made public, which is also done via the COFEMER web site. Furthermore, pursuant to Article 69(L) of the LFPA, the Commission is required to publish monthly in the Official Gazette a list of the draft laws and MIR's received for consideration, together with the respective opinions issued. In this connection, it is worth mentioning that while the opinions of COFEMER are not binding, their dissemination does generate a current of public opinion that exerts pressure on regulatory bodies, which can lead to the re-design of the public policy questioned by private citizens in the aforementioned opinion (**Appendix 19**).

Furthermore, pursuant to Article 69(F) of the LFPA, COFEMER has a Federal Council for Regulatory Improvement that acts as a bridge between the public and private sector and civil society in order to canvas opinions in those sectors in the area of regulatory improvement. The aforesaid Council is composed of representatives of diverse dependencies and entities of the federal public administration, as well as at least five representatives of the corporate sector and one from the academic, labor, and agricultural sectors in the country, respectively (**Appendix 19**).

It should be mentioned that there is a special public consultation procedure for Mexican official standards provided in Article 47 of the Federal Law on Metrology and Standardization, which says that drafts of Mexican official standards must be published in full in the Official Gazette, allowing 60 days for the public to submit comments to the appropriate national advisory committee on standardization. Such comments may include opinions on the inclusion of public policies in the area of corruption (**Appendix 49**).

All responses to the comments received, as well as any amendments to the draft, must be published in the Official Gazette, at least 15 days before publication of the Mexican official standard, and once they are approved by the respective standardization committee they will be published in the Official Gazette.

With respect to environmental matters, Title 5 (on “Social Participation”) of the General Law on Ecological Balance and Environmental Protection requires the federal government to encourage public participation in planning, execution, evaluation, and monitoring of policies concerning the environment and natural resources (**Appendix 50**).

In the area of Social Oversight:

Chapter VIII of the General Law on Social Development recognizes social oversight as a mechanism whereby beneficiaries can verify, in an organized manner, completion of goals and appropriate use of public resources allocated to social development programs (**Appendix 51**).

Furthermore, Article 6 of the Federal Law on Promotion of the Activities of Civil Society Organizations (**Appendix 52**) recognizes the following rights for civil society organizations:

- Participate in **social oversight** mechanism created or operated by dependencies and entities of the federal public administration in accordance with applicable legal and administrative standards;
- Receive advisory services, training, and cooperation from dependencies and entities of the federal public administration in order to improve the completion of their objective and activities, in the framework of programs prepared by those dependencies and entities.

For its part, the Ministry of the Civil Service has powers to encourage civil society participation in government measures, as reflected in Article 17 of its internal regulations, which empowers its Transparency Linkage Unit to adopt strategies and policies and enter into agreements to stimulate the participation of society, and of national and foreign, public and private institutions in efforts to promote honesty and transparency in public administration, and to combat corruption. Moreover, Article 34 of these regulations provides that the powers of the Bureau of Regional Operation and Social Oversight of the Ministry of the Civil Service shall include to promote citizen participation in the implementation of federal programs and monitoring their execution (**Appendix 29**).

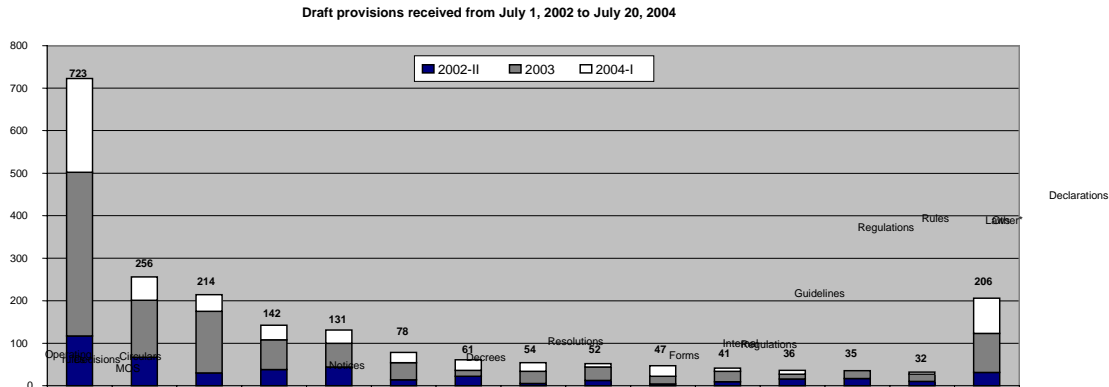
b) Briefly state the results that have been obtained in implementing the above standards and mechanisms, attaching the pertinent statistical information, if available.

The foregoing mechanisms have made it possible to improve the exercise of public duties and offer the citizenry greater transparency with respect to implementation of government activities.

Of the aforesaid mechanisms, worth drawing attention to because of its importance, is the regulatory improvement process implemented by COFEMER. However, the nature and scope of the regulatory improvement process, which is a participation mechanism for the citizenry in anti-corruption policy shaping, make it technically difficult to evaluate in quantitative terms the impact that this citizen consultation has had on the anti-corruption regulations adopted. At all events, the results would have to be analyzed from the point of view of the quality of the regulations issued, including a casuistic review to determine if they were submitted for public consideration and, if so, if the opinions expressed by members of the public altered the final versions of the respective provisions in the terms sought.

Nonetheless, we offer statistics on draft provisions received by COFEMER as well as the queries with which it dealt.

Thus, from July 1, 2002 to July 20, 2004, COFEMER received 2,108 draft provisions, 436 of which were submitted to it in the second half of 2002; 1,086 in 2003; and 586 in the first half of 2004. The graph below shows the drafts received in the period mentioned by type of instrument.



*Includes criteria, agreements, invitations, lists, technical provisions, manuals, PECs, plans, methodologies, constitutional reforms, specifications, notifications, directives, general provisions, instructions, and programs.

With respect to responses to queries and opinions received by COFEMER via the Internet or email on draft federal legal provisions and requirements for initiating procedures with the federal government, between July 1, 2002 and July 20, 2004, COFEMER replied to 7,662 requests. The breakdown appears in the following table:

QUERIES MADE BY PRIVATE CITIZENS		
	Internet	Electronic Mail
2002-II	891	193
2003	4,402	760
2004-I	1,060	356

These statistics do not include the opinions that private citizens may express directly to dependencies and entities in accordance with Article 10 of the LFTAIPG (**Appendix 7**).

5.- Participation mechanisms for the follow-up of public administration.

a) Are there mechanisms in your country to facilitate, promote, and obtain the active participation of civil society and non-governmental organizations in the follow-up of public administration, in order to meet the purposes of preventing, detecting, punishing and eradicating acts of public corruption? If so, briefly describe them, and list and attach a copy of the related provisions and documents.

Yes. The National Development Plan 2001-2006 defines national objectives, strategies and priorities for the integral development of the country. Its strategy for fulfilling objective 6 (Reduce levels of corruption) is to bring transparency to public management and to secure the participation of society by applying systems of measurement to identify more accurately the perceptions of the public on the phenomenon of corruption, and to establish understandings with society for

confronting corruption through concrete actions that demonstrate the public commitment to this national task (**Appendix 28**).

Consistent with the foregoing, the National Program to Combat Corruption and Promote Transparency and Administrative Development 2001-2006 makes it an objective to achieve public participation through three strategies: i) bring quality and transparency to public management; ii) generate understandings with society; and, iii) establish a new social culture for combating corruption (**Appendix 11**).

Article 37 of the Organic Law on the Federal Public Administration gives the Ministry of the Civil Service the power to formulate and conduct the general policy of the federal public administration for promoting transparent public management, accountability and access to government information (**Appendix 2**). In terms of the internal regulations of Ministry of the Civil Service, various administrative units have a mandate to promote citizen participation, (**Appendix 29**).

Similarly, as mentioned, outreach campaigns are being conducted by means of publications and brochures, the mass media, and electronic means, in order to promote transparency and foster citizen participation in government management.

The actions taken by the Ministry of the Civil Service have included:

Social Oversight. The Ministry of the Civil Service has worked to implement the Integral Social Oversight System (SICS) in coordination with all three branches of government, which manage and carry out social benefit programs that aim to prevent and abolish corrupt practices, enlist the active and responsible participation of all sectors of society (citizens, public servants, and civil society organizations) in combating corruption, and promote a culture of transparency and respect for the Law, as decisive aspects for creating a transparent government.

Components of the Integral Social Oversight System (SICS):

- Public information programs
- Forms of social organization for control and oversight
- Government-society communication forums
- Training programs
- Systems for responding to complaints, reports and suggestions
- Systems for the social valuation of government

The SICS has been implemented nationwide in all 31 federative entities as well as in six dependencies of the federal public administration responsible for the programs, “Agricultural Laborers”, “Micro Regions”, “Opportunities” (Ministry of Social Development), “Employment Support” (STPS), IMSS-Opportunities” (Health), and “Quality Schools” (Ministry of Public Education (SEP)), and “Mexican Social Security Institute-Opportunities” (Ministry of Health).

It should be mentioned that the inclusion of the beneficiaries in the determination, implementation, control, monitoring, and evaluation of measures has sought to generate transparency, effectiveness and efficiency in the use of funds.

Collaboration Agreements and Sectoral Pacts for Transparency and Combating Corruption.

As of June 2004, 37 collaboration agreements and two sectoral pacts have been signed to promote the use of tools and programs to foster honesty and widespread implementation of public-awareness raising campaigns. In particular, there are the agreements with the Communication Council, Mexican Radio Institute, National Department Stores Association, Federal Elections Institute, Technological Institute of Monterrey, *Universidad Nacional Autónoma de México*, National Association of Universities and Higher Education Institutions, and the Mexican Cinematography Institute; and the sectoral pacts with on Customs and Federal Land Transportation, with the participation of the Confederation of Customs Agents Associations of the Mexican Republic (CAAREM) and the Tax Authority (SAT), and the National Chamber of Bus Transportation (CANAPAT), and the Ministries of Communications and Transport (SCT) and of Public Security (SSP).

Agreement with the National Association of Universities and Higher Education Institutions (ANUIES). Implements initiatives to instill ethics in higher education students. These include a virtual training course imparted in October 2003 on “Higher Education, Ethics and Social Responsibility” (<http://www.funcionpublica.gob.mx/extras/educ.html>), the purpose of which was to update faculty staff on the subject of teaching ethics and the case method as a teaching strategy. The course was taken by 300 faculty members at 11 higher education institutions affiliated to ANUIES and it supplements the course on “Ethics, Social Responsibility and Transparency” (www.eticapractica.gob.mx) that the Ministry of the Civil Service has been implementing since January 2002 among rectors and academic secretaries at the 138 higher education institutions that comprise ANUIES, as well as among various upper secondary and higher education institutions, with a view to including it in the syllabus for those institutions.

Agreement with the Mexican Cinematography Institute. Two series of short films were produced, called “*Cineminutos contra la Corrupción*” (2002) and “*Cineminutos por la Transparencia*” (2003) (www.funcionpublica.gob.mx), the purpose of which were to create awareness about the costs of corruption on the everyday lives of people and about the key role that individuals play to tackle this problem. These short films have been shown on 2,000 cinema screens across the country and millions of television watchers have seen them on open and paying channels.

Agreement with the Federal Elections Institute (IFE) to incorporate the topics of corruption, impunity and public ethics into the national education system as well as extracurricular activities. This agreement seeks to find common areas for cooperation between the two institutions in order to foster a culture of transparency and accountability. In this context, as mentioned in Chapter IV(1)(a) a competition was organized, entitled “Goodbye Cheating” [“*Adiós a las Trampas*”] in cooperation with the IFE and the National Council for Culture and the Arts (CONACULTA) to promote values connected with transparency among children in the country.

Agreement with the Mexican Bar Association, College of Lawyers. The objectives of this agreement include establishing cooperation between the Ministry of the Civil Service and the College for disseminating the core principles of the Code of Ethics governing the College and its members. The agreement also includes a review and, as necessary, amendments to the rules governing contracting procedures for procurement, leasing, services and public works by dependencies and entities of the federal public administration, in order to achieve transparency and effectiveness in public procurement, and to disseminate the culture of ethical principles that must govern that process.

Agreement with Universidad Nacional Autónoma de México. This agreement was signed on October 18, 2001, and its aim is to lay the foundations for cooperation between the two institutions to promote a culture of ethics and rejection of corruption in society through studies and training in this area, as well as other measures, such as exchange of information on matters connected with transparency in government and the fight against corruption, as well as creation and

systematization of indicators on the development of honesty and corruption in relations between government and society, among other.

Campaigns. Several awareness-raising programs have been produced and broadcast, carrying messages and slogans that encourage transparency, honesty, and accountability. These campaigns have consisted of short films shown in cinemas and on television, advertisements on radio and television, and publicity materials, such as pamphlets, posters and other printed instruments that describe and highlight the costs of corruption and the role of the citizenry and civil society groups to in combating it. These efforts include:

- *Radiosegundos*: Programs co-produced with the Mexican Radio Institute (IMER) in both 2003 and 2004.
 - *Radiosegundos* against corruption were produced in 2003 and broadcast during the air time of the Communication Council.
 - In 2004, seven pro-transparency *Radiosegundos* have been produced. They are broadcast by IMER stations and during the official times of the Radio, Television and Cinematography Bureau of the Interior Ministry.
- *Cineminutos*: The two series of these short films were produced by the Ministry of the Civil Service and the Mexican Film Institute (Imcine). They have been screened in almost 900 theaters throughout the country thanks to the support of Cinemex and Multimedios Cinemas. These two important distributors have established a firm commitment to the issue of citizen participation in combating corruption and they share these messages with their clients.

With the support of the Communication Council, on August 1, 2004, these short films began to be broadcast by open and paying television networks across the country.
The stories have emerged from the invitation made by Imcine to around 15 Mexican film makers to write scripts and direct films that transmit a very clear message: How citizens can combat corruption.
- Training campaigns and adoption of tools in the fight against corruption.
 - Combating corruption: Do it yourself. Citizen toolkits.
www.hagaloustedmismo.gob.mx

Agreement with the National Institute for Public Administration. Signed on December 13, 2001, the objective of this agreement is to recognize institutionally efforts in favor of administrative transparency by different government institutions with an Annual Transparency Prize for Best Practices in Control and Prevention of Corruption in order to foster the use and consolidation of new ways to control and prevent corruption.

b) Briefly state the results that have been obtained in implementing the above standards and mechanisms, attaching the pertinent statistical information, if available.

The mechanisms mentioned in this section have made it possible to correct and punish misconduct by civil servants and at the same time stimulate greater transparency in government affairs as well as proper accountability to the public, with the attendant improvement in the provision of public services.

Some of the measures adopted in this area are as follows:

Pursuant to the Agreement on Collaboration in Transparency and Combating Corruption, since its signature 72 proposals have been submitted for formalizing commitments to activities with civil society organizations.

The projects and activities carried out in the framework of the Integral Social Oversight System since June 2002 have produced the following results:

- “Municipalities for Transparency”.- In all, 275 municipalities in six federative entities and one political delegation in the Federal District took part in the review, inclusion and/or improvement of transparency, accountability and citizen participation measures. As part of the decentralization of the project, since 2001 municipal networks have been set up in 13 states: Baja California Sur, Campeche, Guerrero, Jalisco, Michoacán, Nayarit, Nuevo León, Puebla, Querétaro, Quintana Roo, Sinaloa, Sonora, and Tabasco. Promotion also began of Municipal Planning Institutes, in coordination with the National Institute for Federalism and Municipal Development (INAFIDE), the National Institute for Social Development (INDESOL), the Ministry of Social Development (SEDESOL), and the recently created Mexican Association of Municipal Planning Institutes (AMIMP).
- 30 state government oversight offices are implementing the campaign on citizen information and dissemination of social oversight called “*A los ojos de todos...*” (In the Public Eye...), which is carried out at the municipal and local level in each federative entity. The campaign is also implemented by the Ministries of Social Development, Labor and Social Security, and Public Education and Health. The foregoing helps to make more transparent the information provided by social programs to more than 11.4 million beneficiaries and the general population.
- A total of 18,000 posters and 110,000 citizens letters were designed and distributed to the 31 state government control organs in support of measures to promote access to information. Furthermore, in order to strengthen the construction of transparent governance a leaflet entitled “14 Basic Pro-Transparency Measures” (with a print run of 10,000 copies) was produced in coordination with the International City/Council Management Association (ICMA). A second version of the leaflet was published in 2004 (with a print run of 14,000 copies). Taking part in this effort were ICMA, the National Institute for Federalism and Municipal Development (INAFED), and the Atlatl Project. Both leaflets were distributed in all 2,435 municipalities in the country.
- In coordination with SEDESOL and the Office of the Special Prosecutor for Electoral Crimes (FPADE) we launched the campaign “*A los ojos de todos...Contraloría social en el Proceso Electoral*” (“In the public eye...Social oversight in the electoral process”) specifically designed to prevent the use of social programs for party political and electoral propaganda purposes. The program was implemented through 17 state workshops in the framework of the “Workshops for Transparency and Legality” and 24 municipal workshop. Activities were carried out in line with the electoral calendar in all the entities where gubernatorial elections were held and approximately 50% of local elections in 2002.
- Various publications have been produced including the Citizen Manual 2003 “SEDESOL In the Public eye”, which contains a chapter on “Social oversight, transparency and combating corruption in social programs”. A total of 10,000 copies of this book were printed for distribution among more than 400 civil society organizations and public institutions in all branches of government. In addition INDESOL published 2,000 copies of *Cuaderno de Apoyo sobre Blindaje Electoral* (Guide on Electoral Shielding) for social programs, which includes a chapter entitled “Social Oversight in the Electoral Process”.
- Social oversight was included in the “Cooperation agreement on transparency, citizen assistance, and fighting corruption”, signed by SEDESOL and the Ministry of the Civil Service. This provides a legal tool to support activities carried out with the SEDESOL Transparency Committee.

- From 2002 to 2004, training on social oversight was provided by different government bodies to 7,034,663 people, including beneficiaries, civil servants, citizens and members of civil society organizations.
 - In order to determine the level of operation of the Integral Social Oversight System, citizen participation in social assistance programs, and satisfaction with that participation, a survey was carried out in all 31 federative entities of the programs, Agricultural Laborers, Quality Schools, Employment Support, and Opportunities. The results showed that 35% of the beneficiaries of these programs engage in social oversight measures; 44% take part in activities connected with their operation; and 6% have lodged a complaint or report connected with their operation.
 - In order to broaden the Integral Social Oversight System in other programs, coordination began of social oversight measures with persons responsible for the Productive Options and Habitat Programs run by the Ministry of Social Development, in the framework of the Program to Reduce Backwardness in Early and Basic Education of the National Council for Promotion of Education (which reports to the Ministry of Public Education); the Popular Insurance Program operated by the Ministry of Health; and PROCAMPO of the Ministry of Agriculture, Livestock, Rural Development, Fishing, and Food.
 - Since 2002 a further 20 cooperation agreements have been signed with civil society organizations, which makes 37 overall. Each agreement contained specific undertakings for each organization, and there is a system in place for follow-up on each one.
- Drawing on the expertise of the World Bank Institute and the Technological Institute of Monterrey in organizing courses for combating corruption, the Ministry of the Civil Service sought the support of those two institutions for organizing the program on **"Open and Participatory Government 2003 and 2004"** <http://www.ruv.itesm.mx/portal/promocion/ds/gap/>. A total of 1,110 people took part in the 2003 program on "Open and Participatory Government". The 2004 program on "Open and Participatory Government: How to govern without corruption" targeted middle and senior managers of the Public Administration at both the state and the municipal level. The municipal course was launched on May 3, 2004, and more than 250 people have enrolled to date. Its purpose is to give public servants practical tools for combating corruption in their areas of work and for building good government.

A free four-hour virtual training course was designed in conjunction with the Virtual University of the Technological Institute of Monterrey. The course is titled "Honesty as a profit strategy" and may be accessed at the web site of the Ministry of the Civil Service. It provides training to any organization in the design of honesty promotion programs based on codes of conduct (http://www.ruv.itesm.mx:9090/portal/promocion/cms/ecEnLinea.jsp?clave_curso=CU060&perido=20020101&perfil=1). Since September 2003, the course has attracted 6,123 participants and 19,876 hits through the Ministry of the Civil Service web site.

Under the agreement with the Mexican Bar Association, a course was conducted on **"Combating Corruption: An Integral Vision"** (<http://www.funcionpublica.gob.mx/cursolcvi/index.html>), which offered for the first time in Mexico, a comprehensive overview of every aspect of corruption as well as related issues, including conceptual definitions and the role of the media, practical strategies to prevent it in the private, social, and public sectors, as well as a review of measures adopted at the international level. This comes in addition to the diploma course on **"Corruption and strategies to combat it"** created in 2002 and repeated in 2003, which the *Escuela Libre de Derecho* (Free Law School) also offered, with 50 students taking part.

- The Annual Prize for Research on Corruption in Mexico is jointly organized by the **Ministry of the Civil Service and the Universidad Nacional Autónoma de México (UNAM)**

<http://www.funcionpublica.gob.mx/unam/premio2004/premio2004.html>. The second award ceremony for the 2003 competition was held in January 2004. Due to the high quality of the research studies, the judging panel decided to add also two honorific mentions. It should be mentioned that the number of participants in this competition doubled and the quality of the works submitted exceed that of 2002. The results of the competition and the titles of the three winning studies were announced on Ministry web site. The winning researchers were subsequently invited to take part in roundtable discussions and debates on the issue of corruption. The 2004 competition opened in June 2004 and has been strongly promoted, in particular in the academic community and universities.

- Also in the framework of this agreement, in September 2003 work began on the methodological design and collection of information to prepare the **“Index of good practices in federal government procurement”** coordinated by the UNAM. Its objective is to have available information that on the quality, transparency, effectiveness, and lawfulness in government procurement processes in 21 federal entities and dependencies.
- In the framework of the Cooperation Agreement with the National Institute for Public Administration, 2004 saw the organization of the third **Annual Transparency Prize**. Participation in this competition has increased progressively since its inception: 15 practices were entered in 2002; 22 in 2003; and 31 in 2004. The diversity of practices submitted has also improved, as has the quality and results of many of them. The award is becoming firmly established as an acknowledgement of the country’s public institutions committed to furthering transparency, the fight against corruption, and administrative development for the benefit of society.
- A series of initiatives have been launched in the context of the cooperation agreement signed in 2001 with the **National Association of Universities and Higher Education Institutions (ANUIES)**, in order to instill ethics in higher education students. These include a virtual training course imparted in October 2003 on **“Higher Education, Ethics and Social Responsibility”**, the purpose of which was to update faculty staff on the subject of teaching ethics and using the case method as a teaching strategy. The course was taken by 300 faculty members at 11 higher education institutions. The course will be imparted for a second time in September 2004.
- January 2002 saw the launch of the course on **“Ethics, Social Responsibility and Transparency”**, implemented among rectors and academic secretaries at the 138 higher education institutions that comprise ANUIES, as well as among various upper secondary and higher education institutions.
- A document was published in 2003 entitled **“Codes of Honor: Construction of a culture of responsibility and transparency in higher education institutions”** (<http://www.funcionpublica.gob.mx/publicaciones/folletos/doctos/honor.pdf>). The purpose of this document is to promote a culture of ethics in upper secondary and higher education institutions, and it describe the steps that students, teachers, and faculty members should follow to cement a culture of integrity in their institutions as a foundation for improving academic performance and social prestige. Between September 2003 and July 2004, the document was distributed to the state delegations of the Mexican Youth Institute (IMJUVE), to preparatory schools through the National Confederation of Private Schools and the National Association of Federal Preparatory Schools, for Cooperation and Private Schools Included in the SEP, and to the National Forestry Commission.
- The programs with a functioning social oversight component are the Opportunities Human Development Program, IMSS Solidarity Program, Training Fellowship Program for the Unemployed, Assistance Program for Agricultural Laborers, Microregions Program, Regional Funds for the Development of Indigenous Peoples, and the Employment Support Program.

- Four pamphlets were produced with the aim of strengthening linkage with the private and business sectors:
 1. **Transparent Enterprise: Steps for its Construction:** This pamphlet invites national and foreign companies that operate in Mexico to become involved in combating corruption. The pamphlet describes the successful experiences of different companies in reducing corruption and its effects, in Mexico and elsewhere. <http://www.funcionpublica.gob.mx/publicaciones/folletos/doctos/et.pdf>
 2. **Ethics is good business:** This pamphlet was created for businessmen who operate in Mexico, in order to provide them with information about business ethics and, at the same time, suggest a series of steps for the application of a program on honesty and ethics in business. <http://www.funcionpublica.gob.mx/publicaciones/folletos/doctos/ebn.pdf>
 3. **Clear Rules, Transparent Business: OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.** The pamphlet was published in cooperation with the OECD office in Mexico in order to raise awareness about this convention. It also contains recommendations to help companies that have to prevent and combat bribery adopt the necessary measures. The pamphlet includes the text of the Convention, recommendations for reducing bribery of foreign public officials, a guide for reporting misconduct, and a list of sites of interest. <http://www.funcionpublica.gob.mx/publicaciones/folletos/doctos/ocde.pdf>
 4. **Constructing an integrity program: the role of codes of conduct:** This document sets out some of the benefits and advantages that the design and implementation of an integrity program and codes of conduct can offer an organization. <http://www.funcionpublica.gob.mx/publicaciones/folletos/doctos/pi.pdf>

Furthermore, fact sheets on the OECD Anti-Bribery Convention have been developed and circulated in addition to the above-mentioned pamphlet. One of these is broad in scope and sets out the Convention guidelines, its importance, and a description of its follow-up mechanism. Three other fact sheets contain specific recommendations for civil servants, businessmen, lawyers, and accountants. <http://www.funcionpublica.gob.mx/ocde/>

- In cooperation with the Virtual University of the Technological Institute of Monterrey a virtual training course was created, entitled “Honesty as a profit strategy”. The course targets business owners and executives. The principal objective of the course is to persuade public and private institutions to develop and implement their own honesty programs in order to contribute to the formation of a culture of transparency, on the premise that honesty is an essential competitive advantage.
- In cooperation with the Occidente Institute of Technology and Higher Education (ITESO), the Federal Institute on Access to Information (IFAI), and the National Institute for Social Development (INDESOL), a training workshop on access to information, transparency and accountability was held in November 2003 for representatives of civil society organizations. In addition the “**Manual on Access to Information, Transparency and Accountability for Strengthening Civil Society Organizations**” was published, demonstrating the importance of transparency and access to information as a fundamental tool for these organizations to achieve their objectives. http://www.funcionpublica.gob.mx/manual_acceso/index.html

CHAPTER FIVE

ASSISTANCE AND COOPERATION (ARTICLE XIV)

1.- Mutual Assistance

a) Briefly describe your country’s legal framework, if any, that establishes mechanisms for mutual assistance in processing requests from foreign States that seek assistance in the

investigation and prosecution of acts of corruption. Attach a copy of the provisions that contain such mechanisms.

Assistance is provided within the framework of international treaties that Mexico has signed on mutual legal assistance in criminal matters. These include:

- Treaty between the Government of the United Mexican States and the Government of Canada on Mutual Legal Assistance in Criminal Matters.
- Treaty on Cooperation Between the United Mexican States and the United States of American for Mutual Legal Assistance
- Treaty of Extradition and Mutual Legal Assistance in Criminal Matters between the United Mexican States and the Republic of Costa Rica.
- Treaty of Extradition and Mutual Legal Assistance in Criminal Matters between the United Mexican States and the Republic of Chile
- Treaty of Cooperation between the Government of the United Mexican States and the Government of the Republic of Guatemala on Mutual Legal Assistance.
- Treaty of Cooperation between the Government of the United Mexican States and the Government of the Republic of Venezuela on Mutual Legal Assistance in Criminal Matters.
- Reentry into Force of the Treaty on Extradition and Mutual Legal Assistance in Criminal Matters of October 2, 1990, between the United Mexican States and the Republic of Chile.
- Treaty of Cooperation between the Government of the United Mexican States and the Government of the Republic of El Salvador on Mutual Legal Assistance in Criminal Matters.
- Treaty of Cooperation between the Government of the United Mexican States and the Government of the Republic of Nicaragua on Mutual Legal Assistance in Criminal Matters.
- Treaty on Mutual Legal Assistance in Criminal Matters between the Government of United Mexican States and the Government of the Republic of Panama.
- Agreement on Cooperation in Legal Assistance between the Government of United Mexican States and the Government of the Republic of Colombia.
- Agreement between the United Mexican States and the Republic of Peru on Legal Assistance in Criminal Matters.
- United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances.
- Inter-American Convention against Corruption (Depositary: OAS)

It should be mentioned that Mexico has ratified the following international instruments

- On January 7, 2003: Inter-American Convention on Mutual Assistance in Criminal Matters, Nassau, Bahamas (1992).
- On March 4, 2003: United Nations Convention against Transnational Organized Crime (2000).
- On July 20, 2004: United Nations Convention against Corruption (2003).

Pursuant to Article 133 of the Constitution, the treaties to which Mexico is party have the status of supreme law throughout the Union. Therefore, bilateral and multilateral treaties containing provisions on mutual legal assistance establish the applicable legal framework for responding to such requests. In the absence of a treaty, Mexico responds to requests on the basis of international reciprocity

b) Has your government presented or received requests for mutual assistance under the Convention? If so, indicate the number of requests that it has presented, explaining how many of them have not been answered and how many have been denied and for what reason; indicate the number of requests that it has received, explaining how many of them have not been answered and how many have been denied and for what reason; mention the average time it has taken your country to answer said requests and the average time in

which other countries have responded, and indicate whether you consider these intervals reasonable.

Requests received:

To date Mexico has received no requests for legal assistance under the Inter-American Convention against Corruption.

Requests made:

Mexico has made two requests for legal assistance to the Government of Ecuador under the aforementioned convention.

1) The first request was made on March 1, 2004, and the reply was received on June 14, 2004. (Three months)

2) The second request was made on April 30, 2004 and the reply was received on June 21, 2004. (Three months)

2.- Mutual technical cooperation.

a) Does your country have mechanisms to permit the widest measure of mutual technical cooperation with other States Parties regarding the most effective ways and means of preventing, detecting, investigating, and punishing acts of public corruption, including the exchange of experiences by way of agreements and meetings between competent bodies and institutions, and the sharing of knowledge on methods and procedures for citizen participation in the fight against corruption? If so, describe them briefly.

Yes. The specialized federal department for combating corruption (Ministry of the Civil Service), has developed various mechanisms to encourage cooperation with its inter-American counterparts in combating this scourge. The most important legal instruments for these purposes are listed in the following response.

b) Has your government made requests to other States Parties or received requests from them for mutual technical cooperation under the Convention? If so, briefly describe the results.

Yes. Cooperation agreements have been signed with Argentina, Ecuador, Costa Rica, Peru, Honduras, and the Organization of American States, by means of which Mexico, through the Ministry of the Civil Service, has shared the software for the *Compranet* system and the technical assistance necessary for its functioning.

In addition, a Memorandum of Understanding on Cooperation was signed with the Anticorruption Office of the Ministry of Justice and Human Rights of Argentina on July 4, 2002.

Mexico has received requests from Panama, Costa Rica and El Salvador for organizing workshops and seminars with the assistance of Mexican officials. Examples include a workshop on "Managerial focus, technology and methodology for improving administrative and financial management in the public sector" and the Program for updating federal property records and appraisals in Panama, under the Technical and Scientific Cooperation Program between Mexico and Panama.

Furthermore, under cooperation agreements signed with Paraguay, Canada and Guatemala, Mexico has shared information on automation of government procurement processes, government audits, transparency and accountability promotion programs, and improvement in systems and mechanisms for adoption of measures that contribute to the good governance agenda.

In the framework of these conventions, Mexico has organized internships, conferences, and other types of exchanges with the countries concerned in order to meet its commitments under those cooperation instruments and the Inter-American Convention against Corruption.

c) If no such mechanisms exist, briefly indicate how your State has implemented the obligation, in accordance with Article XIV (2) of the Convention.

As the foregoing replies show, these mechanisms do exist.

d) Has your country developed technical cooperation programs or projects on aspects that are referred to in the Convention, in conjunction with international agencies or organizations? If so, briefly describe, including, for example, the subject matter of the program or project and the results obtained

With the support of the United States Agency for International Development (USAID), the World Bank, the Organization of American States, the Friedrich Ebert Institute, the Woodrow Wilson Center for International Scholars, and the United States Embassy in Mexico, as well as a number of Mexican institutes and companies, a conference entitled "Mexico against Corruption" was held in Mexico City on April 15 and 16, 2002, to examine the phenomenon of corruption, develop effective strategies for combating it, and encourage society to participate in this task. The conference was held in the Ministry of the Economy and attended by speakers from Mexico and abroad. It was transmitted via satellite over the Edusat system from southern Canada to Argentina. It is estimated that 2 million people followed the proceedings by satellite, including 10,000 by Internet. In addition, a workshop and events related to the conference were held from April 17 to 19, 2002.

The materials from the conference have been published at the web page (www.mexicocontralacorrupcion.org). It has been widely consulted and, at the request of several international agencies and governments, it has been sent to Argentina, Colombia, Nicaragua, the United States (USAID), Italy, the Organization of American States, the World Bank, several states of Mexico, and the United Nations.

In 2003 the Ministry of the Civil Service, representing Mexico, together with the Canadian Ethics Office, the General Audit Council of the Government of Chile, the Government Ethics Office of the United States, the Government Ethics Office of Puerto Rico, the Legal Adviser in Economic and Financial Affairs of Uruguay, and the Anticorruption Office of Argentina participated in creating a Network of Government Institutions for Public Ethics in the Americas, in order to provide assistance and promote the exchange of technical information and experience in support of transparency programs, combating corruption, and strengthening public ethics and probity in the respective countries.

In the framework of the Memorandum of Understanding on the Establishment of a Network of Government Institutions of Public Ethics in the Americas –Multilateral agreement signed in the framework of the Summit of the Americas- (Public Ethics Network), Mexico took part in the first two "online chats" to discuss issues such as liability and sanctions, financial disclosure reports, and conflict of interests. Furthermore, Mexico submitted its replies to a questionnaire on the Network of Institutions of Public Ethics for the Americas, with questions connected with the online encounters, the workings of the Network, topics for discussion, strengths, and weaknesses, and suggestions for improvement of the Network. To follow up on the second virtual meeting, a draft agenda was circulated with a proposed date for a meeting to be held this year, based on replies to

questionnaires submitted by all the members on topics of interest and possible dates, as well as a possible venue for the event.

Similarly, the Ministry of the Civil Service is a member of an expert group on corruption and financial crimes that is part of the Binational Commission for cooperation between the United States of America and Mexico in legal matters and in combating organized crime. That group represents a bilateral mechanism for cooperation and exchanging information in order to promote and strengthen instruments to prevent, detect and punish corruption, as well as to promote training in this field.

CHAPTER SIX

CENTRAL AUTHORITIES (ARTICLE XVIII)

1.- Designation of Central Authorities.

a) Has your country designated a central authority for the purposes of channeling requests for mutual assistance as provided under the Convention?

Yes. The Legal Affairs Bureau of the Ministry of Foreign Relations is designated as the central authority for the purposes of channeling mutual assistance under the Convention. However, as regards corruption, such assistance may also be channeled through the treaties on mutual legal assistance in criminal matters that Mexico has signed with other countries, for which the Office of the Prosecutor General has been designated as the central authority. For its part, the Legal Affairs Bureau of the Ministry of Foreign Relations is the administrative unit that coordinates and supervises the position of Mexico on corruption at multilateral forums.

b) Has your country designated a central authority for the purposes of channeling requests for mutual technical cooperation as provided under the Convention?

Yes. This responsibility lies with the Ministry of Foreign Relations. Any request for mutual assistance should be addressed to the General Directorate for Legal Affairs in the Ministry, which will notify the General Directorate for Global Issues for follow-up.

c) If your country has designated a central authority or central authorities please provide the necessary contact data, including the name of the agency(ies) and the responsible official(s), the position that he or she occupies, telephone and fax numbers, and e-mail address(es).

Secretaría de Relaciones Exteriores

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2.- Operation of Central Authorities.

a) Does the central authority have the necessary human, financial and technical resources to enable it to properly make and receive requests for assistance and cooperation under the Convention? If yes, please describe them briefly.

Yes. The Ministry of Foreign Relations has the resources to handle the requests for assistance and cooperation to which the convention refers. The Ministry maintains close contact with the competent specialized federal government dependencies for combating corruption, and chattels requests for assistance and cooperation through the embassies and consulates that Mexico maintains throughout the hemisphere.

b) Has the central authority, since its designation, made or received requests for assistance and cooperation under the Convention? If so, indicate the results obtained, whether there were obstacles or difficulties in handling the requests, and how this problem could be solved.

See the response to question 1-b of chapter 5. It should be noted that those requests were handled by the Office of the Prosecutor General, before the central authority was designated.

III. INFORMATION ON THE OFFICIAL RESPONSIBLE FOR COMPLETION OF THIS QUESTIONNAIRE

Please complete the following information:

- (a) State Party: Mexico
(b) The official to be consulted regarding the responses to the questionnaire is:

Mr. Ernesto Céspedes Oropeza.
Title/position: Director General para Temas Globales.
Agency/office: Secretaría de Relaciones Exteriores/ Dirección General para Temas Globales.
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Note: The replies to this questionnaire are based on the legal provision attached hereto.