

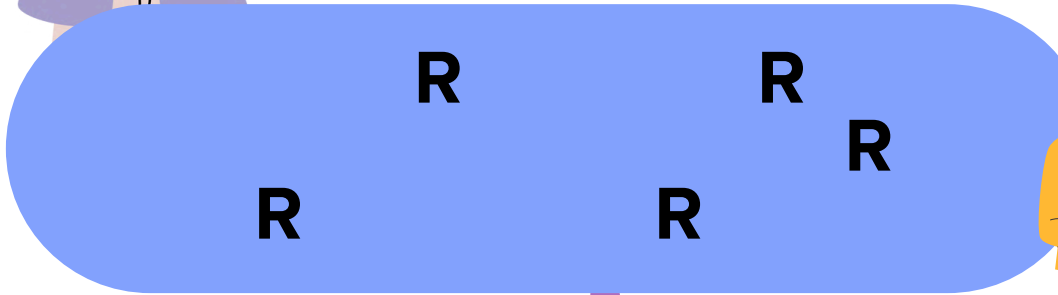


ACCIÓN CIUDADANA
**FRENTE A LA
POBREZA**

Opportunity youth:



Data of Mexico City Metropolitan Area



GLOBAL OPPORTUNITY
YOUTH NETWORK: CIUDAD DE MÉXICO
EL FUTURO ES JOVEN
aspen institute

Acción Ciudadana Frente a la Pobreza was created in May 2015, with the support from more than 60 civil society organizations to impact the causes of poverty and inequality. In November 2020, was established as a non profit, civil association.

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Executive Summary

This study is an input to support the advocacy actions of the *Alianza Jóvenes con Trabajo Digno* – Youth with Decent Work Alliance and the *Red Global Jóvenes Oportunidad CDMX* – Global Opportunity Youth Network – GOYN, prepared by *Acción Ciudadana Frente a la Pobreza* – Citizen Action Against Poverty, thanks to a grant from the Hilton Foundation.

The first part of the study provides statistical information about youth in Mexico City Metropolitan Area – MCMA, which comprises 76 municipalities: 16 “*Alcaldías*” in Mexico City – CDMX, 59 municipalities in the State of Mexico (hereinafter mc-EdoMex) and 1 municipality in Hidalgo.

The second part presents information on federal and state government actions directly related to the economic inclusion of youth.

Finally, the third part presents conclusions: An analysis of structural, policy and perception challenges for the economic inclusion of *opportunity youth*; some opportunities and favorable trends in the national and international context to address these challenges; and at the end recommendations for policies and systemic change at a national level and for CDMX.

Part I. Diagnosis

A city of young people

There are 22 million people living in MCMA, 17% of the country's population. Of these, 5.2 million are young people between 15 and 29 years old. Half are men (50.2%) and half are women (49.8%). The age groups are almost 3 thirds equal. From 15 to 19: 32.8%, from 20 to 24: 33.5% and from 25 to 29: 33.8%. There are 4 municipalities with more than 250,000 young people, and another 16 with more than 100,000 and up to 200,000 young people. In these 20 municipalities live 2/3 of the young people in MCMA (68%).

Some data of the young people in MCMA (see figures 7 A and 7 B)

- 71% single, 25% married or unmarried, 4% divorced or separated.
- 67% of women without children. One third do have children (33%). 18% with one child, 11% with two, 4% with three or more.
- 7.5% of youth-headed households. Of these, 30% are young female heads of household (2.5% of the total).

- 8% are indigenous, 2% are of African descent
- 7% of young people from CDMX migrated from other states or another country, 4% of young people from the mc-EdoMex as well.
- 10% have a disability or limitation. 2.2% with disability and 7.5% with limitations.

Who are *opportunity youth* - OY?

Opportunity youth is a new identity, is a positive approach to confront stigmas, negative labels, and discriminatory practices about youth. It is the concept that seeks to change the negative narrative that strengthens and normalizes exclusion and precariousness that affect a broad part of Mexican youth.

Opportunity youth are creative, resilient, and practical individuals who have faced adverse contexts that produce cumulative disadvantages throughout their life cycle and hinder their economic and social inclusion.

The adverse contexts are multiple, and their disadvantages accumulate from birth: poverty, chronic malnutrition in the first years of life (0-5), poor educational performance in basic education, dropping out of school without completing high school education - HSE, not having a job, or working in precarious jobs (*see figure 8*)

These disadvantages accumulate and reinforce each other. They create structural barriers that do not depend on the merit or capacity of individuals but are the result of conditions beyond their control and decision. On the contrary, they are the product of structural injustice.

Cumulative disadvantages: The roots of exclusion

There are five adverse contexts that create disadvantages and may be statistically measured:

- Poverty, which affects 38% of young people in MCMA. A condition that is closely related to "income poverty", which affects 46%, and with at least one social deprivation, which affects 68% of youth. Poverty has affected a large group of young people since birth and childhood (*see figure 9*).
- Poor educational performance, which affects most children, adolescents, and young people (*see figure 10*), and to a greater extent those living in low-income households (*see figures 11, 12 and 13*).

- School dropout without completing high school education – HSE. School dropout becomes more acute after 15 years of age. 45% of young people aged 15–29 lack complete HSE in MCMA. And is also closely related to youth in poverty (see figure 15, 17 and 19).
- Exclusion from work, which affects 22% of young people in MCMA, almost 2/3 are women (63%) (see figure 22).
- Precarious jobs: 75% of working youth lack sufficient salary and 53% lack social security.

How many *opportunity youth* are there in MCMA?

The quantification and identification of OY allows us to measure the magnitude of the challenge of their inclusion. Although it does not reflect the full set of adverse conditions they face.

There are 2.351 million *opportunity youth* in MCMA, almost half of the 15–29 youth cohort. Nationally there are 16 million. MCMA OY accounts for 12% of the total nationwide.

There are 3 different conditions of OY:

- Exclusion (set A). 543,000 young people out of school, without college / superior education and without work. 71% are women.
- In precarious jobs (set B). 1.150 million young people, without college / superior education, working without sufficient wages and/or social security.
- Students in poverty (set C). 659,000 young people, still at school, without college / superior education.

In sets A and B, 39% studied up to secondary or less and 58% entered HSE.

In set B, half work in micro businesses (51%) and 22% in small economic units (11 to 50 employed persons).

Part II. What is the government doing?

Overview

There are 3 types of actions relevant to the economic inclusion of young people, in relation to workforce development and youth: Technical HSE, labor training and employment support programs.

Education actions

A) High School Education - HSE

The main education action for the economic inclusion of young people is high school education (HSE), especially technical HSE.

HSE is the educational level after basic education and prior to college / superior education. HSE normally covers grades 10 to 12 and the typical age to attend it is 15 to 17 years old. HSE has its own schools different and separated from lower secondary schools.

HSE in Mexico is divided into multiple subsystems. There are three main modalities: general high school, technical high school and technical professional high school. All three allow students to continue their studies to college / superior education. The last two produce a technical certificate for their graduates. In terms of administration and funding, HSE subsystems may be federal, state, autonomous or private.

The federal budget allocates 141,000 million pesos* (8.2 billion USD) to HSE for the entire country. The government of the CDMX allocates less than 1% of that amount: 1,208 million pesos (70 million USD). And the government of EdoMex allocates 9,968 million pesos (583 million USD). A substantial part of CDMX's HSE is financed and administered by the federal government.

HSE enrollment in MCMA is 917,000 young students in the recently concluded 2022 - 2023 school year. The study estimates that in MCMA, the potential demand coverage rate in HSE is 89%, the dropout rate is 10%, the failure rate is 18%, the terminal efficiency rate is 68% and the effective coverage (net schooling rate for 15-17 age youth) is 77%.

B) Technical HSE

Technical HSE is the most relevant education for labor market insertion and for the social and economic conditions of *opportunity youth*. There are 8 technical HSE subsystems in MCMA:

1) Agricultural and Livestock Technological High School Centers – *Centro de Bachillerato Tecnológico Agropecuario* - CBTA, 2) Continental Waters Technological

* In Spanish numbering “one billion” represent one million of millions (One plus 12 zeros). Therefore “one thousand million” is the correct figure in Spanish for “one and 9 zeros. But for better comprehension, we included a conversion to USD (US dollars) with an exchange rate of 17.10. And in that conversion we use the English numbering: One billion is One plus 9 zeros.

High School Centers - *Centro de Bachillerato Tecnológico de Aguas Continentales* - CBAC and 3) Industrial and Services Technological High School Centers - *Centro de Bachillerato Tecnológico Industrial y de Servicios* - CBTIS. These 3 HSE schools are attached to the Undersecretariat of HSE in the federal Public Education Secretary - SEP.

4) Technical Professional Education National Schools - *Colegio Nacional de Educación Técnica Profesional* - CONALEP, administered by the decentralized agency of the same name, attached to the federal SEP.

5) Centers for Scientific and Technological Studies - *Centro de Estudios Científicos y Tecnológicos* - CECyT, administered by the National Polytechnic Institute - *Instituto Politécnico Nacional* - IPN, a decentralized organization with broad technical and administrative autonomy, also formally attached to the federal SEP.

6) Technical High School Centers - *Centros de Bachillerato Tecnológico* - CBT, administered by the Secretary of Education, Culture and Technology of the Government of the State of Mexico.

7) Units of CONALEP - Estado de México, administered by the decentralized agency of the same name of the Government of the State of Mexico.

8) Centers for Scientific and Technological Studies of Mexico State - *Colegio de Estudios Científicos y Tecnológicos del Estado de México* - CECyTEM, administered by the decentralized agency of the same name of the Government of the State of Mexico.

Technical HSE in public schools account for 38% of the total public HSE enrollment in MCMA. Estimation is that 325,000 students are enrolled in public technical HSE in MCMA, with a female participation of 47%.

Other relevant education programs and actions

C) COMIPEMS. Access to public HSE in MCMA is sorted through a single exam coordinated by the Metropolitan Commission of Public Institutions of Higher Education - COMIPEMS. It is estimated that each year COMIPEMS assigns enrollment in HSE schools to 85%-90% of young applicants. Those who are denied access, generally is because they do not meet the requirements: a high school certificate and taking the exam (no minimum grade is required).

D) Non-school-based HSE. There are three non-school-based options to obtain the HSE certificate, intended mainly for "extra-aged" people who can no longer return to

the school-based modality: Open HS - *Prepa Abierta*, Online HS - *Prepa en Línea*, and the accreditation exam through Agreement 286 - *Acuerdo 286*.

E) Dual education. In 2013, dual education was initiated. It is a model that combines classroom education with training in a workplace. Its scope and coverage has been very limited in quantity, most likely it has not reached 10,000 students, i.e. not even 3% of the technical and technological HSE enrollment or 1% of the total HSE enrollment. In the 2022/2023 school year, *Conalep* -which is the main participant of this experience- reports 3,446 students in dual education.

F) BBJ HSE Grants. The main action of the current government for HSE is the Benito Juárez Universal Grant program for HSE students (BBJ HSE). It provides a cash transfer of \$920 pesos per month (53 USD), for 10 months, paid bimonthly. The Register of the BBJ HSE program reports 2.8 million students, at the start of the 2022 school cycle, when there were 4 million HSE students in public schools. In the same period, CDMX, 234,000 students received the BBJ HSE and 409,000 in EdoMex.

G) Common Curriculum Framework – Marco curricular común – MCC. The new government established the "New Mexican School" as an educational policy. At the beginning of the 2022/2023 school year, the new "Common Curricular Framework – MCC" for HSE was announced. Its purpose is to leave behind the competency-based approach previously approved in 2007–2008.

Training and non-formal education actions

A. Job Training Centers – *Centros de Capacitación Técnica Industrial* – CECATI. CECATIs are attached to Undersecretariat of HSE in the federal Education Secretary – SEP. They offer short courses that do not require prior educational certification. They deliver a diploma of participation and may connect participants with CONOCER (although this actually happens in few cases). CECATIs report a population served of 162,000 people in 2022, 0.2% of their potential population¹. Federal Budget in 2024 allocates 4,400 million pesos (263 million USD) for CECATIs under federal administration (all CDMX CECATIs are under federal administration).

B. Distance Training Program for Productivity – PROCADIST. The program offers a set of 37 online courses, and it is part of the Labor Secretary – STPS. Almost half are related to "safety and health at work" (18). The program reports a coverage of 302,000

¹ The potential population is reported by each program's Responsible Unit to Coneval for the "Inventory of Social Programs and Actions". The most recent data, from the 2022 Inventory, is presented here.

"companies and individuals" who "requested" a course. This represents 2% of the potential population. National budget 2024: 39 million pesos (2.3 million USD)

C. State Work Training Institutes - ICAT and ICATI. The governments of CDMX and EdoMex have these type of institutes. ICAT CDMX reports 18,000 persons trained in 2022. Most of them online. Budget 2024: 43 million pesos (2.5 million USD). ICATI in EdoMex has 27 Schools of Arts and Trades in the mc-EdoMex and 18 State Training Units, for the State as a whole. There is no data on the coverage of its services. Budget 2024: 518 million pesos (30 million USD).

D. Youth Building the Future - Jóvenes Construyendo el Futuro - JCF. This is the government's main program for youth in relation to work. It links out-of-school and out-of-work youth with on-the-job training experiences. It provides them with a cash transfer equivalent to one minimum wage, 7,500 pesos per month (2024) and IMSS health insurance.

It reports having supported 2.9 million youth in 5 years, surpassing its original goal of 2.3 million. Its potential population was 5.7 million young people in 2019. The Program Registry in August 2023 reports 275,000 active beneficiaries nationwide, 11,733 in CDMX and 11,303 in EdoMex.

E) Youth and Adult Education Institute - INEA. INEA offers courses and exams to certificate primary and lower secondary education for young people and adults. It has an educational model called "Education for Life and Work". It reports attention to 481,000 people nationwide out of a potential population of 28 million people, that is, 2%. In CDMX it reports serving 12,600 people and in the EdoMex 28,210 people. The federal PEF budget allocates 60 to 70 million pesos (4 million USD) for adult education in CDMX and 204 million pesos (12 million USD) for EdoMex.

F) Pillars of the CDMX government. The government of CDMX operates a program of non-formal education through spaces located in popular areas called "PILARES". There are 302 PILARES modules in the 16 *Alcaldias*. One of its sub-programs is dedicated to promoting "economic autonomy", it seeks to train in trades and entrepreneurship. There is no information about its results.

Employment support actions

A. National Employment Service – Servicio Nacional de Empleo - SNE. The SNE was created in 1978 and is part of the Labor Secretary - STPS. It offers labor intermediation services and employment support programs. It is funded through

concurrent budgets of the federal and state governments (*pari passu* schemes). In CDMX SNE has offices in the 16 *Alcaldías* and in 2023, as of November, reports 18,500 people placed. In EdoMex it has 10 regional offices and 52 "municipal employment services" offices and as of November 2023, it reports 30,000 people placed. National Budget of SNE: 166 million pesos (9.7 million USD).

B. National Council for Labor Standardization and Certification – Consejo Nacional de Normalización y Certificación Laboral – CONOCER. It is a parastatal entity under the federal Secretary of Education – SEP. It has two "systems": the system which defines the "Standards of Labor Competencies" and the system which establishes the mechanisms, criteria, and authorizations for the evaluation and certification. CONOCER is a trust, therefore it has its own funds, not only annual budget funds. In the PEF 2024 it was allocated 116 million pesos (6.8 million USD).

C. Employment Support Programs of the CDMX government. The government of the CDMX operates three programs that also are dispersed in subprograms.

The "**Unemployment Insurance**" delivers up to 3 transfers of 2,925 pesos per month, with a coverage goal of 12,239 persons in 2024. Reports attention to "open population", "markets", "indigenous people" and "affected farmers". In 2024, has a budget of 200 million pesos (11.5 million USD).

"**Fomento al Trabajo Digno**" offers one-time cash support for 4 types of actions: a) training / skills certification, with an average amount of 4,000 pesos; b) Empléate, (Self-employment) which offers a one-time support of 10,000 pesos to purchase equipment or machinery; c) Temporary Work, to perform temporary public works, with up to 3 transfers of 6,000 pesos per month; and d) "Green Jobs" – Empleos Verdes, which is also temporary public works, in actions of care of "green areas", same amount and top as previous. The goal, adding the 4 modalities, is to support 12,000 people. In 2024, it has a budget of 190 million pesos (11 million USD).

Social Economy. It offers monetary support to cooperatives with 3 modalities: a) to establish the cooperative, with at least 5 members, with a one-time support of 80,000 pesos; b) to strengthen cooperatives, with at least 8 members, for an amount of 120,000 pesos; and c) the "Impulso Popular", which supports cooperatives with at least 50 members with an amount of up to 800,000 pesos. In 2023, the registry reports 61 supported cooperatives. It has a budget of 140 million pesos for 2024 (8.2 million pesos).

D. Social Security and DIF day care centers. Social security in formal jobs includes access to daycare for working mothers.

IMSS serves 9% of its potential registered population nationwide: 174,000 children. In CDMX, it has 124 daycare centers serving 14,200 children. In the State of Mexico, there are 86 daycare centers, serving 11,500 children. In 2024, IMSS has a budget of 15,285 million pesos for day care services (894 million USD).

ISSSTE serves just over 5% of its potential population nationwide. It has 41 day care centers in CDMX and only 3 in the mc-EdoMex. At the national level, ISSSTE has 3,013 million pesos budget for daycare services (176 million USD).

The National DIF System includes the creation of childcare centers run by state and municipal governments, executed by state DIFs and municipal DIFs. The DIF of the CDMX government reports 21 "*Centros de Atención, Cuidado y Desarrollo Infantil*". There is no data on their specific budget or coverage. The government of the State of Mexico reports 5 state DIF facilities and 143 more run by municipal DIFs. There is no further information on coverage or budget.

E. Care support programs. The federal administration elected in 2018 eliminated the former "*Programa de Estancias Infantiles*" - Daycare Services Program of SEDESOL. Some of its funds were allocated for a cash transfer program named "*Programa de Apoyo al Bienestar de Niñas y Niños, Hijos de Madres Trabajadoras*", under the responsibility of the federal Welfare Secretary - *Secretaría de Bienestar*. The program provides a monthly transfer of 800 pesos. In 2022, it reports serving 335,000 people, 2% of its potential population.

In the recently concluded government of the State of Mexico, the "Salario Rosa" (Pink Wage) was implemented, which, among other modalities, provided 1,200 pesos a month to women in poverty who carried out caregiving activities. This program supported 350,000 mothers. The "Salario Rosa" program supported in total 720,000 women in 2023, with a budget of 5,148 million pesos (301 million pesos).

Part III. Conclusions: Challenges, opportunities and recommendations for improving public policy for economic inclusion of *opportunity youth* - OY.

A, Structural challenges

There are three **structural** challenges to youth economic inclusion. They are at the root of the barriers that OY face:

- School dropout leading to educational gap. 43% of young people 15-29 in MCMA lack complete high school education. This affects in greater extent youth from poor households.
- The systematic condition of labor exclusion that affects mainly women and youth. Women account for 73% of young people who are excluded from the labor market, mostly because they perform unpaid domestic labor and are not available to get a job.
- The permanence and large scale of labor precariousness and low wages in our labor system. Mexico has the lowest average wage in the OECD, even below Chile, Costa Rica, and Colombia. And it ranks 43rd in a list of 60 countries for its rate of informal labor.

B. Public policy challenges

The second set of challenges for the economic inclusion of OY is the **low effectiveness of government actions**.

In a general approach, public policies and government actions have major limitations: a) low quality of design and execution, high level of dispersion and disconnection between actions that should be complementary; b) very low coverage, as a result of very limited budgets –except for cash transfers in the current federal government; c) low effectiveness of cash transfers, due to their isolation, as stand-alone measures without links to actions necessary to transform the root causes of the problems; and d) political ups and downs that prevent the consolidation of services and good practices that could generate greater impact.

The detailed analysis of the main governmental actions yields the following conclusions:

- **HSE grants** increased their coverage to almost double in the current federal administration but effective HSE coverage indicators are stagnant. Between 2019 and 2023, in MCMA, coverage rate went from 79% to 78% and net schooling rate went from 64% to 63%.
- Mexico has the lowest rate of people with **technical education** as a terminal level: 2%. It is below Costa Rica (4%), Chile (19%) or the OECD (32%).
- **Non-school-based options** for obtaining the HSE certificate are not suitable for OY because of their subject-based approach, their cost, their disconnection from job training, and the personal skills required to achieve the certificate.

- **Job training** is not a priority for government and private sector. Only 21% of the employed personnel have received any training, by 2% of the economic units. And government programs have very low coverage and are dispersed.
- The **JCF program** has serious limitations in achieving results. From 2018 to 2023 the number of youth in formal employment did not grow (rather it declined slightly). And the number of youth out of work and out of school dropped from 21% to 18% of all youth in that same period, 3 percentage points in 5 years.

The main limitations of JCF are: It does not prioritize youth with higher employability barriers, e. g. education gap; it has a geographical bias with very low coverage in cities and metropolitan areas where the largest number of out-of-school and unemployed youth are; participation does not guarantee training, apprenticeships or meaningful work experience; there is no daycare options for female mothers -women being the majority of youth disconnected to school or jobs; CSOs with expertise in youth and employability were relegated since 2022; the platform for registration of youth and job centers was closed opening more space to clientelism and political bias; there is no certification of apprenticeship; and there is no linkage with employment and labor intermediation services.

- The coverage of **employment support programs** is very limited. For example, childcare centers in total do not reach 10% of their potential population.

C. **Negative perceptions**, prejudices, and discriminatory stigmas, in society in general, and in the areas of hiring and decision making employers, add challenges to the economic inclusion of *opportunity youth*.

Opportunities

Among the main **opportunities of the context** to promote the economic inclusion of young people are:

- The decent work agenda has win greater visibility and relevance in the public debate, due to USMCA (TMEC in Spanish acronym) with its labor agenda, the labor legislation reform approved in 2018-2019, the increase of minimum wage, and other reforms.
- Creation of the JCF program for the first time shows the importance of youth employability and opens a funding stream to create an employability policy for OY;

- Growing awareness of the need of public care through public care services (daycare and other), linked to the agenda of substantive equality between men and women;
- The 2030 agenda and the SDGs, as well as other international agendas, highlight the urgency of youth economic inclusion;
- the job vacancy crisis and awareness of talent shortages;
- *nearshoring* and the demand for personnel;
- Private sector initiatives for a living wage and new trends in CSR.

General recommendations (national)

The ten recommendations for public policy change for youth economic inclusion are:

1. JCF program enhancement to promote *opportunity youth* employability.
2. Apprenticeship and first job legislation.
3. Creation of a National Training System linked to the needs and trends of the economy in each territory.
4. HSE dropout reduction strategy that goes beyond grants.
5. Updating and revaluing technical education, especially in HSE.
6. 2nd chance HSE option connected to job placement for *opportunity youth* over 18 years of age.
7. Care system creation with sufficient infrastructure to facilitate the labor insertion of women.
8. Promotion of social economy and entrepreneurship.
9. Promotion of a new labor policy based on social dialogue and agreements to achieve decent work.
10. Collaboration and co-responsibility of government with the private sector and civil society (transversal).

Recommendations for advocacy towards the government of the CDMX

The challenge of advocacy in CDMX has several limitations inherent to the institutional context of the country and in particular to the specific institutional context in CDMX:

- Much lower budget amounts in state governments.
- The labor law is federal; there are no state labor laws. This weakens the participation of state governments in labor issues.
- The main training institution -at least in terms of facilities and budget- is part of Education Secretary – SEP, which has little connection with the productive sector.
- In CDMX, the local government has no participation in basic education and its participation in HSE is minimal: less than 5% of the enrollment in CDMX is covered by the HSE Institute - IEMS of the CDMX government.

We identified the following areas of opportunity for advocacy in CDMX, in articulation with the previous recommendations:

1. Create 2nd chance HSE focused on work and job skills.
2. Promote an entrepreneurship and social economy fund and a technical assistance program, with broad participation of the private sector, universities and CSOs.
3. Expand resources for ICAT and encourage partnerships with CSOs to strengthen the ecosystem of employability of *opportunity youth*.
4. Promote the local system of care.
5. Promote a policy of co-responsibility between government and civil society.

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List of Acronyms and relevant institutions, organizations, and agencies

Acronym	Spanish name	Translation and brief description
BBJ	Becas Benito Juarez	Benito Juarez education cash transfers
CCE	Centro Coordinador Empresarial	Business Sector Coordination Center – The umbrella of Chambers and private sector organizations
CDMX	Ciudad de México	Mexico City (formerly Federal District)
Concamin	Confederación de Camaras Industriales	Industrial Chambers Confederation
CONEVAL	Consejo Nacional de Evaluación de la Política de Desarrollo Social	National Council of Evaluation of Social Development Policy – Public agency responsible of poverty measurement and evaluation of programs and policies related to social rights (education, health, training, care and such)
Coparmex	Confederación Patronal de la República Mexicana	Employers Confederation of the Mexican Republic
CROC	Confederación Revolucionaria de Obreros y Campesinos	Revolutionary Confederation of Workers and Peasants
CSR		Corporate Social Responsibility
CTM	Confederación de Trabajadores de México	Workers Confederation of Mexico
DG	Dirección General	General Directorate
DIF	Desarrollo Integral de la Familia	Family Integral Development – National System, with decentralized DIF agencies administered by the

		federal, the 32 states and the +2,400 municipal governments.
DOF	Diario Oficial de la Federación	Federal Official Gazette
EdoMex	Estado de México	State of Mexico
ENIGH	Encuesta Nacional de Ingresos y Gastos de los Hogares	National Survey on Households' Income and Expenditure – Produced by INEGI every 2 years, since 1992.
ENOE	Encuesta Nacional de Ocupación y Empleo	National Survey of Occupation and Employment –Produced by INEGI quarterly since 2005.
ESG		Environment, Social and Governance criteria to comply with Corporate Social Responsibility
GOYN		Global Opportunity Youth Network
HSE		High School Education
ILO		International Labor Organization – An Agency of the UN
IMJUVE	Instituto Mexicano de la Juventud	Youth Mexican Institute – Currently attached to STPS. Previously to SEDESOL. And originally to SEP
IMSS	Instituto Mexicano del Seguro Social	Mexican Social Security Institute
INEA	Instituto Nacional de Educación para los Adultos	National Institute for Adult Education Agency attached to the Secretary of Education - SEP
INEGI	Instituto Nacional de Estadística y Geografía	National Institute of Statistics and Geography – Public agency

		responsible of national statistics and geographic information.
IPN	Instituto Politécnico Nacional	National Polytechnic Institute
ISSSTE	Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado	Social Security and Services of Public Sector Workers
JCF	Jovenes Construyendo el Futuro (programa)	Youth Building the Future (program)
mc-EdoMex	Municipios conurbados del EdoMex	Municipalities of State of Mexico surrounding Mexico City that are part of MCMA
MCC	Marco Curricular Común (de la EMS)	Common Curricular Framework (of HSE)
MCMA		Mexico City Metropolitan Area
OECD		Organization for Economic Cooperation and Development
PEF	Presupuesto de Egresos de la Federación	Federal Expenditure Budget
PP	Programa Presupuestario	Budget Program – Funding Stream
SCHP	Secretaría de Hacienda y Crédito Público	Finance and Public Credit Secretary
SEDESOL	Secretaría de Desarrollo Social	Social Development Secretary – Former name of current Social Welfare Secretary. Part of Executive Branch of Federal Government. Member of Cabinet. Responsible for most of “social protection” and cash transfer programs.

SEP	Secretaría de Educación Pública	Public Education Secretary – Part of Executive Branch of Federal Government. Member of Cabinet.
SECTI	Secretaría de Educación, Ciencia, Tecnología e Innovación (Gobierno Edo Mex)	Secretary of Education, Science, Technology and Innovation (State of Mexico Government)
STPS	Secretaría del Trabajo y Previsión Social	Labor and Social Prevision Secretary - Part of Executive Branch of Federal Government. Member of Cabinet.
UAM	Universidad Autónoma Metropolitana	Metropolitan Autonomous University - Public College / Superior Education Institution in MCMA
UN		United Nations
UNAM	Universidad Nacional Autónoma de México	National Autonomous University of Mexico – Public College / Superior Education Institution
USMCA		United States – Mexico – Canada Free Trade Agreement

Introduction

The study "*Jóvenes Oportunidad: Datos de la Zona Metropolitana de la CDMX, análisis de políticas y recomendaciones para su inclusión económica*" (*Opportunity Youth: Data of Mexico City Metropolitan Area, policy analysis and recommendations for their economic inclusion*) is an informative input to strengthen the advocacy initiatives of the Global Opportunity Youth Network Mexico City (GOYN) and the *Alianza Jóvenes con Trabajo Digno* – Youth with Decent Work Alliance, at the national level. The study was prepared by Citizen Action Against Poverty, thanks to a grant from the Hilton Foundation.

The study has three parts: The first part of the study is dedicated to the Diagnosis, which presents the main data on young people in Mexico City Metropolitan Area (MCMA).

The first part begins with general data on MCMA as a context, followed by demographic data on young people in MCMA. It then presents who are *opportunity youth* and the disadvantages accumulated during their life cycle. This is followed by an data analysis of the structural roots that explain exclusion and precariousness: poverty, poor educational performance, school dropout without completing high school, exclusion of women and youth, and precarious working conditions. Finally, it presents the methodology and results of the *opportunity youth* count in MCMA.

The second part of the study is an informative input about government actions related workforce development and youth. For each action it presents a general description and goal, coverage and funds allocated. The analysis of its (low) effectiveness is presented in the third part.

The second part begins with a general overview. Subsequently, it presents educational actions, focusing on High School Education (HSE), especially technical HSE. It also provides information on the access mechanism to HSE in MCMA, in charge of COMIPEMS, non-school HSE options, dual education, *Benito Juárez* HSE grants – BBJ EMS and the new Common Curricular Framework – *Marco Curricular Común* – MCC.

The following section covers training and non-formal education actions: the Workforce Development Centers – *Centros de Formación para el Trabajo* – CECATI, the STPS distance training program, the state training institutes, the flagship program *Jóvenes Construyendo el Futuro* and the non-formal education actions for youth and adults of INEA and the Pillars of CDMX.

The following section covers employment support programs: the National Employment Service, CONOCER, employment support programs of the CDMX government, childcare centers, both social security (IMSS and ISSSTE) and DIF, and care support programs (federal and Salario Rosa of the EdoMex government). Before concluding, a brief mention is made of the federal and local Youth Institutes.

The third part is the heart of the study, presenting the conclusions and central messages. It begins with the challenges raised in the diagnosis. First the structural challenges, then the challenges of the low effectiveness of public policies and finally a brief look at the challenges derived from negative perceptions towards youth.

This is followed by a section that lists "contextual opportunities", trends or facts that may favor civil society advocacy (section 11). And finally, the study concludes with 10 recommendations for systemic change in public policies (section 12) and five recommendations for local advocacy towards the government of CDMX.

The recommendations are not intended to be original or self-authored. On the contrary, we try to gather, organize, and nurture the collective reflection processes of the Alianza Jóvenes con Trabajo Digno and GOYN. Of course, the responsibility for what is stated therein is ours. And like the entire document, it is intended as a contribution to reflection and, above all, to collective action.

At the end of the document there are 11 appendices with complementary information that may be useful to understand some points, especially for people unfamiliar with the Mexican context or with budgetary or legal aspects.

The complete study is accompanied by an extensive statistical annex presenting the data for each municipality or other complementary data in tables.

The study was coordinated by Rogelio Gómez Hermosillo M., who elaborated the text. He was assisted by Cristian Franco C., who has processed most of the data presented, as well as the maps and some graphs. Raquel Carvajal A. prepared the diagrams, infographics and illustrations that facilitate reading. The Hilton Foundation team has made valuable comments on the preliminary version that we hope to reflect in this version. The feedback and comments from the *Webinar* with members of GOYN and the Alianza Jóvenes con Trabajo Digno have provided very valuable elements that we hope are reflected in this new version.

CDMX

April 24, 2024

Part I. Diagnosis

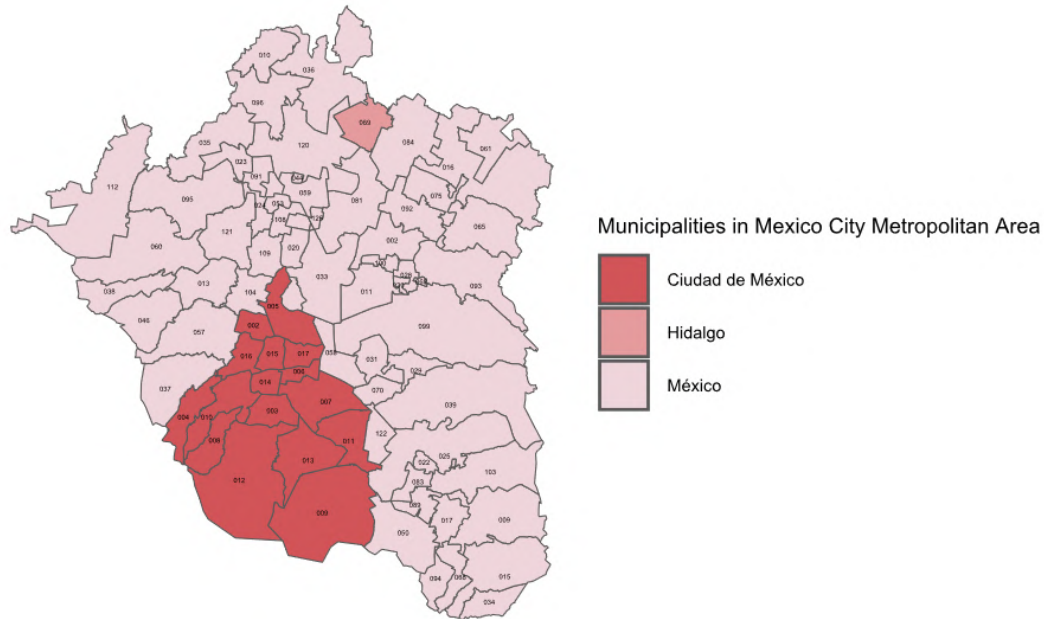
1. Context

Mexico City is the capital city. Together with its surrounding municipalities, it forms the largest metropolitan area in the country. The State of Mexico is the most populated state in the country. Seventy percent of its population live in the metropolitan area of Mexico City (MCMA).

A. Municipalities of MCMA

MCMA comprises 76 municipalities: 16 “*Alcaldías*” in Mexico City (CDMX), 59 municipalities in the State of Mexico (mc-EdoMex) and one municipality in the State of Hidalgo.²

Figure 1. Municipalities in Mexico City Metropolitan Area



Source: Prepared by the authors based on INEGI, geo-statistical framework 2022.

² Hereafter, we will use three main abbreviations: MCMA for the Mexico City Metropolitan Area. CDMX refers only to Mexico City, the original “Federal District”; mc-EdoMex refers to the 59 conurbation municipalities of the State of Mexico, and EdoMex refers to Mexico State as a whole. For economy of language, we will use the term municipality, to include both the municipalities of EdoMex and the *Alcaldías* of CDMX.

The 2020 Census counts 21.8 million inhabitants, 17% of the national population, in MCMA.³ In CDMX: 9.2 million (42% of MCMA). In the mc-EdoMex: 12.4 million (57%). 168,000 in the municipality of the state of Hidalgo (1%).

Table 1 Population and number of municipalities in MCMA by federal entity

Entity	Municipalities	Total population	% of the population of MCMA
Metropolitan Zone of the Valley of Mexico (MCMA)	76	21,804 million	100%
Mexico City (CDMX)	16	9.21 billion	42%
Municipalities in the suburbs of the State of Mexico (mc-EdoMex)	59	12,426 million	57%
Hidalgo	1	168,000	1%

Source: Own elaboration with data from INEGI (2021). National Population and Housing Census 2020.

There are 4 municipalities with more than 1 million inhabitants: Iztapalapa (CDMX), Ecatepec (mc-EdoMex), Gustavo A. Madero (CDMX) and Nezahualcóyotl (mc-EdoMex). These four alone are home to a quarter of the population of MCMA (26%).

There are 12 municipalities with more than 500,000 and up to 1 million inhabitants, accounting for a third of the population of MCMA (34%) (see Table 2).⁴

³ The total population of Mexico is 126 million people.

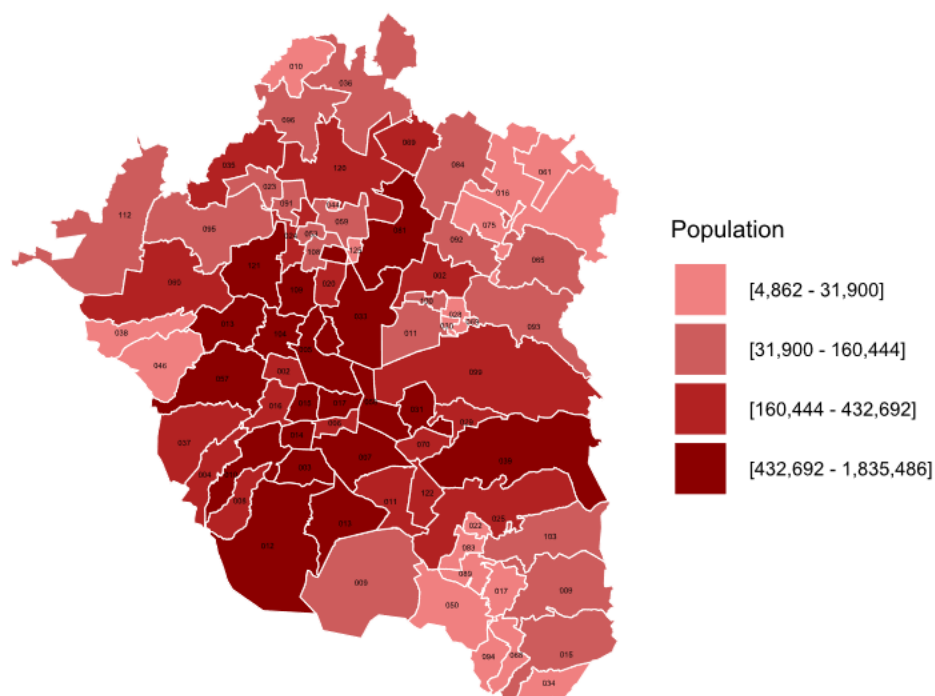
⁴ For the detailed information of municipalities see Statistical Annex

Table 2. Stratification of municipalities by population size

Strata by population	Municipalities	Population (millions)	% of MCMA	Accumulated
+ 1 million	4	5.731	26%	26%
+ 500,000 up to 1 million	12	7.516	34%	60%
+ 250,000 up to 500,000	15	5.627	26%	86%
+ 100,000 up to 250,000	10	1.762	8%	94%
- 100,000	35	1.168	5%	100%

Source: Own elaboration with data from INEGI (2021). National Population and Housing Census 2020. Note: percentages do not add up to 100% due to rounding.

Figure 2. Population distribution of the municipalities of MCMA



Source: Prepared by the authors based on the 2020 Population and Housing Census, INEGI.

CDMX has been governed by the Morena party since 2018. The elected head of government was Claudia Sheinbaum, who resigned to assume the presidential candidacy. The interim head of government is Martí Batres and the government term ends on October 5, 2024.

In EdoMex, Delfina Gómez, from the Morena party, will govern as of September 16, 2023. Her term of office ends in 2029.

At the municipal level, in MCMA, the Morena party governs in 30 municipalities: 7 mayors' offices in CDMX, 22 mc-EdoMex and the municipality in Hidalgo.

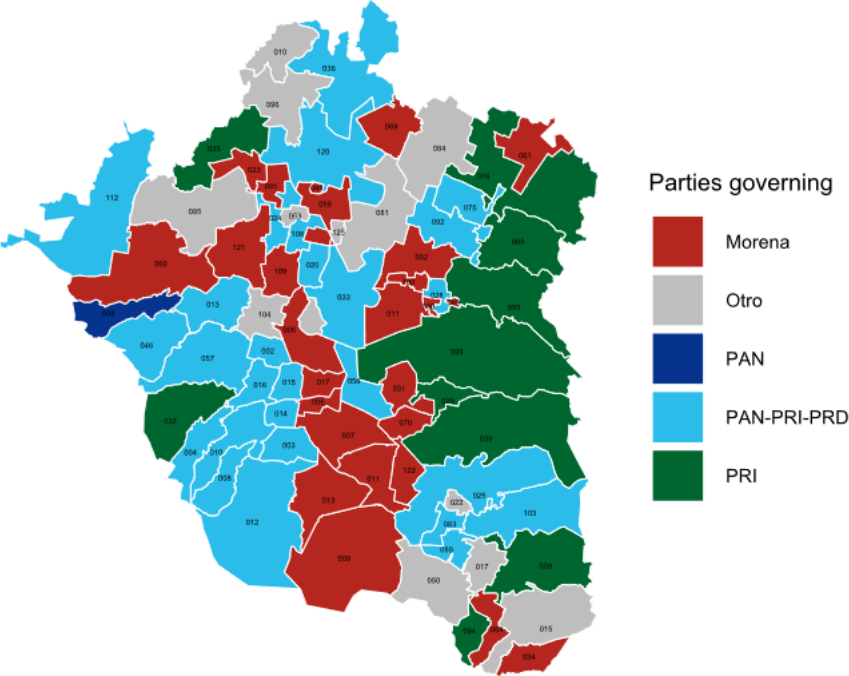
The PAN - PRI - PRD coalition (or one of these parties) governs in 36 municipalities: 9 *alcaldías* in CDMX and 27 mc-EdoMex.

The remaining 10 municipalities are governed by other parties.

The *Alcaldías* of CDMX and the mc-EdoMex will be renewed at the end of 2024.

The election of the head of government of the CDMX, as well as the mayoralties and mc-EdoMex will be held concurrently with the federal election, on June 2, 2024.

Figure 3. Political parties governing in the municipalities of MCMA (2023)



Source: Prepared by the authors based on information from the electoral institutes of each state for the 2021 electoral process.

B. A city with connectivity and access to ICTs⁵

The 2020 Census counts 6.22 million inhabited dwellings in MCMA. Of which, 44% are in CDMX: 2.75 million homes; 55% are in the mc-EdoMex: 3.42 million and 47,000 in Hidalgo.⁶

The provision of urban services in housing is almost complete. There are only 97,000 homes without water (2% of the total), of which 29,000 are in CDMX and 67,000 in the MC-EdoMex. Only 25,000 homes lack drainage in MCMA and only 7,000 lack electricity.⁷

The information on connectivity and internet use presents data per household (not per dwelling) and only for the state, there is no information available by municipality.⁸

It is estimated that 97% of households in MCMA have access to fixed or cellular telephony. In CDMX, 98% of households and 96% in the EdoMex.

6.6 million households have at least one telephone (fixed or cellular). 3.1 million in CDMX and 3.6 million in the mc-EdoMex.⁹

54% of households in MCMA, 3.7 million, have at least one computer, desktop or laptop. In CDMX there are 2 million (64%) and 1.7 million in the mc-EdoMex (48%).

80% of households in MCMA, 5.5 million, have internet connectivity (including cellular access). There are 2.669 million in CDMX (86%) and 2.830 million in the mc-EdoMex (76%).

⁵ Data from the 2020 Population Census. INEGI (2021). National Population and Housing Census 2020. Section I of the Statistical Annex presents data broken down by municipality. Updated data on ICT access based on INEGI (2023). National Survey on Availability and Use of Information Technologies in Households - ENDUTIH 2022.

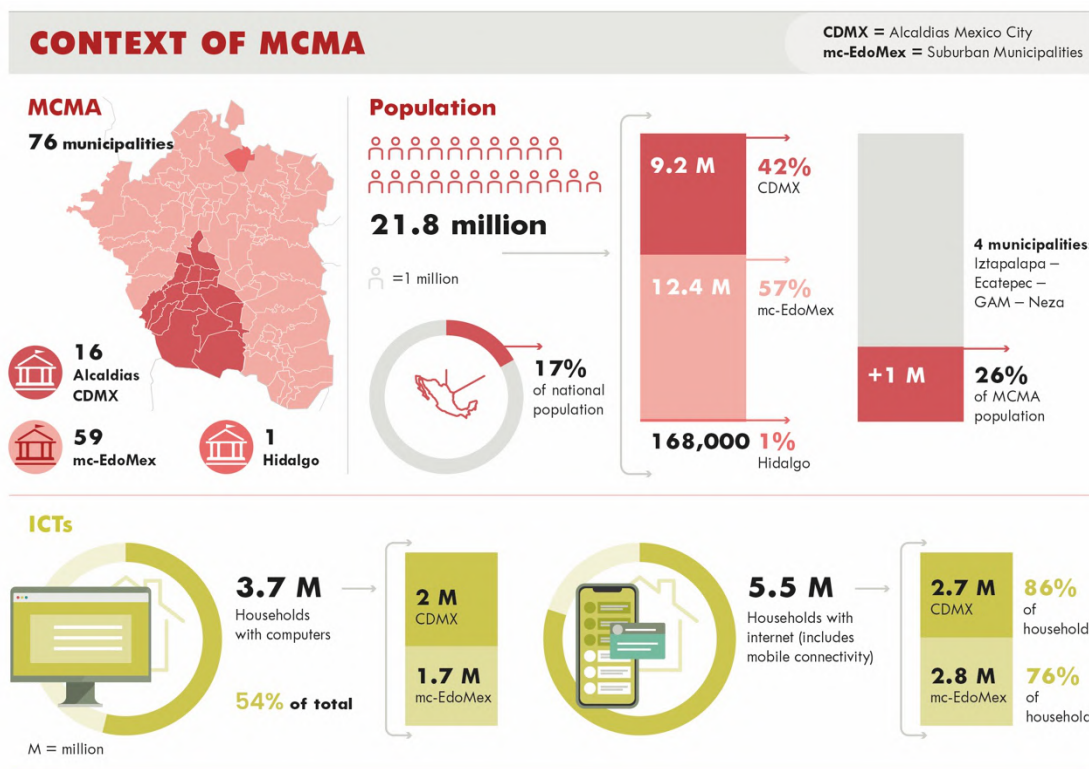
⁶ Hereafter, all data refer to inhabited dwellings, based on data from the 2020 Population and Housing Census.

⁷ Given the very high levels of access to urban services, information on municipalities is no longer included in the text. The municipal data can be consulted in the Statistical Annex.

⁸ The proportion of dwellings in the mc-EdoMex with respect to the total number of dwellings in EdoMex is 75% (74.9%). This factor will be applied to estimate quantities in the mc-EdoMex. That is, 75% will be applied to the EdoMex data and that amount will be the estimate for the mc-EdoMex to be added to the CDMX data, to estimate the total for MCMA. The municipality of Hidalgo is not considered in these estimates.

⁹ Quantitative data for the mc-EdoMex are estimated and therefore the sum for MCMA as well. See note above. Edo Mex total rates apply unchanged for mc-EdoMex.

Figure 4. General Context of MCMA



C. A city of young people¹⁰

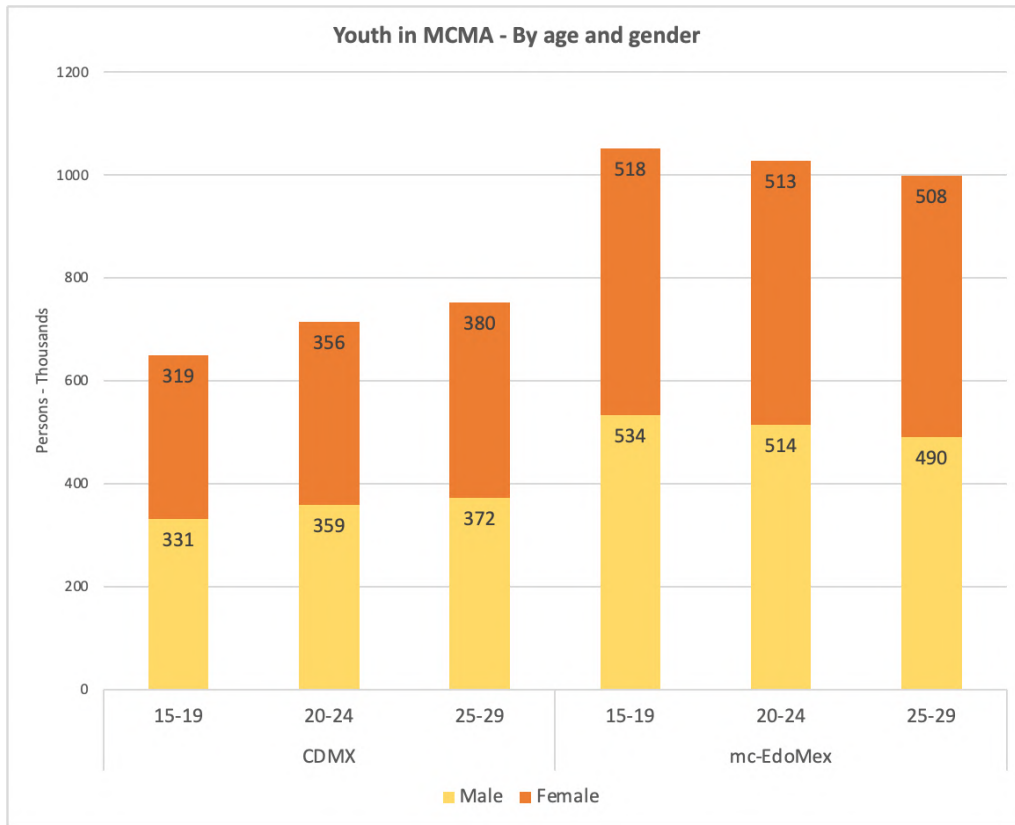
The 2020 Census counts 5.2 million young people, almost a quarter of the population of MCMA (24%). 2.1 million live in CDMX (40%) and are 23% of the population of CDMX; 3.1 million live in the mc-EdoMex (59%) and are 25% of the total population in the mc-EdoMex; 41,000 in Hidalgo (1%).

Half of the young people are men (50.2%) and half are women (49.8%), with a minimal difference, as there are 5,000 more men.

The 3 five-year age groups are very similar in magnitude: 1.72 million (32.8%) are 15–19, 1.74 million (33.5%) are 20–24; and 1.76 million (33.7%), are 25–29 (see Figure 13, Map 4 and Table 6).

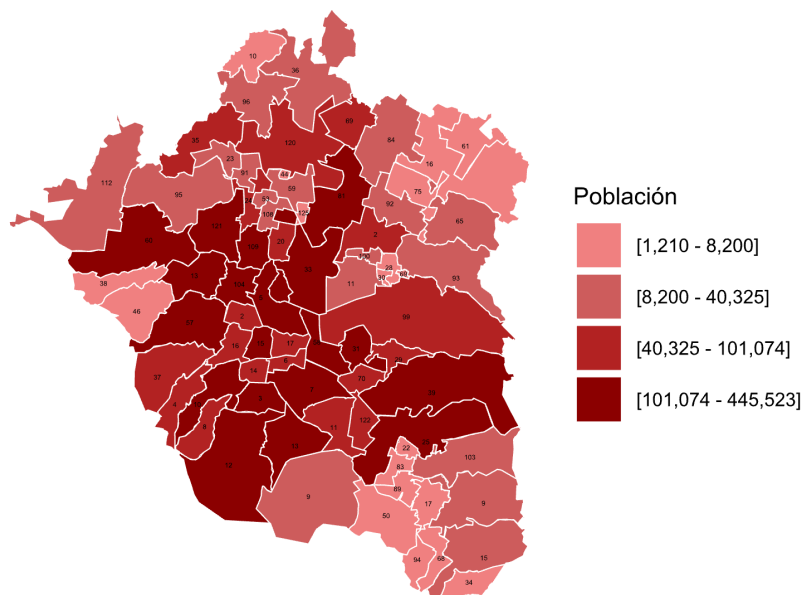
¹⁰ Source data: INEGI (2021). Population and Housing Census 2020. MCMA includes 76 municipalities (including the 16 municipalities of the CDMX). See section I for definitions.

Figure 5. Youth by age group and gender, CDMX and mc-EdoMex



Source: Own elaboration with data from INEGI (2021). National Population and Housing Census 2020.

Figure 6. Youth population by municipality of MCMA



Source: Own elaboration with data from INEGI (2021). National Population and Housing Census 2020.

Table 3. Youth population in MCMA by age group and sex

Entity	Age	Total	Men	Women
Total	15-29	5.234 M	2,620 M	2,615 M
	15-19	1.718 M	873,000	845,000
	20-24	1.754 M	879,000	875,000
	25-29	1.763 M	868,000	895,000
CD MX	15-29	2.117 M	1,062 M	1,055 M
	15-19	650,000	331,000	319,000
	20-24	715,000	359,000	356,000
	25-29	752,000	372,000	380,000
mc-EdoMex	15-29	3.076 M	1,537 M	1,539 M
	15-19	1.052 M	534,000	518,000
	20-24	1.026 M	514,000	513,000
	25-29	998,000	490,000	508,000

Source: Own elaboration with data from INEGI (2021). National Population and Housing Census 2020. Note: Totals do not add up exactly due to rounding.

There are 4 municipalities with more than 250,000 young people: Iztapalapa with 445,000; Ecatepec with 399,000; Gustavo A. Madero with 267,000 and Nezahualcóyotl with 255,000. These 4 municipalities concentrate more than a quarter of the young population of MCMA: 26%.

There are 16 municipalities with more than 100,000 and less than 200,000 young people.¹¹ They account for 42% of the young population.

¹¹ The upper cut-off point of this 2nd stratum would be "less than 250,000 inhabitants". A lower upper cut-off is used only to show that there are no municipalities with more than 200,000 and less than 250,000 inhabitants.

Table 4. Stratification of municipalities by number of young people

Strata	Municipalities	Young population	% of MCMA	Accumulated
More than 250,000	4	1.366 M	26%	26%
More than 100,000 and up to 200,000 ¹²	16	2.219 M	42%	68%
More than 50,000 and up to 100,000	14	1.072 M	20%	89%
More than 10,000 and up to 50,000	20	455,000	9%	98%
Less than 10,000	22	122,000	2%	100%

Source: Own elaboration with data from INEGI (2021). National Population and Housing Census 2020. Note: the

D. Some features of youth in MCMA¹³

Marital status

In MCMA, 71%, 3.7 million young people are single, 25%, 1.3 million are married or unmarried, and 4% are already separated, divorced or widowed.

The age groups show the evolution of the union process. In the group between 15 and 17 years of age, 97% are single. In the 25-29 age group, 47% are single and 46% are married or living with a partner.

Maternity and fertility

Information on sons and daughters of young people is only available for women. It refers then to maternity.

¹² See previous note.

¹³ Source data: INEGI (2021). Population and Housing Census 2020.

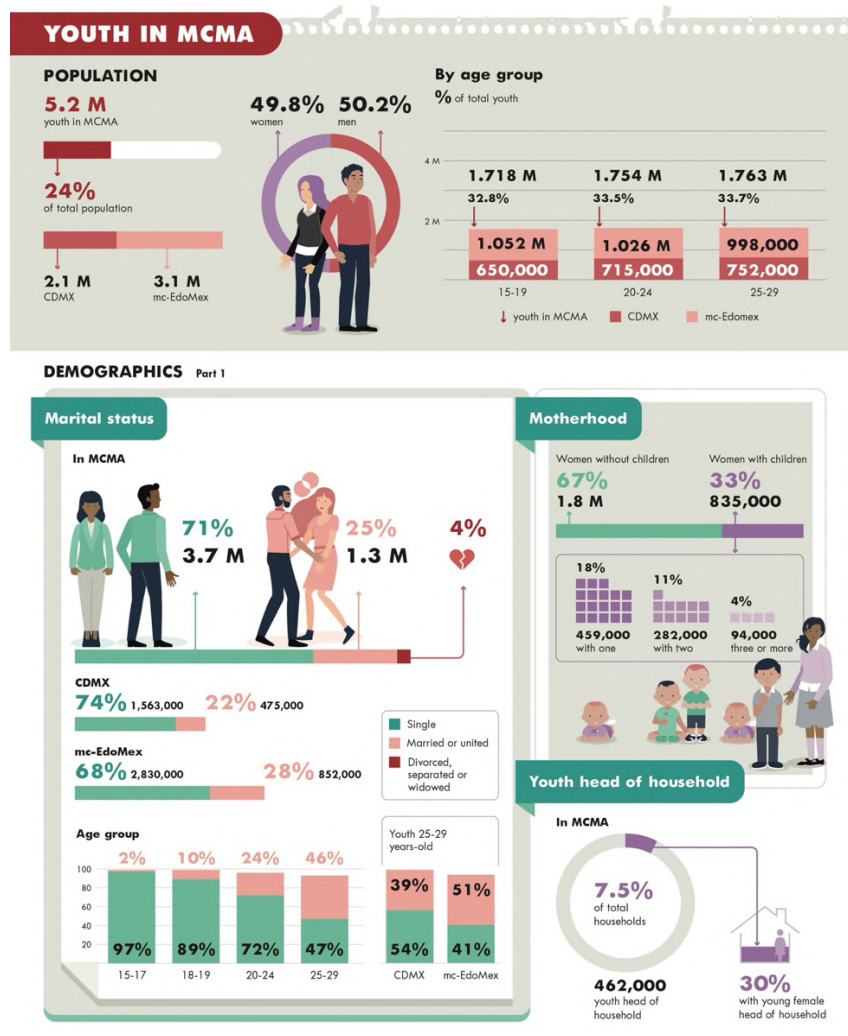
In MCMA, there are 2.6 million women. Sixty-seven percent, 1.75 million, do not have children and 835,000 do (33%). 459,000 have one child (18%); 282,000 have two (11%); and 94,000 have three to five (4%).

By age group, in MCMA, 15,000 women between 15-17 years old have children (3%), 46,000 women between 18 and 19 years old (13%), 285,000 women between 20 and 24 years old (33%) and 490,000 women between 25 and 29 years old (55%).

Young male and female heads of household in MCMA

In MCMA there are 462,000 households with young people as "head" or head of the household. They are 7.5% of the total households in MCMA. Thirty percent of the households in these households have a young "female head".

Figure 7. A Young people in MCMA (part 1)



Indigenous and afro-descendant youth

In MCMA there are 435,000 young people who self-identify as indigenous. In CDMX there are 172,000 and in the mc-EdoMex there are 259,000. In all three cases, they represent 8% of the total number of young people in MCMA.¹⁴

In MCMA, there are 101,000 young people who self-identify as afro-descendants. In CDMX, there are 41,000 and in the mc-EdoMex there are 59,000. In all three cases, they represent 2% of the total youth population.¹⁵

Young migrants¹⁶

In CDMX there are 155,000 young people who migrated from another state or another country. They represent 7% of the total number of young people in CDMX. 142,000 migrated from another state and 14,000 from another country.

In the mc-EdoMex there are 118,000 young people who migrated from another state or another country. They represent 4% of the total number of young people in the mc-EdoMex. 114,000 migrated from another state and 4,000 from another country.

In total, there are 18,000 young people in MCMA who were born in another country.¹⁷

Youth with disabilities¹⁸

In MCMA there are 529,000 young people with disabilities or limitations. This is 10% of the total number of young people in MCMA. 111,000 have disabilities and 378,000

¹⁴ Source data: INEGI (2021). Population and Housing Census 2020. See note 7 in the previous section. The identification of indigenous youth is by self-ascription.

¹⁵ Data from INEGI (2021). Population and Housing Census 2020. See note 9 of the previous section. The identification of the Afro-descendant population is by self-identification.

¹⁶ Data from INEGI (2021). Population and Housing Census 2020. There is no way to estimate migrants in MCMA, because most of those who changed from another entity come from the other entity of MCMA (from CDMX to mc-EdoMex and vice versa).

¹⁷ We do not present the aggregate data for MCMA because among the young people who lived in another state, there may be many who lived in the other state of MCMA, i.e. young people who live in CDMX and lived 5 years ago in some mc-EdoMex and vice versa.

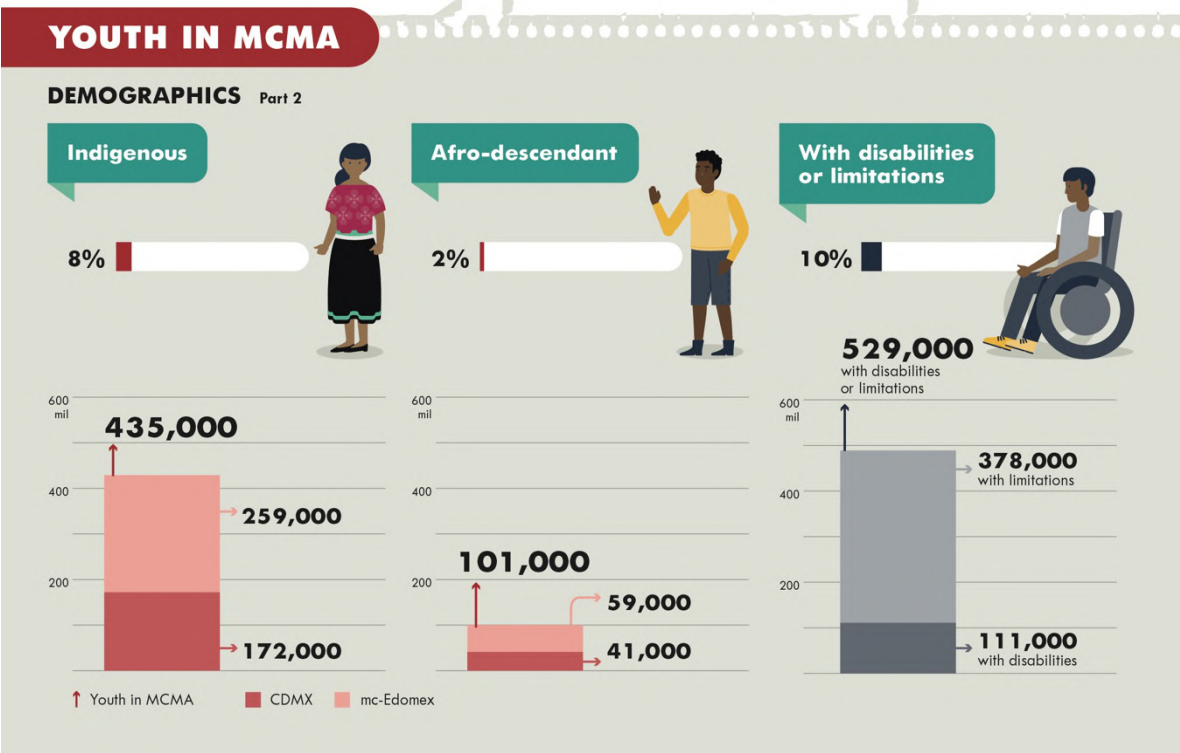
¹⁸ Data source for this section: INEGI (2020). National Population and Housing Census 2020. Interactive data query. Limitation and disability variables.

have limitations. 7.5% of young people have at least one limitation and 2.2% have a disability.¹⁹

Young people with disabilities in MCMA are: 63,000 with disabilities to see, 12,600 with disabilities to hear, more than 23,500 with disabilities to move, almost 21,000 with disabilities to concentrate or remember, almost 16,000 with disabilities to bathe, dress or eat, 22,000 with disabilities to speak or communicate, 52,500 with a mental problem or condition.

Young people with limitations in MCMA are: 267,000 with limitation to see, a little more than 25,500 with limitation to hear, almost 24,000 with limitation to move, a little more than 43,500 with limitation to remember or concentrate, a little more than 11,500 with limitation to bathe-dress-eat, 20,500 with limitation to speak or communicate.

Figure 7. B Youth in MCMA (part 2)



¹⁹ The 2020 Census records people with disabilities (severe limitation) as well as people with limitations (difficulties to see, hear or move). And it presents the distinction by "functionings": disability and limitation to see, to hear, to move, to remember - to concentrate, to bathe - to dress - to eat, to speak or communicate, with mental conditions. And the data can add up to more for people who present several of the disabilities or limitations.

2. Who are the *opportunity youth*?

Opportunity youth (*jóvenes oportunidad*) is a concept of identity, it is not a program, a project or an organization. It is the positive expression that best reflects the reality of this massive sector of youth.

Opportunity youth is the concept that seeks to change the narrative and negative perceptions that strengthen and normalize the barriers of exclusion and precariousness. It is the positive term to confront stigma, negative labels, and discriminatory practices.

Opportunity youth are creative, resilient, and practical people with great capacity for resolution, who have faced adverse contexts that produce cumulative disadvantages that hinder their economic and social inclusion; they have great productive potential and when offered appropriate options can contribute to themselves, their families, their communities, and the country. They are part of the solution, not the problem.

A. Adverse contexts affecting *opportunity youth*

There are multiple adverse contexts that raise structural barriers that hinder the economic inclusion of young people.

Adverse contexts create disadvantages that accumulate during people's life cycle, from birth. For example, suffering from chronic malnutrition in early childhood (0-5 years) negatively influences the development of brain capacities, for life.

Young people who were born and raised in poor households; with parents who have low levels of schooling, precarious jobs and other conditions of social backwardness; who studied basic education in schools with low learning quality; who dropped out of school without completing high school education; who lack skills, relationships and experience, as well as motivations and relevant information to look for and get a job; combine in their short lives multiple factors that make it difficult and sometimes even impossible for them to enter the labor market in decent conditions.

Other realities inherent to these adverse contexts, such as early or unplanned pregnancies; domestic and neighborhood violence; hostile and stigmatizing environments for young people; consumption of legal or illegal substances; relationship with delinquency and conflict with the law; as well as psychosocial imbalances, which produce anxiety, depression, low self-esteem and other effects resulting from these adverse conditions; affect thousands or millions of young people, whose economic inclusion panorama is further aggravated.

Young women also have the burden of caring for children, siblings, grandparents, people with disabilities and, in general, care tasks in the home, which prevent them from going out to look for work, even though they work strenuous, unpaid hours.

And finally, discrimination in society, particularly in areas of job recruitment: skin color, place of residence, school, exacerbate labor exclusion.

These disadvantages accumulate and reinforce each other, and although they do not absolutely determine the destiny of each person, they do produce the majority tendency with adverse effects for those who live them.

Even so, despite adversity and sometimes in response to it, the young people who come from these contexts are resilient, creative, and highly resourceful.

Experience shows that young people in these contexts respond very positively when opportunities are open to them. When they are respected, listened to and treated with empathy and without paternalism, when they are offered safe, trusting environments with clear limits, they overcome their adversity and strengthen their potential. If they are offered training and job placement options, with adequate means to develop competencies, skills, attitudes, and knowledge to work, they develop a great capacity to contribute to their families, their communities, and the country.²⁰

That is why we have adopted the concept of *opportunity youth*, as the best way to refer positively and dignify this sector of youth, to confront stigmas and discriminatory labels.

B. An example: cumulative disadvantages of young persons 24 years old in 2024

To exemplify, let's take the path for those who will be 24 years old in 2024:

- They were born in 2000 when 53% of the population lived in poverty.
- They grew up in early childhood between 2000 and 2004 when half of children 0-5 years in the poorest households suffered from chronic malnutrition, affecting 15% in infants in Mexico City.
- In 2012, they completed primary school (6th grade), when 35% of students in CDMX and 37% in the EdoMex in 6th grade had deficient educational

²⁰ This is the experience of dozens of organizations that work daily with young people in employability programs.

performance in Spanish. And in Mathematics, 29% in CDMX and 40% in the EdoMex had also deficient results.²¹

- In 2015, 18% of 15-year-old adolescents were no longer attending school.²²
- In 2017, in HSE, in CDMX the dropout rate affected 13%, the failure rate 31%, the terminal efficiency 51%, and the schooling rate (effective coverage) was 91%. In Edo Mex, the dropout rate was 13%, the failure rate was 9%, the terminal efficiency was 65% and the enrollment rate (effective coverage) was 61%.
- In 2019, those who graduated from HSE, only 28% continued studying higher education.²³
- In 2020, 41% of 20-year-olds did not have completed HSE. ²⁴
- In 2023, in MCMA, of the 23-year-olds: 17% are still studying, 59% are working and 24% are out of work and out of school.²⁵
- In 2023, 74% of young people in MCMA who work, do not earn enough to rise above the poverty line and 51% have informal jobs. ²⁶

²¹ INEE. **Excale 2006. Educational Quality and Achievement Tests. 6th grade of primary school, 2012-2013 school year.** Available at <https://www.inee.edu.mx/evaluaciones/planea/excale/sexta-primaria-2012-2013/>. The data corresponds to students in urban public schools.

²² INEGI. National Intercensal Survey 2015

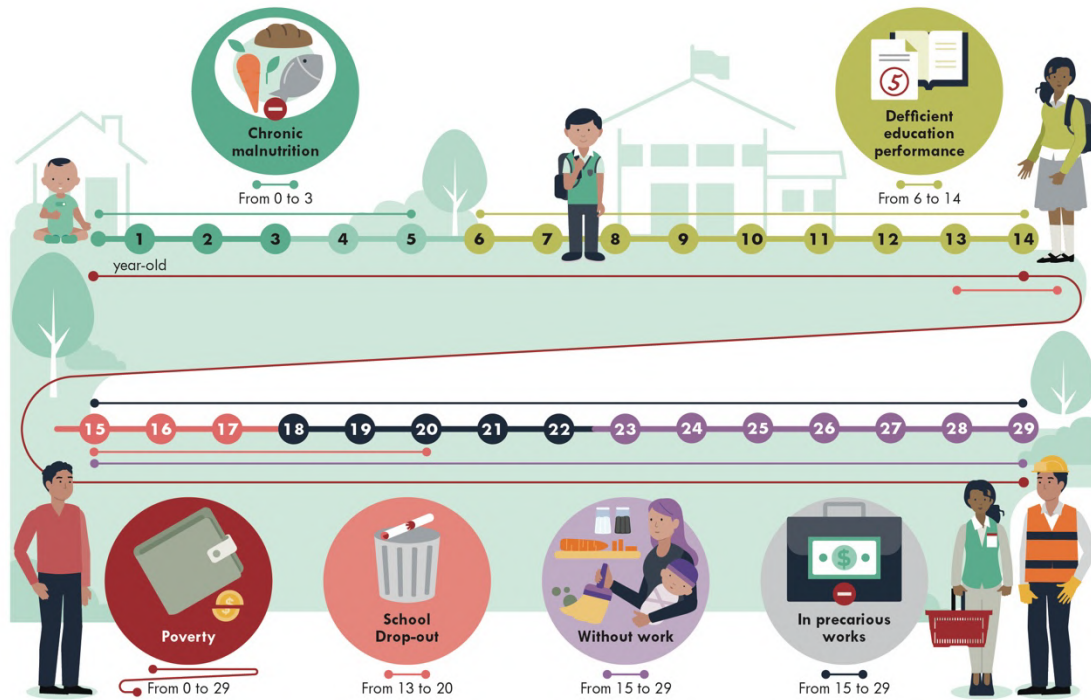
²³ INEGI. National Survey of Labor Market Insertion of High School Graduates - ENILHSE 2019. Basic tabulations

²⁴ INEGI. National Population and Housing Census 2020

²⁵ It considers young people from 22 to 24 years of age, in order to make the sample more representative. Source: INEGI. National Survey of Occupation and Employment 2023 - II

²⁶ INEGI. National Survey of Occupation and Employment 2023 - I

Figure 8. Disadvantages accumulated by opportunity youth



Adverse conditions create disadvantages that become structural barriers to economic inclusion in adult life.

These barriers are structural because they do not depend on the merit or capacity of individuals but are primarily the result of conditions beyond their control and decision. On the contrary, they are a situation of structural injustice that requires public and private actions to "level the playing field" and create opportunities for this sector of youth.

The structural injustice in Mexico that affects the development and inclusion of young people is directly and mainly determined by poverty, as the precursor factor that determines low educational performance and school dropout. Both conditions translate into higher probabilities of exclusion (not having a job) or getting a precarious job.

3. Structural barriers to *opportunity youth*

The exclusion and precarious working conditions of *young people* have structural causes, due to disadvantages that accumulate, link and feedback on each other.

At the root, the first disadvantage is poverty, which is directly related to low educational performance and school dropout without completing high school education (HSE).

Both educational disadvantages are linked to and largely explain the high rates of unemployment and exclusion of young people without work, on the one hand, and of young people in precarious jobs, on the other.

A. First disadvantage: living in poverty²⁷

Current status (2022)

The first disadvantage that determines exclusion and adverse conditions for young people is living in poverty.

In 2022, it is estimated that in MCMA, 38% of young people, 2 million are in poverty. 627,000 in CDMX (30% of the total number of young people) and 1.4 million in the mc-EdoMex (44%).

In "income poverty", that is, without sufficient income to buy the basic basket, there are 2.4 million (46% of the total number of young people).

More than 2/3 of young people have at least one *social deprivation*: 3.6 million young people (68%). The main *social deprivation* is the lack of access to social security, which affects 3.3 million young people in MCMA (57%). The *social deprivation* that grew the most between 2018 and 2022, across the entire population was the deprivation of access to health services. It affects 2.1 million youth in ZMVM (41%).

It is also grave that one fifth of young people gave gap education: 1 million young people (20%) (see Table 5).

²⁷ Source: Coneval. Poverty measurement database 2022. Poverty in mc-EdoMex was estimated by applying a percentage of 69% to poverty in EdoMex. The methodology of the multidimensional poverty measurement used in Mexico and the definition of the deprivation and income variables are explained in Appendix 1, Who and how poverty is measured in Mexico.

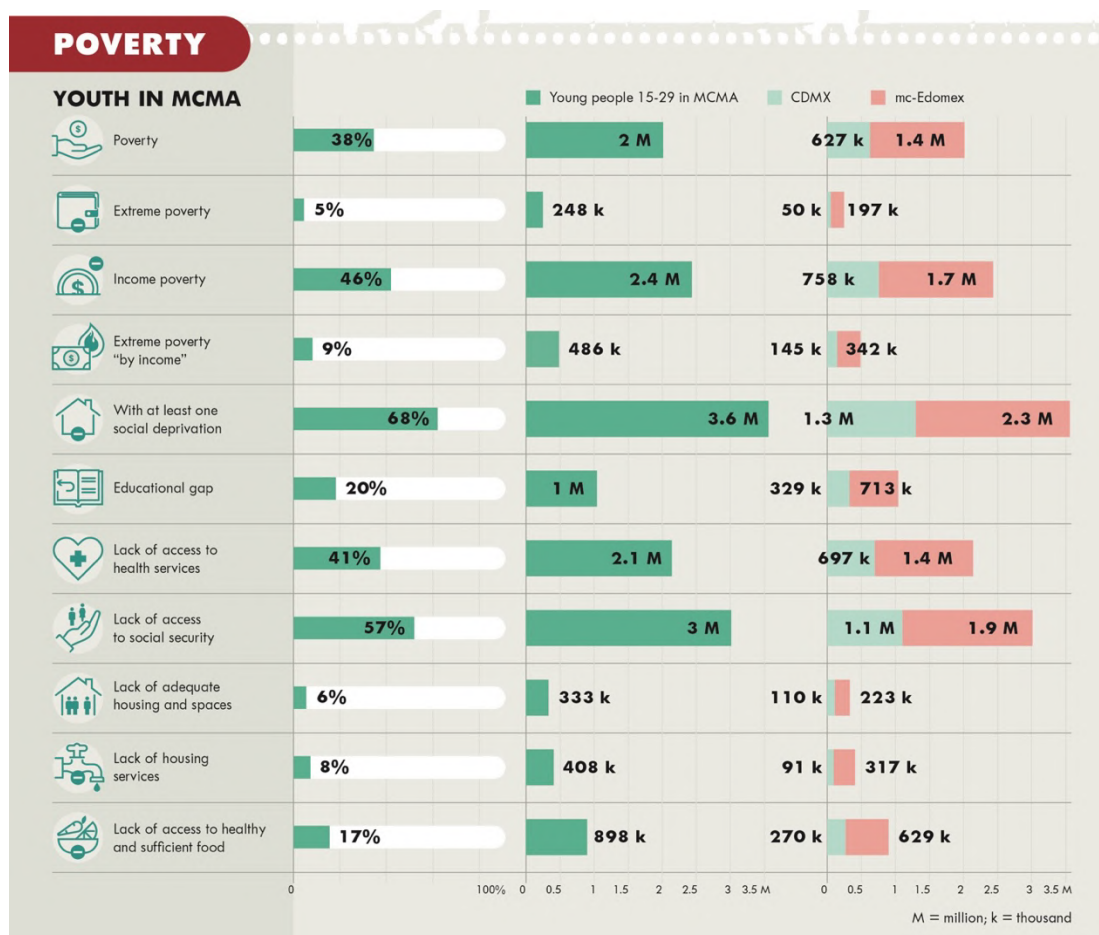
Table 5. Young people 15-29 in poverty in MCMA 2022

Variable		MCMA*	CDMX	mc-EdoMex*
Poverty	Quantity	2.014 M	627 k	1.387 M
	%	38	30	44
Extreme poverty	Quantity	248 k	50 k	197 k
	%	5	2	6
Income poverty	Quantity	2.436 M	758 k	1.678 M
	%	46	37	53
Extreme poverty "by income	Quantity	486 k	145 k	342 k
	%	9	7	11
With at least one social deprivation	Quantity	3.561 M	1.297 M	2.264 M
	%	68	63	71
Educational gap	Quantity	1.042 M	329 k	713 k
	%	20	16	23
Lack of access to health services	Quantity	2.142 M	697 k	1.444 M
	%	41	34	46
Lack of access to social security	Quantity	3.013 M	1.101 M	1.912 M
	%	57	53	60
Lack of adequate housing and spaces	Quantity	333 k	110 k	223 k
	%	6	5	7
Lack of housing services	Quantity	408 k	91 k	317 k
	%	8	4	10
Lack of access to healthy and sufficient food	Quantity	898 k	270 k	629 k
	%	17	13	20

* Estimate. Source: Own elaboration based on Coneval (2023). Poverty measurement database 2022. Figures for mc-EdoMex were estimated by applying 73.1% to EdoMex data. M = million; k = thousand

These data confirm that as in general population, also for young people, EdoMex has a higher incidence of poverty and in all .

Figure 9. Young people in poverty in MCMA



Cumulative poverty (1996 - 2006).

Young people between the ages of 15 and 29 in 2024 accumulate conditions of poverty from birth:

- Those between 27 and 29 years old were born when more than 2/3 of the population lived in poverty: 69% (1996)²⁸.
- Those between 23 and 24 years old were born when more than half of the population lived in poverty: 53% (2000).

²⁸ In this list about the 15-29 cut-off of JO in 2024, when the geography is not mentioned: CDMX, EdoMex or MCMA, the data corresponds to the national level. They are indicative.

- Those between 17 and 19 years old were born when above 4 out of 10 people lived in poverty: 43% (2006).²⁹

B. Second disadvantage: Poor educational performance (poor learning).

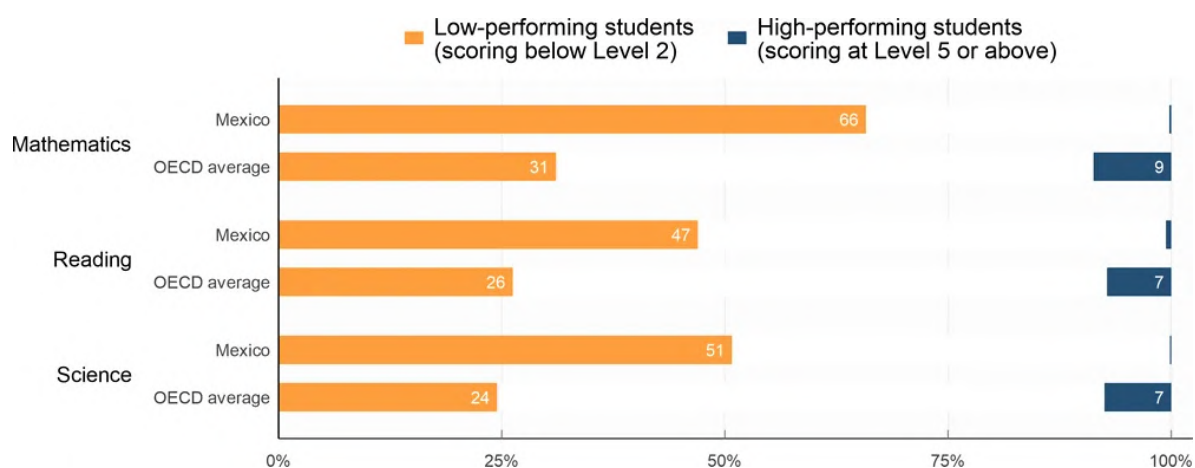
The second disadvantage is poor educational performance: not having sufficient learning developed in basic and high school education. It affects for life and is directly correlated with poverty.

Poor educational performance begins in primary education and continues through secondary and high school.

The most recent OECD evaluation confirms that there was a setback in mathematics and reading, on top of an already poor historical performance.³⁰

Two-thirds of students in lower secondary perform poorly in mathematics (66%), more than half in science (51%) and just under half in reading (47%) (see Figure 10).

Figure 10. Low and high performance in mathematics, reading and science: Mexico and OECD average (2022).



Source: Taken from OECD. PISA 2022 Country Notes. Mexico.

²⁹ The three data refer to "income poverty", i.e. population with income below the cost of the basic basket. Prior to 2008 there are no multidimensional poverty data with the current methodology. Source: Coneval. **Results of poverty measurement 2016. Statistical annex.** Final graph. "Income poverty lines 1992 - 2014". Data could be presented every two years, three examples are presented.

³⁰ OECD. PISA 2022 Country Notes. Mexico. Available at https://www.oecd.org/pisa/publications/Countrynote_MEX_Spanish.pdf

This situation is not new. Progress has been minimal and the results in the various measurements have similar results.

Similar measurements only for MCMA show a similar reality. In CDMX, 7% of those who attended 6th grade of primary school in 2009 had poor educational achievement and 42% and 50% had barely basic achievement in Spanish and mathematics, respectively. While in EdoMex, 8% and 10% had poor achievement and 51% and 60% barely basic achievement in Spanish and mathematics, respectively.³¹

The disadvantages get combined: poor educational performance and poverty

Mexico's low educational performance results are widespread but are even worse for children and youth from poor households and those who attend schools in areas of high social backwardness (poverty zones).

In CDMX, 51% of those who were in 6th grade of primary school in 2009 and attended schools in areas of high and very high marginalization, had poor educational achievement in language and comprehension and 63% in mathematics. In EdoMex, in the same circumstance, 49% were deficient in language and comprehension and 61% in mathematics.³²

In CDMX, those who were in 3rd grade of secondary school in 2017 and attended schools in areas of high and very high marginalization, 34% had poor achievement in language and comprehension and 71% in mathematics. In EdoMex, in the same circumstance, 36% deficient in language and comprehension and 68% in mathematics.³³

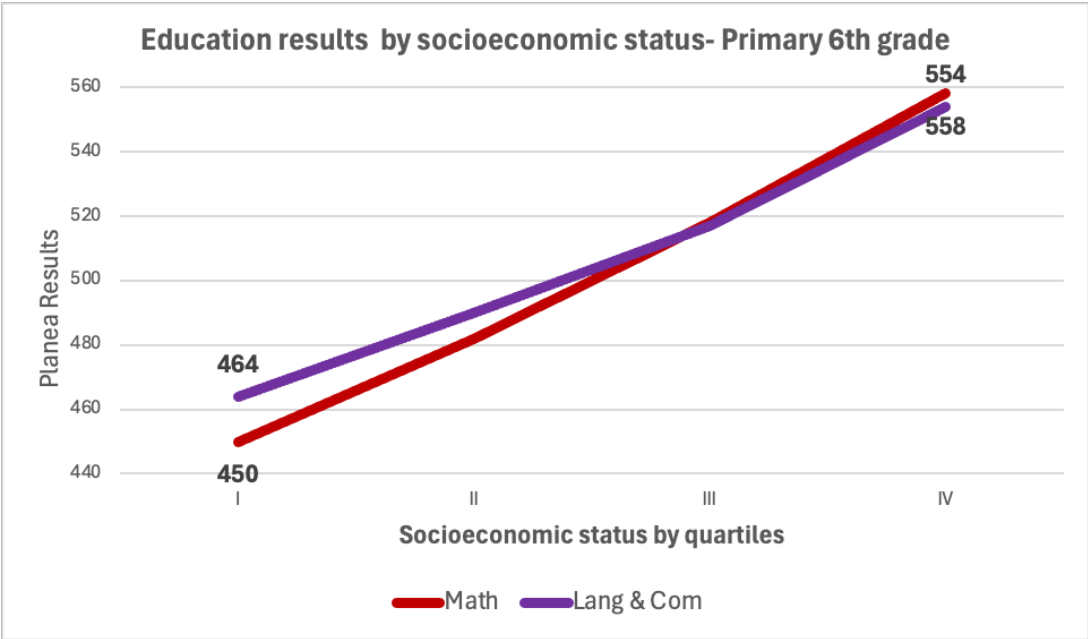
³¹ National Institute for the Evaluation of Education. **Exams of Educational Quality and Achievement - EXCALE. 6th grade, 2009 application.** Results in Spanish. Results in Mathematics. Data correspond to public schools in urban areas, in both states. Available at <https://www.inee.edu.mx/evaluaciones/planea/excale/sesto-primaria-2008-2009/> Important note: INEE was dissolved in 2019 and replaced by the Institute for the Improvement of Education – MejoraEdu.

³² National Institute for the Evaluation of Education - INEE. **Plan Nacional para la Evaluación de los Aprendizajes - PLANEA** Achievement assessments referring to the National Education System. 6th grade of elementary school. Ciclo escolar 2017-2018. Available at <https://www.inee.edu.mx/evaluaciones/planea/sesto-primaria-ciclo-2017-2018/> Note: Deficiente is the level I / IV of educational achievement in the Planea test.

³³ National Institute for the Evaluation of Education - INEE. **Plan Nacional para la Evaluación de los Aprendizajes - PLANEA** Achievement assessments referred to the National Education System. 3rd grade of secondary school. School year 2016-2017. Available at <https://www.inee.edu.mx/evaluaciones/planea/tercero-secundaria-ciclo-2016-2017/>

At the national scale, children in 6th grade from lower socioeconomic households perform around 100 points lower on the PLANEA test than children of higher socioeconomic status (see figure 11).

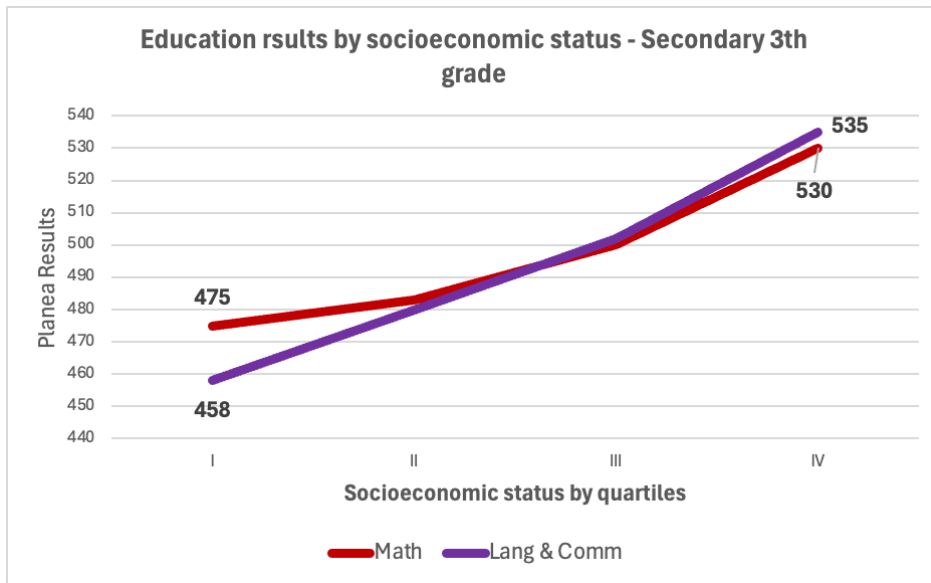
Figure 11. Learning results for 6th grade of primary school



Source: Own elaboration with data from INEE. **National Plan for the Evaluation of Learning - PLANEA**. 6th grade of elementary school. School year 2017-2018. Math = Mathematics. Lang & Com = Language & Communication

Adolescents in 3rd grade of secondary school from lower socioeconomic households have a lower performance between 60 and 70 points in the PLANEA test than those in the best socioeconomic positions, at the national level (see figure 12).

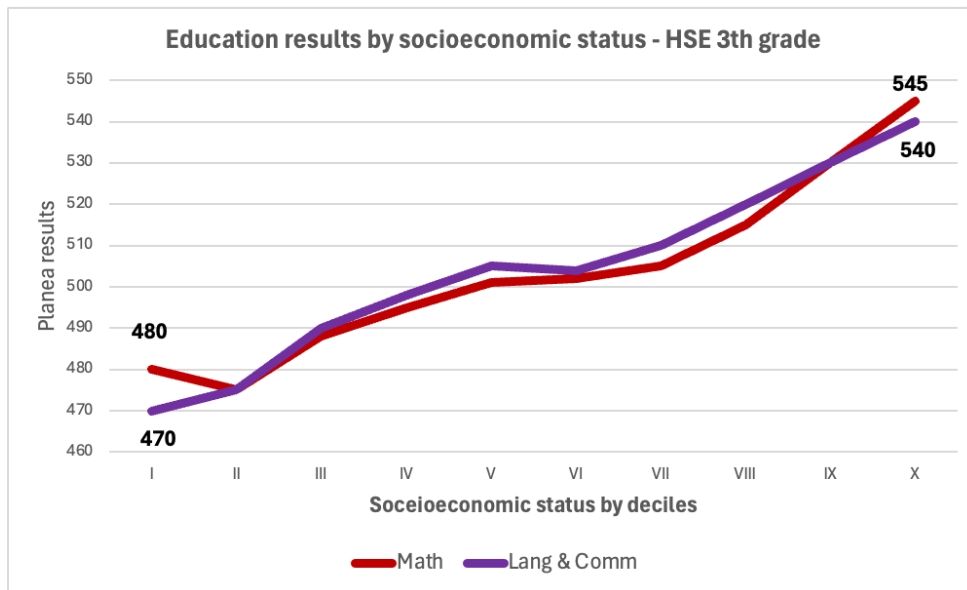
Figure 12. Learning results for 3rd grade of lower secondary



Source: Own elaboration with data from INEE. **National Plan for Learning Assessment - PLANEA**. 3rd grade of lower secondary. School year 2016-2017 Math = Mathematics. Lang & Com = Language & Communication

Youth in 3rd grade of HSE from households of very low socioeconomic level (decile I) have a lower performance between 65 and 70 points than households of the highest socioeconomic level (decile X) (see figure 13).

Figure 13. National learning results for 3rd grade of HSE



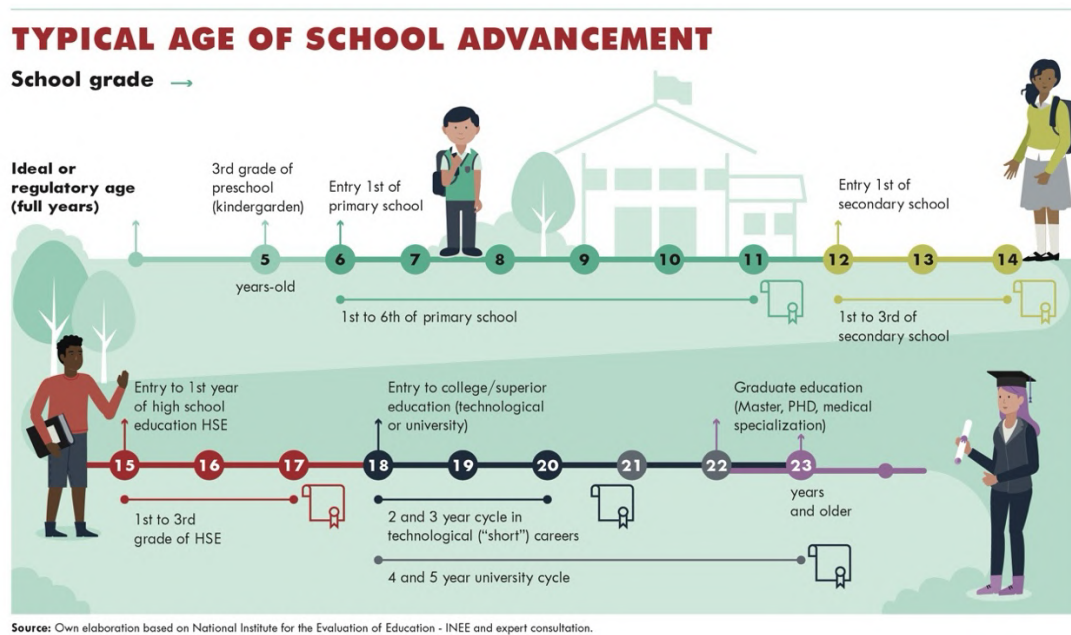
Source: Own elaboration with data from INEE. **National Plan for the Evaluation of Learning - PLANEA**. 3rd grade of HSE. School year 2017-2018. Math = Mathematics. Lang & Com = Language & Communication

These results are very eloquent. The graphs visually confirm the analysis: poverty affects learning and educational performance.

These results are related both to the educational quality of schools in the areas of greatest social backwardness – where poor households are concentrated – and to the determinants of socioeconomic level in education, since these households have parents with low levels of schooling, little access to books and other learning conditions and inputs, and in general to the perception of value of education.

C. Third disadvantage: School dropout without achieving full HSE.³⁴

Figure 14. Typical age of school advancement



The third disadvantage, which is also totally associated with poverty conditions and low educational performance, is school dropout. School dropout increases at the start of youth: 15 years of age.

At the national level, the school attendance rate is above 95% for girls and boys in the primary school age group (6–11 years) and above 90% in the secondary school age group (12–14). (See Figure 14 for typical age by grade level).

³⁴ All data in this section are sourced from INEGI. *Population and Housing Census 2020*.

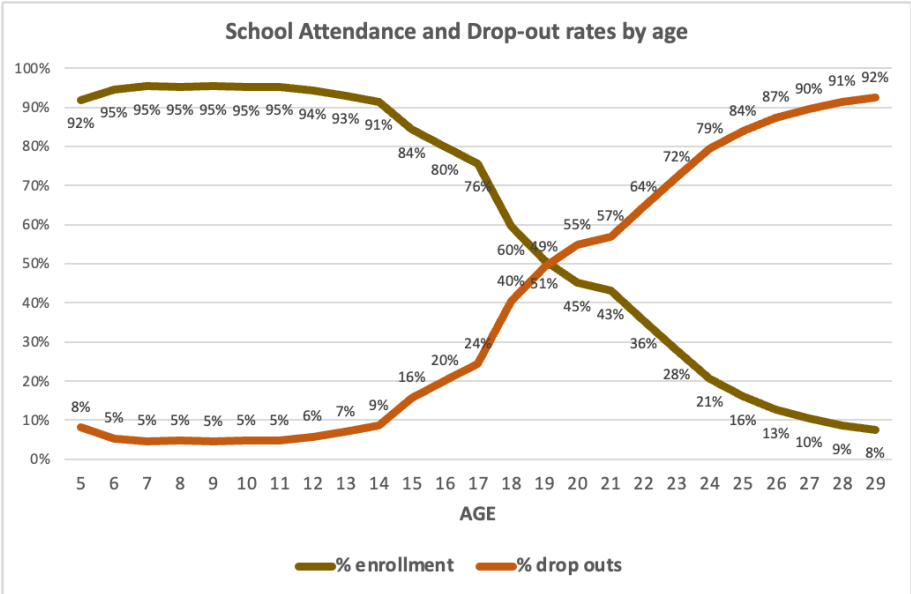
School permanence declines starting at age 15, the age of entry into high school: 84% at age 15 and decreases to 60% at age 18.

In MCMA, 84% of 15-year-olds are still in school. Dropouts already affect 16% of young people of that age. 289,000 15-year-olds attend school and 54,000 no longer attend.

Three years later, at the age of entry to college / superior education, the reality is very different. The school attendance rate of 18-year-olds is 60% and the dropout rate is already 40%. There are 223,000 18-year-olds attending school and 151,000 who are already out of school.

Between the ages of 19 and 20, the trend reverses and the majority is out of school. The dropout "curve" accelerates just after the age of 15 (see Figure 15).

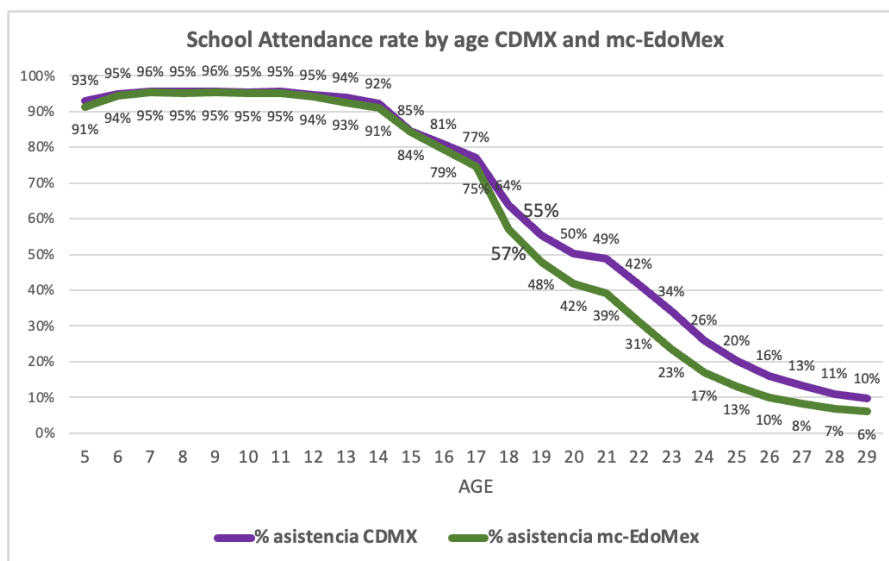
Figure 15. School attendance and dropout rate in MCMA (5 - 29 years of age)



Source: Own elaboration with data from INEGI (2021). Population and Housing Census 2020

Attendance and dropout rates in CDMX and mc-EdoMex are very similar. Slightly better in CDMX than in the mc-EdoMex. For example, at age 18, the attendance rate in CDMX is 64% while in the mc-EdoMex is 57% (see Figure 16).

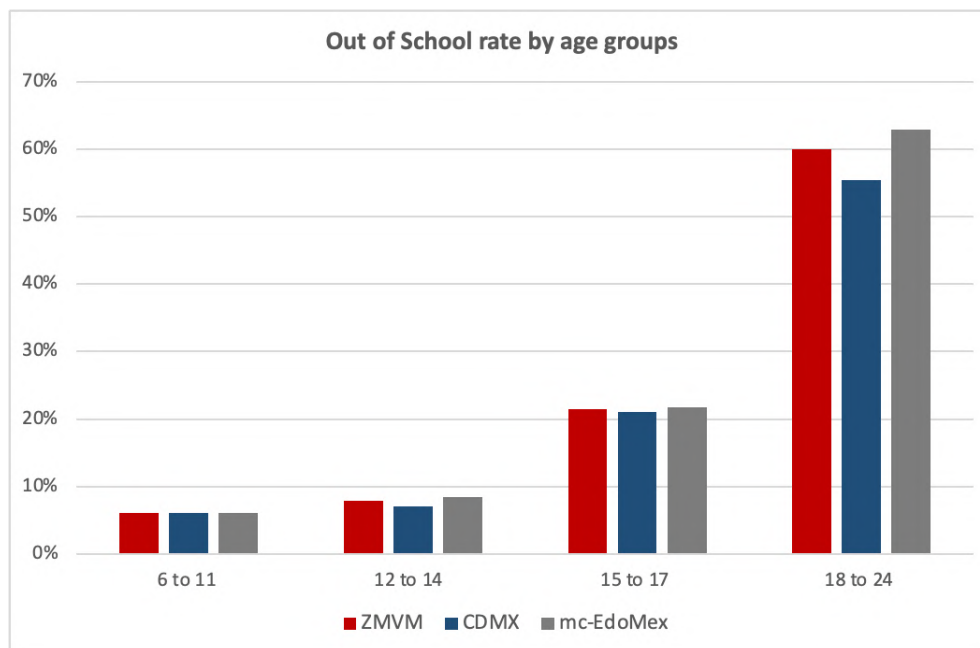
Figure 16. School attendance rate in CDMX and mc-EdoMex.



Source: Own elaboration with data from INEGI (2021). Population and Housing Census 2020

Analyzed by age group, the dropout process is clearer: Between 6 and 11 years of age, about 5% of children are out of school. Between 12 and 14, between 8 and 9% are out of school. And between 15 and 17, it rises to more than 20%. For the next age group: 18-24, about 60% are out (see Figure 17).

Figure 17. Out of school rate by age group



Source: Own elaboration with INEGI data. Population Census 2020

School dropout rates are slightly higher among males

In MCMA, 23% of young men and 20% of young women between the ages of 15 and 17 no longer attend school. From 18 to 24 years of age, 60% of young men and 59% of young women no longer attend school.

In Mexico City, 23% of young men and 17% of young women between the ages of 15 and 17 do not attend school. From 18 to 24 years of age, 56% of young men and 55% of young women do not attend school.

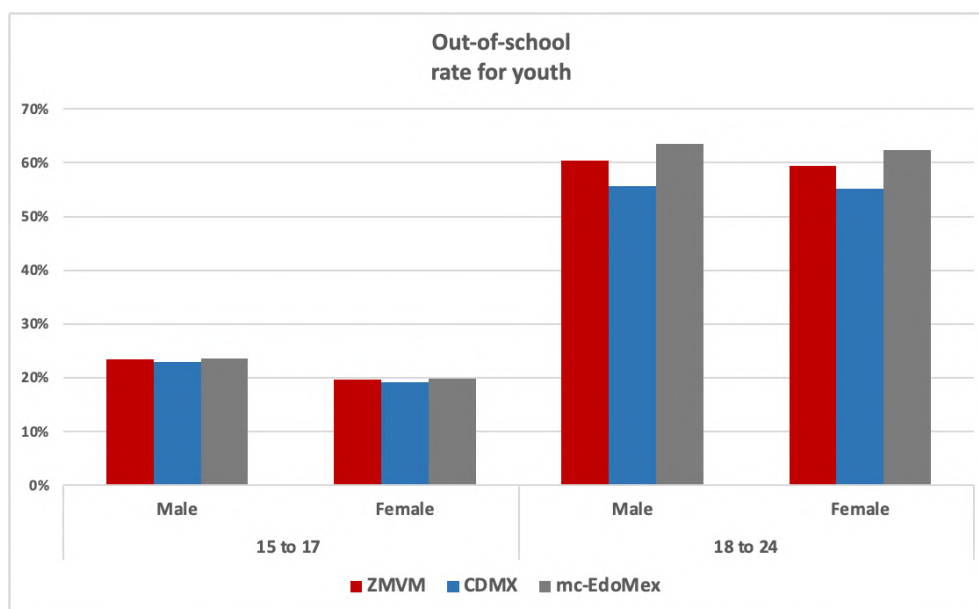
In mc-EdoMex, 24% of young men and 20% of young women between the ages of 15 and 17 no longer attend school. From 18 to 24 years of age, 63% of young men and 62% of young women do not attend school.

In number, 218,000 young people between 15 and 17 years of age and 1,459,000 between 18 and 24 years of age are no longer attending school in MCMA. There are 121,000 men and 98,000 women between 15 and 17 years of age. And from 18 to 24 years old, there are 737,000 men and 722,000 women in MCMA.

In CDMX, 80,000 young people between 15 and 17 years old and 540,000 between 18 and 24 years old no longer attend school. There are 44,000 men and 36,000 women from 15 to 17 and from 18 to 24 years old, 270,000 men and 270,000 women.

In the mc-EdoMex, 136,000 young people from 15 to 17 years old and 906,000 from 18 to 24 years old no longer attend school. There are 75,000 men and 61,000 women from 15 to 17 years old and 460,000 men and 446,000 women from 18 to 24 years old.

Figure 18. Out-of-school youth by age group and sex



Source: Own elaboration with INEGI data. Population Census 2020

Youth without complete HSE

Just as school attendance by age or age group shows the dropout trend, the maximum level of schooling shows the level of gap. The first threshold or cut-off point relevant to our analysis is HSE completion.

The identification of youth **without complete HSE** provides the universe of attention for alternative education actions and is a key parameter for *opportunity youth* headcount.³⁵

In MCMA there are 2.3 million young people without complete HSE (or in serious education gap if they are still 15 -18 years old).³⁶ They represent 45% of the total number

³⁵ The identification of the number of *opportunity youth* and their characteristics is addressed in the final section of Part I of this document.

³⁶ In this section we will talk about incomplete HSE, to include those older than 19 and also young people 15-18, although this is the age at which HSE is taken (strictly speaking, they "cannot" have complete HSE). For this age group, only those who a) are out of school, or b) are more than 3 years behind the typical age per grade are considered. That is, those who at age 15 have schooling up to 1st grade of secondary, at age 16 up to 2nd grade of secondary, at age 17 up to 3rd grade of secondary, and at age 18 up to 1st grade of HSE. For economy of language, we refer to the whole group as "incomplete HSE" or "without complete HSE". And we prefer to use the concept of "educational gap" as defined and counted by CONEVAL, in the measurement of poverty.

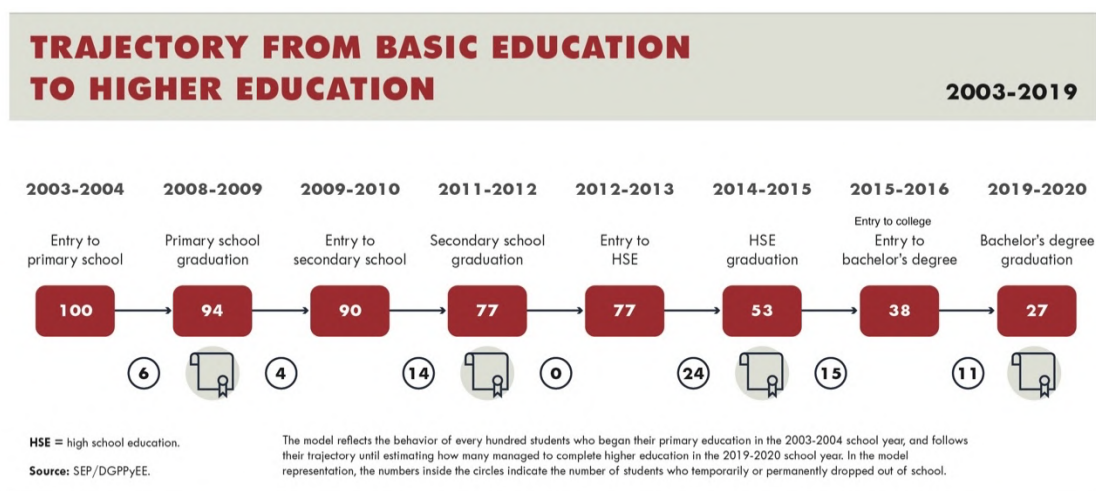
of young people 15-29 in MCMA. 866,000 in CDMX (41%) and 1.4 million in the mc-EdoMex (47%).

An example: Out of 100 entering elementary school in 2003, only 53 completed high school in 2019.

The analysis of educational trajectories reflects the problem of young people dropping out of school. We have national data for the cohort that started primary education in 2003; youth who are 27 years old in 2024. This trajectory finish in 2019, so it does not reflect the impact of the pandemic.

Of 100 children who entered primary school in the 2003/04 school year, 94 completed their primary education. 90 entered secondary school and 76 graduated. It seems that all of them entered high school, but only 53 finished. Only 38 enter college / superior education and only 27 graduate. Almost 3/4 of the young people born in 1997 lack higher education. In this cohort, almost half, 47 out of every 100, do not complete HSE.

Figure 19 Trajectory from basic education to higher education 2003-2019.

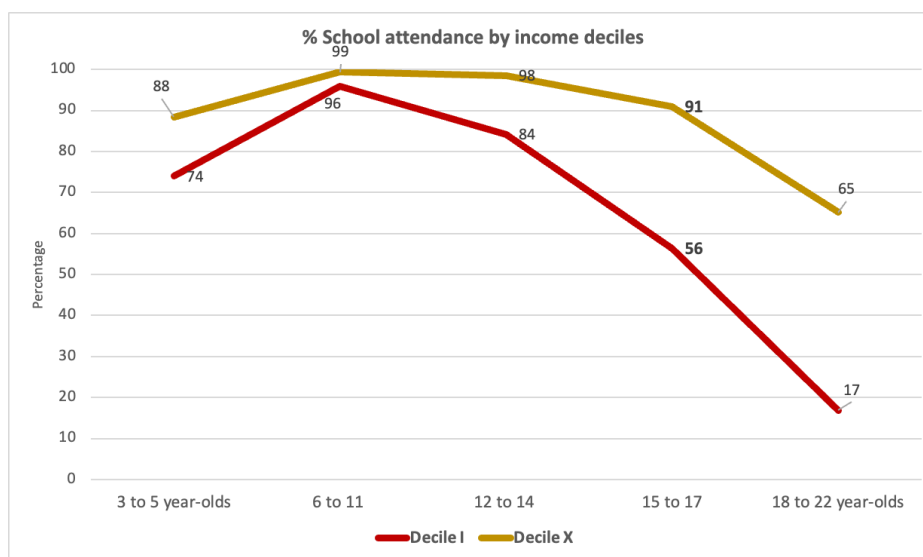


Source: Own elaboration taken from SEP. SEMS. *Rediseño del Marco Curricular Común de la Educación Media Superior*, p. 13.

The disadvantages combine: School dropout and lack of complete HSE affect more to youth in poverty

School permanence is totally linked to income level and poverty. While 91% of high-income youth continue to attend school between the ages of 15 and 17, only 56% of very low-income youth continue. The income gap in school retention during the typical HSE age is 35 percentage points (see Figure 20).

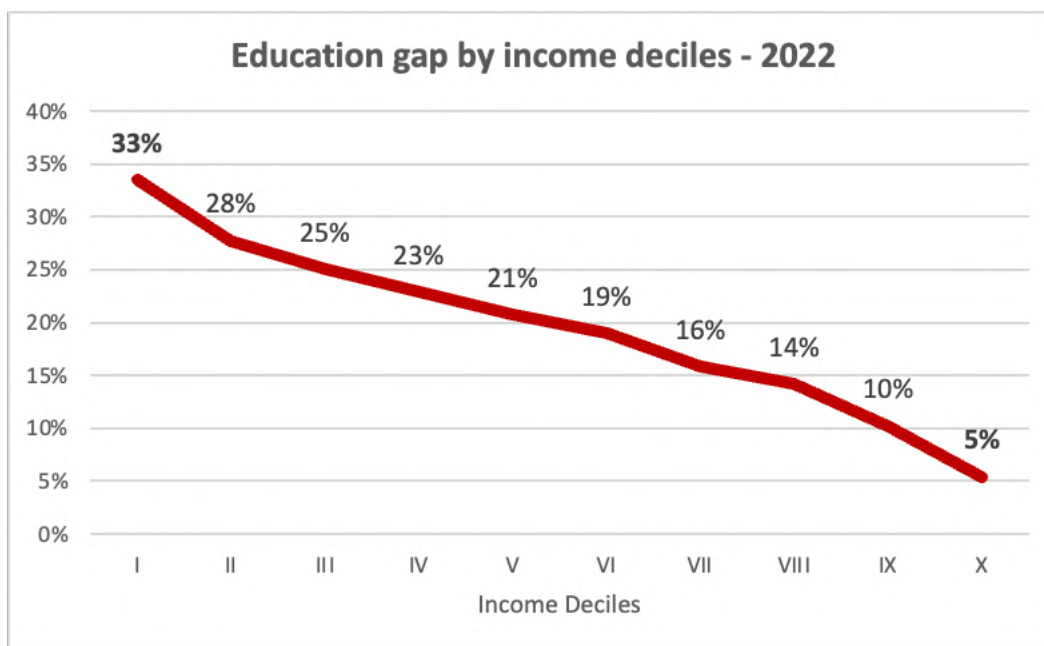
Figure 20. School attendance by income level - 2022



Source: Own elaboration with data from INEGI. National Household Income and Expenditure Survey - ENIGH 2022.

There is a very high correlation between income level and schooling. Considering the total population in terms of education gap, CONEVAL data confirm this trend (see Figure 21).

Figure 21. Education gap by income level.



Source: Own elaboration with CONEVAL data. Poverty measurement database 2022. Income deciles per person.

D. Fourth disadvantage: Job exclusion has young woman's face

The next biggest disadvantage is not getting a job. Job exclusion is the most acute condition for *young people*. It is much greater for those with educational gap and lacking complete HSE. And it has a gender bias: it largely affects women.

In the labor statistics, 4.9 million young people between 15 and 29 years of age are counted in MCMA in 2023³⁷. They represent 29% of the population over 15 years of age.

Of these, more than one-fifth, 22%, are excluded from work, 1.076 million. Almost 2/3, 673,000, are women (63%).

The labor statistics distinguish 3 categories of persons without work, which we identify as labor exclusion: not occupied, available, and unavailable due to unpaid work in the home.

In the statistical classification, not occupied persons are part of the Economically Active Population (EAP), since they are actively looking for work in the 2 weeks prior to the survey or have just lost their job. In 2023, there are 183,000. 41% are women: 75,000. Sometimes unemployment is confused and reduced to this set.

However, we consider that the complete unemployment should add another category: available persons. They are the "hidden" unemployment, although statistically they are catalogued in the Non-Economically Active Population (NEAP). The only difference between "available" and "not occupied" persons is that the former did not look for work in the 2 weeks prior to the application of the survey.³⁸

³⁷ INEGI's National Occupation and Employment Survey (Encuesta Nacional de Ocupación y Empleo - ENOE) presents quarterly national data, as well as data for the 32 states and 35 cities. One of the cities is the Metropolitan Zone of the Valley of Mexico. However, its geographic delimitation is smaller than the one used in the first part of the study, it considers fewer Mexico State municipalities and therefore, it turns out that in 2023, its universe of young population 15-29 is 4.9 million, less than our 2020 data: 5.2 million. With this clarification, the percentages are accurate and could be extrapolated if required to size with the same previous base (2020).

³⁸ For a complete explanation of the real dimensions of unemployment, see Acción Ciudadana Frente a la Pobreza. Naked Unemployment. Thematic Report no. 4. February 2023. Available at <https://frentealapobreza.mx/doc44/> Many economists and labor experts agree with this more complete definition. ECLAC - CEPAL - The UN agency for economic development in Latin America and The Caribbean, signals the importance of considering this segment as excluded. They classify them as "discouraged", as they need and are ready to work, but do not look because there are no jobs available for their needs, capacities and expectations.

In 2023, 453,000 young people are available, half of them are women: 231,000 (51%).

With this more complete definition, the total number of unemployed young people in MCMA would be 636,000. And almost half of them are women: 306,000 (48%).³⁹

Finally, there is a third group of people without work, they are part of the unavailable persons. There are another 440,000 young people without work, because they carry out unpaid care labor at home. Statistically, they are classified as part of the PNEA. Of these, 367,000 are women. 83% of youth who are not available for work because they perform unpaid work at home are women.

In addition, among the unavailable young people, also part of the EAP, there are 1 million 862,000 who are students, a little more than half of whom are women: 943,000. This group is obviously not counted as unemployment or exclusion.⁴⁰

Finally, there are 107,000 unavailable young people who have other conditions of "economic inactivity", 45,000 of whom are women. We have not added them in the exclusion figure either.

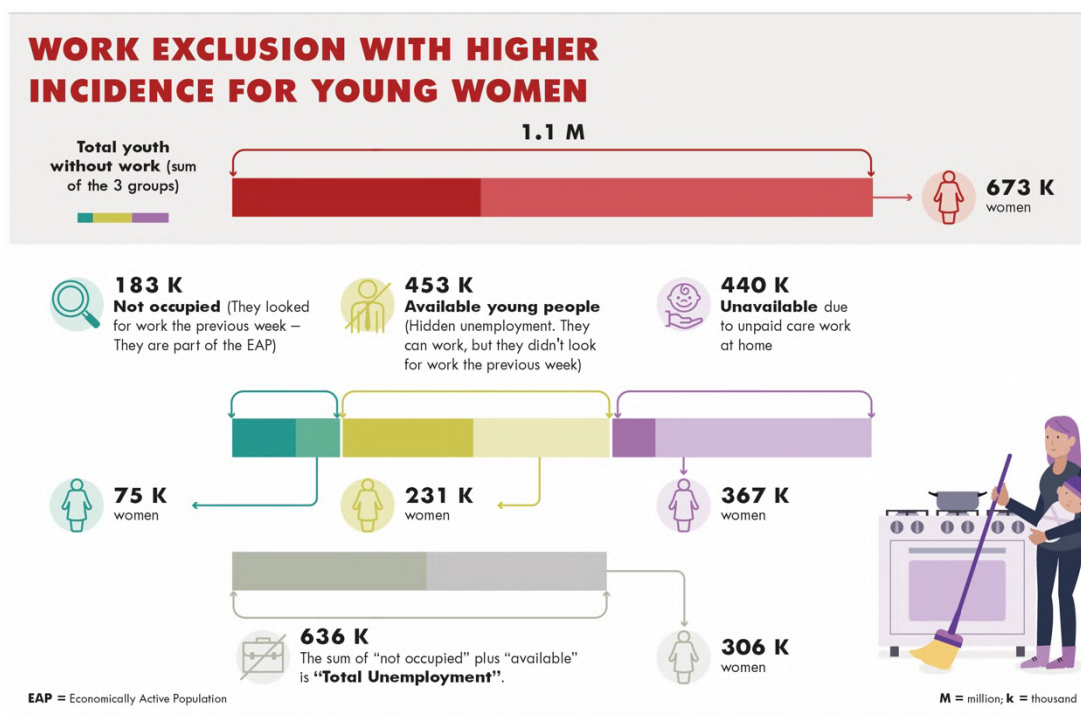
This first look allows us to estimate that the potentially productive population - PPP of young people in MCMA is almost 3.4 million⁴¹. And it is formed by 2 million 503 young people of the EAP plus 453,000 of the available NEAP plus 440,000 of the unavailable NEAP dedicated to domestic chores.

³⁹ There are economists who consider that underemployed people, i.e., those who work few hours, not out of desire or need, but because there is no other work, should also be considered. They would be "partially" unemployed people, in this case: 252,000 young people. Of these, 96,000 are women (38%). We prefer not to add underemployed people to unemployment, although it is important to make them visible and count them, at least as part of precarious jobs.

⁴⁰ In the population over 15 years of age, the other group of persons not available in the EAPP are retired and pensioned persons. Young people 15-29, logically, do not participate in this category.

⁴¹ The exact amount is 3.396 million

Figure 22. Job exclusion affects more to women



E. Fifth disadvantage: Having a precarious job⁴²

Finally, the last disadvantage that is quantifiable with periodic statistical data is working in precarious conditions. There are other disadvantages, but there are no periodic data to measure them.

Precarious labor is identified based on labor that do not comply with the minimum conditions of decent work, in accordance with the norms of the right to work.⁴³

At a statistical level, in this study precarious work is identified as not having a salary sufficient to exceed the poverty line and/or not having compulsory social security affiliation, this last is equivalent to informal work.⁴⁴

⁴² All data in this section is sourced from INEGI. ENOE 2023 - II. Op. cit.

⁴³ See appendix 4, on the standards of the Right to Decent Work, according to Mexican constitution and international human rights treaties.

⁴⁴ The wage poverty threshold is set at the cost of two basic baskets, since the wage must be sufficient for those who work and their families. Therefore, the minimum -not the desirable- is at least a salary sufficient to acquire two basic baskets. Definition of formal and informal jobs is explained in Appendix 7.

Composition of the youth labor market in MCMA

Before presenting the data on labor conditions, we present data about the composition of the "labor market" for young people in MCMA, considering "types of occupations", size of the economic units in which they work and the sectors or economic branches in which they work.⁴⁵

Types of occupation

In MCMA, there are 2.3 million young people in the labor force ("occupied"). INEGI presents data for 5 types of occupation: subordinate work with wage remuneration (employment), independent work (self-employment), work without wage (on commissions or other forms of payment without a fixed salary), unpaid work (family businesses or other illegal conditions) and employers.

More than 8 out of 10 occupied young people have a subordinate salaried job (81%). That is, an employment with a boss and employer. They are 1.9 million. Of these, 4 out of 10: 779,000, are women (41% of employees are women).

Slightly more than 1 in 10 young people have independent works (11%).⁴⁶ That is, they are self-employed. There are 256,000 of them. Of these, 104,000 are women (also 41% of independent workers are women).

Grouping the categories of jobs without wage and without pay, they add up to 147,000 young people (6%). In these jobs, 61,000 are women (41% of young workers without wage or unpaid are women).

Finally, only 1% of young people are employers: 33,000 in total. Of these, less than a quarter are women: 7,500 (23%).

Size of economic units

INEGI presents data for 7 categories of economic units (EU) size: Micro (with and without establishment), small, medium, large and government.

⁴⁵ To provide a little more detail on the economic branches, we include a closer look at the classification by 62 economic branches of the formal jobs registered in the IMSS. Although they do not cover the entire employed population (but less than half) we think they complement well the general look at the "labor market".

⁴⁶ The proportion of people between 30 and 64 years of age who are self-employed (self-employed) is double: 23%.

In MCMA, almost 4 out of every 10 young people work in micro EU, (between 1 and 10 people employed) (39%): 913,000 young people. Almost half of them work in EU without an establishment: 441,000 (19%) and the rest in micro EU with an establishment: 473,000 (20%).

Almost a quarter of them work in small EU - between 11 and 50 employees. They are 556,000 young people (24%).

350,000 work in medium-sized EU, between 51 and 250 employees (15%).

193,000 work in large EU, more than 250 employees (8%).

89,000 young persons work in government institutions (4%).

And for 219,000 there is no specific data ("other" "not applicable" and "not specified"), they are 9% of employed young people.

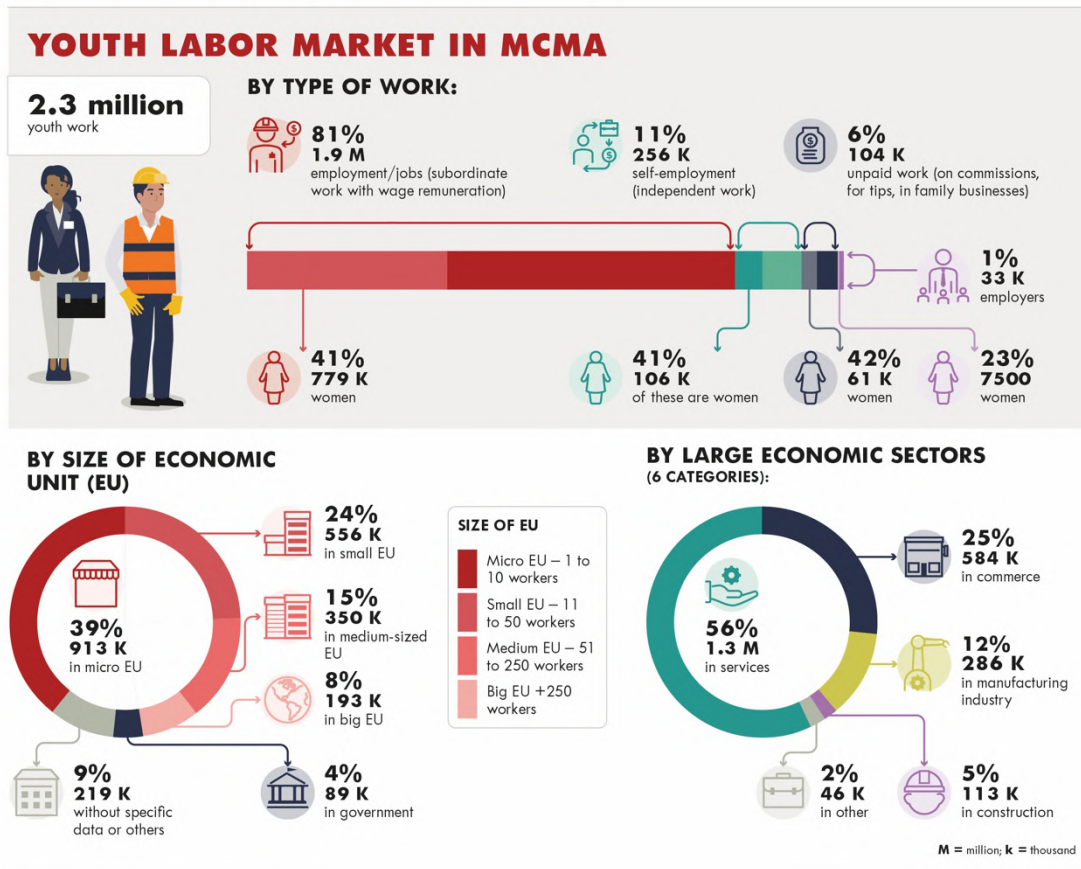
Economic sectors

INEGI presents 6 categories of economic sectors with sufficient statistical representativeness.

In MCMA, more than half of youth work in "Services": 1.3 million (56%). A quarter of them work in Commerce: 584,000 young persons (25%). 1 out of 8 works in the manufacturing industry: 286,000 (12%). One out of 20 work in construction: 113,000 (5%). The rest: 46,000 work in other sectors (2%).⁴⁷

⁴⁷ INEGI. ENOE 2023 - II. Op. cit.

Figure 23. Labor market for youth in MCMA



This classification from INEGI's ENOE is very general. To understand better the "labor market" of young people in MCMA, there is another source of information, which offers a more detailed record, although only of formal jobs in the private sector.⁴⁸

Young people with formal employment registered in the IMSS in MCMA are 1.3 million. In CDMX there are 937,000 and in the mc-EdoMex 371,000.⁴⁹

⁴⁸ IMSS "Open Data" is available monthly and provides information on youth in formal jobs for 7 EU size categories and for 62 economic sub-branches. The data in this section corresponds to September 2023. The only caveat is that these data do not cover the entire employed population, but only those with "formal" jobs (IMSS registration) in the private sector.

⁴⁹ The data for the CDMX surely includes companies/employers that have branches in other states of the country, but that register with the IMSS in the CDMX. And the ones classified in mc-EdoMex may lack some municipalities covered by other branch of IMSS. Despite this, the trends and analysis is quite precise and useful.

By size of the EU, 41,000 young people work in micro UE, from 1 to 5 people, 3% of the total number of young people with formal jobs.

235,000 work in small EU, from 6 to 50 people, 18%.

308,000 work in medium-sized units, 23%.

And 724,000 work in large UE, with more than 250 people, they are 55% of young people with formal jobs.⁵⁰

There are 16 branches or subsectors of economic activity that employ more than 25,000 young people and concentrate more than $\frac{3}{4}$ of the young people with formal jobs in MCMA (76%). They employ 996,000 young people. Half of the young labor force is concentrated in 7 branches, with more than 50,000 young people employed (52%) (See Table 10).⁵¹

⁵⁰ The IMSS classification differs from that of INEGI as the micro level in IMSS is 1-5 persons and in INEGI 1-10. The "small" EU category in IMSS ranges from 6 to 50 and INEGI ranges from 11 to 50. The other two categories coincide (51-250 medium, over 250 large). The IMSS data allow subdividing the large UE into 3 subcategories from 251 to 500, from 501 to 1000 and more than 1000 persons.

⁵¹ Appendix 8 presents data on salaries in these 16 sectors.

Table 6. Formal jobs for youth in MCMA by economic subsectors

Economic branches or subsectors	Quantity	% of youth with formal jobs
Professional and technical services - Cleaning, security and others	244,280	18.7%
Construction	85,906	6.6%
Food and beverage preparation and service - Restaurants	81,734	6.2%
Commerce in self-service stores and specialized department stores	72,877	5.6%
Commerce in clothing and personal use items	67,774	5.2%
Financial and insurance services	65,284	5.0%
Services related to transportation in general (logistics)	61,320	4.7%
Food manufacturing	46,282	3.5%
Commerce of food, beverages and tobacco products	45,502	3.5%
Commerce of machinery, equipment, instruments, apparatus, tools; spare parts and accessories thereof	44,210	3.4%
Personal home and miscellaneous services	37,248	2.8%
Commerce of household goods	32,844	2.5%
Medical, social assistance and veterinary services	30,484	2.3%
Ground transportation	28,311	2.2%
Work performed by specialized contractors	25,977	2.0%
Commerce of raw materials, materials and auxiliary materials	25,815	2.0%
Subtotal	995,848	76%

Source: Own elaboration, with data from IMSS. Open Data. Database of registered jobs as of September 30, 2023.

*Young people in precarious working conditions in MCMA*⁵²

The vicious circle closes when young people who have accumulated disadvantages since birth, by living in poverty, having poor educational performance and dropping out of school without completing at least high school, get jobs that in practice are "poverty factories".

⁵² All data in this section, unless specifically indicated, correspond to the indicators of the Decent Work Observatory of Acción Ciudadana Frente a la Pobreza, and the original source is INEGI. National Occupation and Employment Survey 2023 - III (July - September 2023).

Poverty inherited from the home in childhood turns into "own" poverty at the beginning of adulthood, when youth start working, without sufficient income for the most basic needs and without access to social security. These are the two conditions that determine the size and permanence of poverty in Mexico.

The available statistics allow us to identify at least the following conditions of labor precariousness: without sufficient salary, without social security, underemployment, excessive working hours, without a stable contract, without benefits. These last two conditions refer only to people in employment (subordinate salaried work) and not to the complete occupied population.

Without sufficient salary

Three out of every four young people working in MCMA ("occupied") do not earn enough income to overcome the wage poverty line (75%).⁵³ That is 1.7 million without sufficient labor income out of a total of 2.3 million occupied young persons.⁵⁴

By type of occupation, there is almost no variation between those with salaried jobs (74%) and those who are self-employed (76%). In the general population there is a difference. The proportion of young people who are self-employed is much lower than the rest of the population.

Young women have more precarious work. Almost 8 out of 10 lack sufficient salary (78% of working women). They are 740,000. And young men without sufficient salary are 999,000 (73% of working men).

⁵³ The threshold for defining "wage poverty lined" that defines who works "without sufficient salary" is the equivalent of the cost of two basic baskets (food plus non-food), in accordance with the definition of the right to work, which establishes that the salary must be sufficient for the working person and his or her family. Therefore, the minimum is a sufficient labor income or salary for at least two people. On the other hand, in Mexico for years, it has been clear that in each household there are 1.7 income earners for households of 3.4 people, on average.

⁵⁴ This is the "low" figure. If we only consider those who declare income, the indicator rises to 83%, since there are 234,000 cases of "no answer" in the income question, classified as "not specified".

Without social security

Slightly more than half of young people work without social security affiliation (53%). That is 1.2 million young people working without access to health and other social security protections⁵⁵.

The type of work has a large effect on social security. 100% of those who are self-employed lack social security affiliation. That is 256,000 young people. And a little more than 4 out of every 10 youth with employment (salaried and subordinate work) also lack social security affiliation. 791,000 young people work and their employer does not comply with the obligation of social security affiliation.

In the case of social security, women fare slightly better than men. Half of the women have no affiliation (50%) while more than half of the men, 55%, have no affiliation.

Under-occupation

11% of young people are underemployed, that is, they work less hours than they can and need to complete their income: 252,000 young people. Of these, 145,000 are employed (8% of total employees) and 74,000 are self-employed (29% of self-employed). 95,000 are women (10% of occupied women) and 157,000 are men (11%).

With excessive working hours

At the other extreme, 714,000 young people work excessive workdays, more than 48 hours per week. They are almost a third of the total number of occupied young people (31%).

607,000 have subordinate salaried work (32% of total employees) and 61,000 are self-employed (24% of total self-employed).

215,000 are women (23% of working women) and 499,000 are men (37% of working men). This is understandable considering that most women also have an extra day of unpaid work at home.

⁵⁵ Appendix 7 presents the norms and descriptions of social security protections: health; day care for mothers; wages in case of sickness, accidents or maternity leave; pensions for retirement and funding for housing.

Without stable contract (only young people with employment)

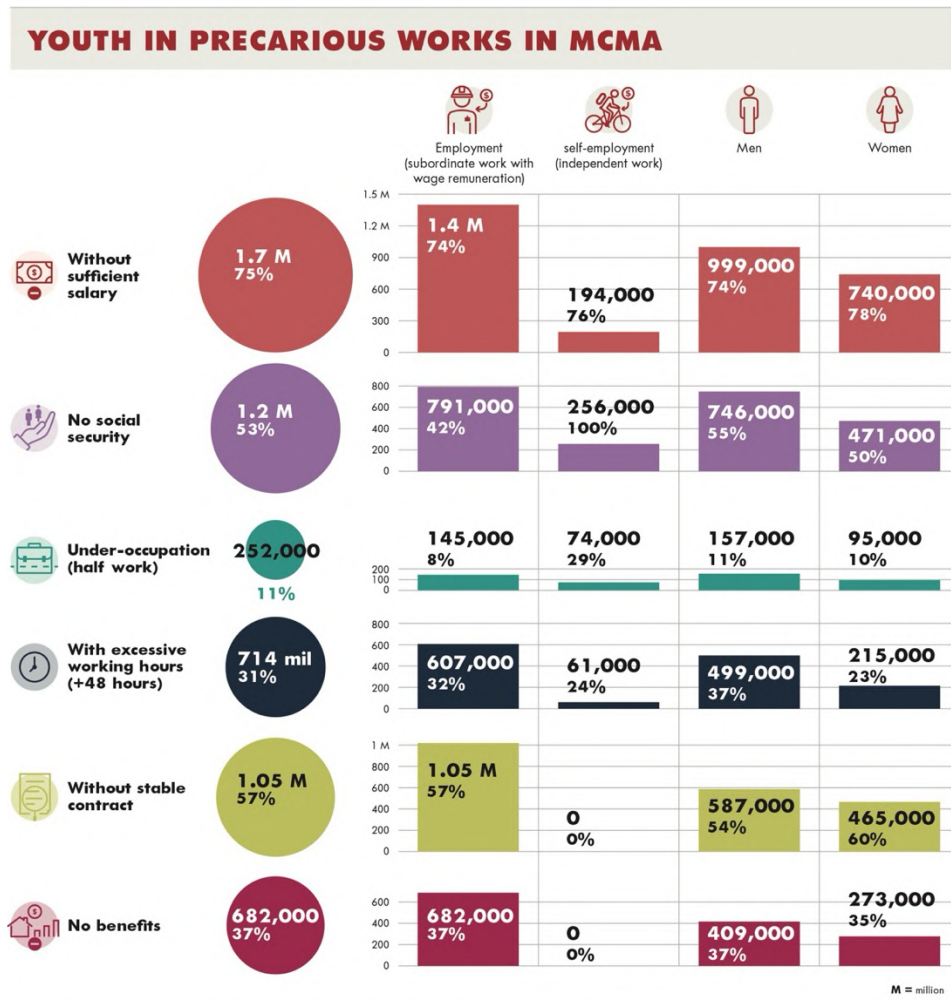
More than half of the young people with subordinate and salaried jobs do not have a stable contract, 1.05 million out of a total of 1.9 million (57% or almost 6 out of 10).

Women are also more defenseless. Six out of ten work without a stable contract (60%) and in the case of men it is slightly more than half (54%).

No benefits (only young people with employment)

37% of young people with salaried jobs work without benefits. There are 682,000. Of these, 273,000 are women (35%) and 409,000 are men (37%).

Figure 24. Young people in precarious jobs in MCMA



4. How many *opportunity youth* are there in MCMA?

A. Methodology for *opportunity youth* “headcount”

Identifying and quantifying the population of *opportunity youth* allows us to measure the magnitude of the challenge and acknowledge some of their specific characteristics relevant for social actions and to demand appropriate public policies.

The "headcount" of *opportunity youth* derived from statistical sources has multiple limitations. It does not reflect the full range of adverse conditions. It does not reflect other realities related to violence or aggression in their self-esteem. Above all, there is no way to dimension their potential and positive characteristics.

With these caveats, together with the *Alianza Jóvenes con Trabajo Digno* and GOYN CDMX, we have agreed on a counting "methodology", that is deemed pertinent and useful for direct work and for advocacy.

At a conceptual level, we identify three major groups of youth that require public policies and appropriate private sector and social actions to promote their economic inclusion and that we consider to be *opportunity youth*:

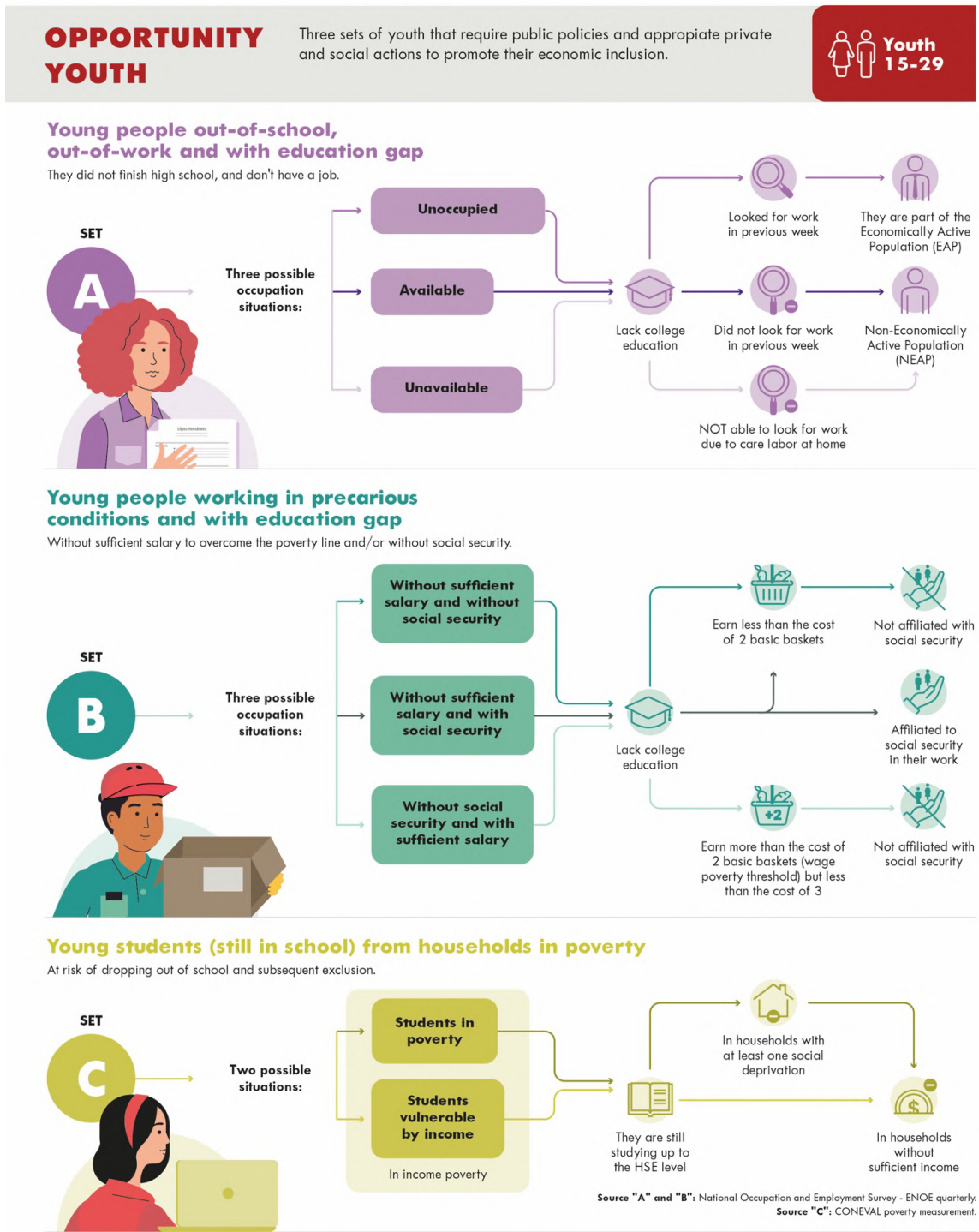
- A. Young people out-of-school, out-of-work and with education gap
- B. Young people working in precarious conditions and with education gap
- C. Young students (still in school) from households in poverty

The first set "A" is the excluded nucleus among the *opportunity youth*; they are young people who were left out of the educational system, did not finished high school, and do not have a job.

The second set "B" are *opportunity youth* working in precarious conditions, specifically without sufficient salary and/or without social security. They also are out of school and have education gap: HSE incomplete.

The third set "C" are *opportunity youth* that are still in school, in HSE, but live in conditions of poverty. They are at risk of drop out and education gap, as most of them study in schools with low educational performance and have a higher probability of dropping out of school before completing HSE.

Figure 25. Opportunity youth. Counting methodology



In all three sets the count only includes youth that lack college / superior education (12 years or less of education). In the first two sets, only out-of-school youth are counted. In the third set, the opposite is the case, only young people who are still studying up to HSE are counted.

The first set "A" at the statistical level combines three possible occupation situations:

- **Unoccupied.** Young people 15-29 who are not studying, lack college / superior education and are out of work, but were actively looking for work in the previous week. They are part of the Economically Active Population (EAP).
- **Available.** Young people 15-29 who are not studying, lack college / superior education and are out of work, ready and needing to work but they were NOT actively looking for work in the previous week. They are part of the Non-Economically Active Population (NEAP).
- **Unavailable due to unpaid home labor.** Young people 15-29 who are not studying, lack university studies and are out of work, and are NOT able to go out to look for work, due to domestic care work or for other reasons⁵⁶. They are part of the Non-Economically Active Population (NEAP).

The second set "B" at the statistical level, also combines three possible occupation situations:

- **Young workers without sufficient salary and without social security.** Young persons 15-29 who are not studying, lack college / superior education, working (occupied), and earn less than the cost of 2 basic baskets (wage poverty threshold) and are not affiliated with social security in their work.
- **Young workers without sufficient salary.** Young people 15-29 who are not studying, lack college / superior education, and are occupied, earn less than the cost of 2 basic baskets (wage poverty threshold), although they are affiliated to social security in their work.
- **Young workers without social security.** Young people 15-29 who are not studying, lack college / superior education, and are employed, but are not affiliated with social security in their work, and earn more than the cost of 2 basic baskets (wage poverty threshold) but less than the cost of 3 basic baskets.

⁵⁶ The other important part of the PNEA are young people who are not available because they are studying. They are not included in this category and are not counted as *opportunity youth*.

The third set "C" at the statistical level combines two possible situations:

- **Young students in poverty.** Young people 15-29 who are still studying up to the HSE level, without college / superior education, and live in poverty. That is, without sufficient income for the basic basket at the household and have at least one social deprivation.
- **Young students vulnerable by income.** Young people 15-29 who are still studying up to the HSE level, without college / superior education, and live in households without social deprivation, but lack sufficient income of the basic basket at the household.

The sum of the two sets that comprise set "C" is referred as young "**students in income poverty.**"

The source of information for sets "A" and "B" of *opportunity youth* is the quarterly National Occupation and Employment Survey - ENOE.⁵⁷ The source of information for set "C" is CONEVAL's poverty measurement.

We consider that including the third group "C" of young students living in poverty in the count of *opportunity youth* is pertinent for at least two reasons: a) because they require public policies and preventive and remedial social actions to avoid their economic exclusion in the short term and, b) because several organizations specialized in youth work directly with this sector to promote their economic inclusion, before they fall into situations "A" or "B".

⁵⁷ The ENOE has a monthly, quarterly and annual version. The monthly version only updates general variables. It is known as the timely ENOE. The quarterly ENOE is the complete information for all variables. The annual version, in addition to the quarterly questionnaire, applies an expanded questionnaire, with more variables on labor conditions, such as union membership. The ENOE also has a "panel" sample that is applied to the same households in 3 consecutive quarters, which allows for longitudinal analyses, with this temporal scope.

B. Results: How many *opportunity youth* are there in MCMA?

There are at least 2.35 million *opportunity youth* in MCMA. 940,000 live in CDMX and 1.41 million in the mc-EdoMex. They are almost half of young people.⁵⁸

Nationally, there are 16 million 406,000. MCMA concentrates 12% of the total number of *opportunity youth* in the country.

In MCMA, 543,000 *opportunity youth* are excluded (set "A"), 1,150,000 have precarious jobs (set "B"), and 659,000 are students in income poverty (set "C").

Table 7. Opportunity youth in in Mexico and MCMA

Situation	National	MCMA	CDMX	mc-EdoMex ^e
Total <i>opportunity youth</i>	16.4 M	2.4 M	940 k	1.4 M
"A" Exclusion	5.1 M	543 k	216 k	327 k
• Unemployed	650 k	85 k	32 k	53 k
• Available	1.1 M	111 k	49 k	62 k
• Not available due to unpaid home labor	3.9 M	347 k	134 k	212 k
"B" Precariousness	8.2 M	1.2 M	509 k	641 k
• W/o sufficient salary and social security	4.9 M	698 k	312 k	386 k
• Only w/o sufficient salary	2.1 M	389 k	161 k	228 k
• Only w/o social security	1.2 M	63 k	36 k	27 k
"C" Income poverty	3.1 M	659 k	215 k	443 k
• Students in poverty	2.5 M	494 k	160 k	334 k
• Students vulnerable by income	681 k	165 k	56 k	109 k

Source: Own elaboration with data from INEGI. *ENOE - 2023 II* and CONEVAL. *Poverty Measurement 2022*.

Notes: Poverty data for mc-EdoMex are estimated based on the state data of EdoMex 2022 at 73.1%. Labor data ("A" exclusion and "B" precariousness) were calculated by subtracting CDMX data from MCMA data. M = millions and k = thousands. Sums may not add up due to rounding.

⁵⁸ The difference in sources and cut-off dates of the information used to estimate the *opportunity youth* count prevent us from giving an exact percentage. We prefer to use this generic formulation. It should be remembered that there are many more young people out of school or in precarious jobs; only those who do not have a university education are included here. And in the case of those who work, only those who are already out of school.

C. Characteristics of *opportunity youth*

The available statistical information that we use as a source allows us to trace a few characteristics about the *opportunity youth* in MCMA.

71% of *opportunity youth* in exclusion (set "A") are women: 384,000.

In set "B", given the low labor participation of women, the proportion is inverted: 64% are men and 36% are women. In precarious jobs in MCMA, there are 732,000 men and 418,000 women.

Half of *opportunity youth women* in exclusion and in precarious jobs (sets "A" and "B") are mothers: 52%. There are 416,000 *opportunity youth* mothers in MCMA (considering only sets "A" and "B"). 245,000 have one child and 170,000 have two or more.

In the "A" group with no work, 55% of women, 212,000, are mothers. In the "B" group in precarious jobs, 49%, 203,000 women, are mothers.

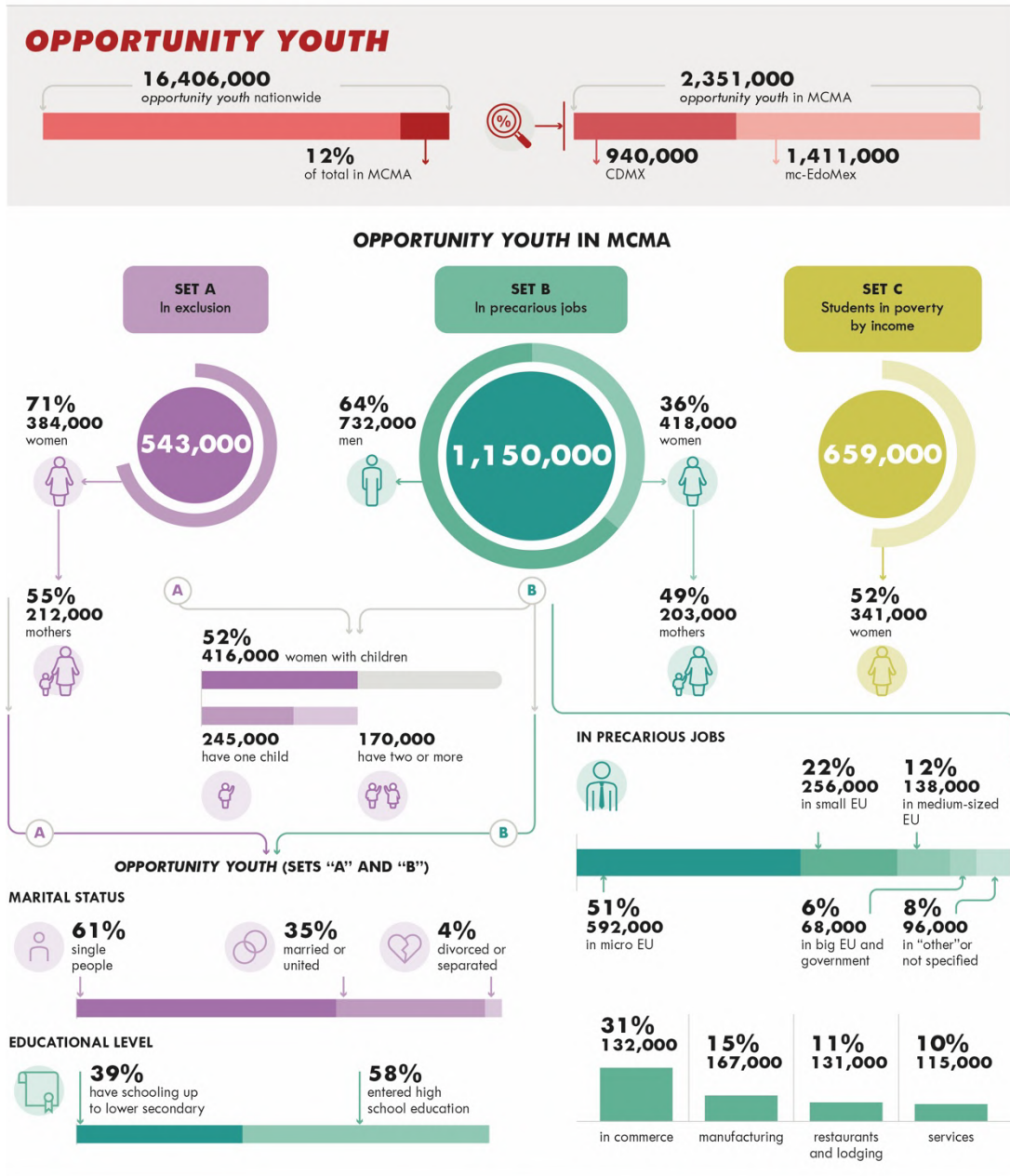
61% of *opportunity youth* (sets "A" and "B") in MCMA are unmarried. 35% are married or united. And 4% are separated or divorced.

By educational level, 39% of *opportunity youth* (sets "A" and "B") in MCMA have schooling up to lower secondary and 58% entered high school education.

In set "B", *opportunity youth* in precarious jobs in MCMA, half work in micro-businesses: 592,000 (51%), 22% work in small businesses: 256,000 young people, 12% work in medium-sized establishments: 138,000, and 68,000 work in large units and the government (6%). The remaining 8%, 96,000 young people, work in other types of establishments or there is no data.

In the "B" group, *opportunity youth* in precarious jobs in MCMA, almost a third, 132,000 work in the commerce sector (31%), 167,000 in manufacturing (15%), 131,000 in restaurants and lodging (11%) and 115,000 in professional services (10%).

Figure 26. Opportunity youth in MCMA



Part II: What is the government doing?

Part II of the study focuses on the description of government actions for the workforce development and youth in MCMA. Its content addresses both institutions and programs directly related to the workforce development and youth.⁵⁹ In both cases, information on allocated budget and funding streams is included when available.

5. Overview

We considered two sources that allow a look at the general panorama on institutions, actions / programs and funding streams for workforce development and youth: the annex dedicated to the youth budget, included in the Federal Budget - PEF and the "inventory of social programs", elaborated by Coneval.

The list of institutions and programs that will be described in the following sections is at the end of this overview section.

A. Youth Budget Annex

Since 2011, the Federal Expenditure Budget Decree (DPEF) includes a table in annex called "Expenditures for the development of young people".⁶⁰ This annex may be considered as a "transversal" or integrated budget. It is informative and it only reflects funds aimed at young people, as reported by the Secretaries and Agencies of the federal government.

In 2024, it is the Annex 17 of Federal Budget - PEF with a total amount of 575,000 million pesos (*33.7 billion USD*).⁶¹

80% of the total amount reported in Annex 17 in 2024 PEF corresponds to education programs: 473,000 million pesos (*27.7 billion USD*). It includes programs of basic

⁵⁹ We use the term actions/programs because some of the relevant actions do not constitute budgetary programs or are not even considered as "programs".

⁶⁰ The DPEF includes several annexes that show cross-cutting budgets, for example, DPEF 2024 includes: Expenditures for the integral development of indigenous peoples and communities (Annex 10), Special Concurrent Program for sustainable rural development (Annex 11), Expenditures for equality between men and women (Annex 13), Resources for attention to vulnerable groups (Annex 14), Resources for adaptation and mitigation of the effects of climate change (Annex 16), Resources for the care of children and adolescents (Annex 18), among others.

⁶¹ Appendix 11 presents the image of the actual Annex 17 of 2024 PEF.

education (lower secondary level), high school education, college / superior education and universities, and adult education.⁶²

In addition to the actions/programs of the Ministry of Public Education (“*Ramo*” 11), the budget allocated to youth, with education considers resources for the education function in the Ministries of Agriculture and Rural Development (*Ramo* 08), Defense (“*Ramo*” 07), Navy (“*Ramo*” 13) and the “*Ramos*” that decentralize funds for education to CDMX (“*Ramo*” 25) and to the federal entities (“*Ramo*” 33).⁶³

The remaining resources included in Annex 17 of the 2024 PEF refer to health actions: 1,284 million pesos (75.5 million USD) in the budget of “*Ramo*” 12 of the Ministry of Health and 7,682 million pesos (449 million USD) in the budget channeled to the IMSS, via “*Ramo*” 19, for student health coverage.

The remaining funds refer to resources in the STPS: 23,536 million pesos (1.4 billion USD) of which 99% are for the JCF program, and rural support programs in the Ministry of Agriculture and Rural Development: 1,220 million pesos (71 million USD).

B. Inventory of social programs

Coneval is responsible for the evaluation of social development policy, in addition to being responsible for poverty measurement. Coneval publishes the "Inventory of Social Programs and Actions" with information on budgetary programs (PP) aligned to one of the social rights or economic welfare (income), as enlisted in the Social Development General Law.

The Inventory of Federal Programs and Actions is updated annually, and the Inventory of State and Municipal Government Programs is updated every three years.

The most recent federal "Inventory" corresponds to 2022, which includes information on 122 federal programs and actions, based on final data (e.g. not only allocated but also executed budget).⁶⁴

⁶² This amount includes the budgetary amount allocated to lower secondary education (prior to high school education), since in regulatory terms in Mexico, youth starts at age 12.

⁶³ The Ministry of Health (*Ramo* 12) also has educational funds for the training of medical and health professions personnel but does not include them in the "transversal" budget.

⁶⁴ Coneval. *Coneval Inventory of Federal Social Development Programs and Actions 2022*, available at <https://www.coneval.org.mx/Evaluacion/IPFE/Paginas/historico.aspx>.

The Inventory of federal programs 2022 contains information on 124 variables.⁶⁵ Some of the relevant variables for our study are: social entitlement (direct and indirect), population served by stage of life, budget spent, national target, coverage data (potential population, target population, population served, and rates).

In the Inventory only one program combines the "right to work" with "youth" stage of life: the Youth Building the Future Program - JCF.

There are 8 federal programs aligned with the right to Work in the Inventory, with a combined budget of almost 29,000 million pesos (*1.7 billion USD*).⁶⁶ The JCF program represents almost $\frac{3}{4}$ of that amount (74%). In addition, there are 9 other programs that have the right to work as an indirect benefit.

Of the 122 federal programs, the Inventory identifies 10 programs that focus directly on the "youth" stage of life, with an executed budget of 115,000 million pesos (*6.7 billion USD*).⁶⁷

The statistical annex includes the 122 variables of these 27 programs.⁶⁸

The most recent Coneval inventory of state government social programs corresponds to 2021. The local budgets of both states: CDMX and EdoMex were also consulted to identify the most relevant programs for further analysis.⁶⁹

⁶⁵ Coneval. *Coneval Inventory of Federal Social Development Programs and Actions and Federal Social Development Contribution Funds 2022 - 2023. Presentation and analysis*. The complete list of 122 variables can be found in Annex 1, pp. 70-72.

⁶⁶ Of which, 21.5 billion pesos correspond to the Jóvenes Construyendo el Futuro program, equivalent to 74% of the total of the 8 programs.

⁶⁷ Coneval. *Coneval Inventory of Federal Social Development Programs and Actions and Federal Social Development Contribution Funds 2022 - 2023. Presentation and analysis*. Graph 6 page 40 and Graph 8 page 43. Of the 10 programs for the youth stage, 6 correspond to the SEP, and refer to high school education services, grants for high school education, grants for higher education "Jóvenes escribiendo el futuro", "Universidades Benito Juárez". Two other programs are from the STPS: JCF, which was mentioned before, and the Mexican Youth Institute. And 2 more programs of the Ministry of Culture are included: Stimulus to artistic production and the higher education and postgraduate services of the National Institute of Anthropology and History - INAH.

⁶⁸ See extract of the Inventory 2022 with the 36 programs in the Statistical Annex.

⁶⁹ The Inventory of the central government of the CDMX includes 36 programs, of which Unemployment Insurance, support for employability, promotion of cooperativism and non-formal educational actions related to the economic inclusion of the PILARES are included in the following sections.

C. Selected institutions and programs

Because of their budgetary or thematic relevance to youth employability and workforce development, we will present basic information in this study about the following institutions, actions, and programs:

Institutions, actions, and programs for Education:

- High school Education - HSE
- Technical and technological HSE
- Access to HSE in MCMA: Metropolitan Council of Public Institutions of High school Education - COMIPEMS
- Non-School Options for HSE Certification
- Dual Education
- Benito Juárez grants for HSE students
- The new common curricular framework in HSE

Institutions actions and programs for training and non-formal education:

- SEP's Training Centers for Work - CECATI
- STPS distance training program - PROCADIST
- Work Training Institutes - ICAT in CDMX and ICATI in EdoMex
- Youth Building the Future Program - JCF
- Adult education - INEA
- Pillars Program of the Government of the CDMX

Institutions actions and programs to support employment and economic inclusion:

- National Employment Service - SNE of the STPS.

The most recent Coneval inventory of state programs corresponds to 2021. A total of 43 social programs have been identified in EdoMex. Of these, the information in the following sections includes labor training and intermediation programs and the Salario Rosa cash transfer program, which will no longer continue in this new government (2023 - 2029).

- The program for the Standardization and Certification of Labor Competencies – CONOCER
- The CDMX government's employment support programs: Unemployment Insurance, Promotion of Decent Work and Social Economy Fund.
- Social Security (IMSS and ISSSTE) and DIF childcare centers.
- The support programs for working mothers, of the federal government and the government of the State of Mexico (Salario Rosa).

Finally, although their political, institutional, and budgetary weight is minimal, a brief section presents information on the Youth Institutes, national and local in CDMX and EdoMex, as they are directly dedicated to the target population.

6. Education institutions, actions, and programs

A. An overview of High School Education - HSE

The high school education (HSE) is the educational level that follows the completion of secondary education. HSE is typically attended between 15 and 17 years of age (see Figure 14). In most cases, it refers to grades 10 to 12 of education⁷⁰. As of 2011, HSE was imposed as a mandatory level in the legislation. Upon completion of HSE, the educational continuity is towards higher education: college / superior, tertiary, or university.

HSE brings together a broad and diverse set of models, institutions, and educational offerings ("education programs").

There are three models in HSE: general high school, technological high school, and technical professional high school. The first two are considered "propaedeutic" to continue to university studies. The last one is considered "bivalent" because it prepares students to enter the labor market or to continue studying.

There are federal, state, autonomous and private subsystems based on their funding and affiliation. Federal subsystems are under the responsibility of the Ministry of Public Education (SEP). State subsystems are under the responsibility of the Secretaries of Education of each state. The autonomous HSE correspond to high schools linked to autonomous universities such as UNAM or UAM and the autonomous universities of the states (UAEM in the case of the State of Mexico). The private subsystems are authorized by the educational authorities (RVOE) or by the universities (incorporated).

HSE enrollment in MCMA is 917,000 young students in the recently concluded 2022-2023 school year. In CDMX the enrollment is 451,000 young people and in the mc-EdoMex there are 458,000.

⁷⁰ The most common education programs correspond to 6 years of elementary education: 1st to 6th grade. 3 years of secondary education: grades 1 to 3 (equivalent to grades 7 to 9). And 3 years of high school education, equivalent to 10th to 12th grade.

In the PEF 2024, 141,000 million pesos – million pesos⁷¹ (8.2 billion USD) are allocated to High school Education.⁷² Although a large part is applied in CDMX, another part is applied in the federal HSE subsystems throughout the country. To get the full figure of resources, the budgets allocated by state governments would have to be added.

The 2024 budget of the Government of the CDMX allocates 1,208 million pesos to "Strengthening high school education", with budget code E086 (70 million USD). In addition, under the heading "HSE" (2.5.2) there are other items, among them, an item for 69 million pesos for "Administrative Support Activities".⁷³

In the 2024 budget of the Government of EdoMex, 9,968 million pesos are allocated to High school Education (583 million USD).⁷⁴

Some of the main indicators for HSE, for the 2021/2022 school cycle are:

- The "potential demand coverage rate considers secondary graduates plus the previous year's enrollment in HSE minus graduates. In CDMX the potential demand rate is 93% and in the EdoMex it is 85%.
- School dropout is one of the key indicators of the educational system. It measures for each year young people who no longer continue their studies, the percentage is annual, but the amount is cumulative, as reflected in national statistics (census). In CDMX 9% of young people dropped out of HSE and in the EdoMex 10%.
- There are two indicators of **failure**. The gross data -before regularization- and the net data, after regularization. In CDMX, the gross failure rate is 28% and with

⁷¹ This is a literal translation from Spanish. In Spanish numbering one billion represents a million of millions (1 plus 12 zeros). To keep the coherence with the original we prefer to use "thousand of millions" for 1 plus 9 zeros, when referring to "pesos" and in the exchange to US dollars, we switch to English numbering, and therefore 1 billion is 1 plus 9 zeros.

⁷² SHCP. PEF 2024. Volume I. Global and Specific Information. Consolidated Programmable Expenditure Information. Analysis of the Functions and Subfunctions of Programmable Spending by Economic Distribution. Available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/tomo_1/tomo_1_i15.pdf. For a brief explanation of "purpose, function and sub-function" see the PEF Structure box.

⁷³ Government of the CDMX. Secretariat of Administration and Finance. Presupuesto de Egresos 2024. Volume II. Programmatic Functional Analysis, page 11/16. Available at https://cdmxassets.s3.amazonaws.com/media/files-pdf/paquete_economico_2024/TOMO_II/A_ANALISIS_PRO.pdf

⁷⁴ Government of the State of Mexico. Expenditure Budget 2024. Art. 11 Functional Classification of Expenditure (Purpose, Function, Subfunction and Program). Published in the Official Gazette on December 28, 2023, page 10.

regularization it drops to 9%. In EdoMex, the gross failure rate is 11% and with regularization it drops to 6%.

- The **HSE completion rate in CDMX** is 65% and in the EdoMex it is 70%. Slightly more than a third of young HSE students in CDMX and 30% in the EdoMex do not complete the HSE cycle on time.
- The **net enrollment rate** reflects the coverage of young people 15-17 years old. According to this indicator in CDMX, 93% of young people 15-17 are in school and in the EdoMex 63%.

The difference is not that big, but CDMX covers a portion of the young people of EdoMex and even of other states, so its coverage indicators are overestimated, because enrollment and completion are compared to population, and those of EdoMex are underestimated.

Table 8 shows a simple weighted estimate of HSE education indicators in CDMX and EdoMex.

Table 8. Estimated HSE Education Indicators in MCMA 2021/2022

Indicators 2021/2022 school year	MCMA estimate
Attention to potential demand	89%
Drop out	10%
Gross Failure (before regularization)	18%
Net failure (after regularization)	10.5%
Terminal efficiency rate	68%
Net school enrollment rate (effective coverage)	77%

Source: Own elaboration with SEP data. **Educational indicators. National and state historical series.** Note: These data present a basic estimate of average of CDMX and Edomex indicators, considering the population weight of the mc-EdoMex in MCMA.

B. Technical HSE

Technical and technological high school education is the most relevant for labor market insertion and therefore for *opportunity youth*. Technical/technological high school education is very diversified. At least 8 subsystems operate in MCMA (see Figure 27).

With federal support and administration, there are two Responsible Units of the Undersecretary of HSE in SEP, which directly runs technological high schools: CBTAyCM (formerly CBTA) and CEBETI (or CETI).

The "technical professional" model under CONALEP has state administration throughout the country, except in CDMX, where it is still part of the SEP, through a decentralized agency.

The technical high schools of the IPN, called CECyTs, are federally supported, but under the administration of the IPN and not directly by SEP. They are not considered autonomous because formally the IPN is not autonomous, but their operation has a large margin of administrative and academic autonomy.

With mixed funding and state administration, the technical HSE of EdoMex has two subsystems: the CECyTEM and the Technological High School Centers (CBT).

Basic information is presented for each of these subsystems. Based on available information, we present the description of the subsystem, the number of technical careers offered, coverage data (campuses, enrollment), and budget, at the national level and for MCMA when available.

Agriculture & Livestock and Marine Science Technological High Schools - CBTAyCM

The General Direction of Agriculture & Livestock Technological Education and Marine Sciences - DGETAyCM of the Undersecretary of HSE in SEP is one of the HSE subsystems funded and administered by the federal government. At the national level, runs the following educational centers:⁷⁵

- Agricultural and Livestock Technological High school Centers, with 328 base campuses, plus 76 extensions, where 34 careers are offered (some of which do not correspond solely to agriculture and livestock). For a total of 1,089 educational options.
- Forestry Technological High School, with 8 campuses plus 2 extensions, where 12 careers are offered, for a total of 28 educational options.

⁷⁵ SEP. DGETAyCM website. Offering of the DGETAyCM. Available at <http://plataforma-dgetaycm.sep.gob.mx/planteles/> accessed on 19/12/2023.

- Sea Technological Education Centers with 44 base campuses plus 19 extensions, where 23 technical careers are offered, for a total of 313 educational options.
- Continental Areas Technological Centers with 24 campuses plus 1 extension, offering 20 careers, for a total of 85 educational options.
- Training Units for Rural Development, with 1 campus with 2 careers, for an offer of 2 educational options.
- Center for Research on Natural Resources (CIRENA)
- Rural Development Education Brigades

There are 7 DGTAYCM campuses in MCMA, offering 8 careers. 4 campuses are located in CDMX (Xochimilco, Tláhuac, Milpa Alta and Magdalena Contreras) and 4 in the mc-EdoMex (Valle de Chalco, Texcoco and Atlautla).

In the 2021/2022 school year, the national enrollment of the DGTAYCM registered 196,000 students.⁷⁶ In the 2018/2019 school year, enrollment in CDMX was 1,487 students⁷⁷ and in the entire EdoMex, 5,720⁷⁸.

The DG of Agricultural Technology Education and Marine Sciences (DGETAYCM), has a total budget for the national level of 13,220 million pesos (*0.8 billion USD*) in the PEF 2024.⁷⁹

⁷⁶ Government of Mexico. National Commission for the Continuous Improvement of Education - Mejoredu. National indicators for the continuous improvement of education. Figures for the 2021/2022 school cycle, p. 13/35. Available at <https://www.mejoredu.gob.mx/publicaciones/informe-de-resultados/indicadores-nacionales-de-la-mejora-continua-de-la-educacion-en-mexico-2023>

⁷⁷ Government of Mexico. National Commission for the Continuous Improvement of Education - Mejoredu. State indicators for the continuous improvement of education. Mexico City. Information for the 2018/2019 school cycle, p. 34. Available at <https://www.mejoredu.gob.mx/images/publicaciones/cuadernos-estatales/cdmx.pdf>. This is the most recent data available to date (22/03/2024).

⁷⁸ Government of Mexico. National Commission for the Continuous Improvement of Education - Mejoredu. State indicators for the continuous improvement of education. State of Mexico. Información del ciclo escolar 2018/2019, pag. 37. Available at <https://www.mejoredu.gob.mx/images/publicaciones/cuadernos-estatales/mexico.pdf>. This is the most recent data available to date (22/03/2024).

⁷⁹ SHCP. PEF 2024. Ramo 11. Economic Administrative Analysis. Available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/11/r11_aae.pdf

Industrial and services technological high school - CETIS and CBETIS

The DG of Industrial and Service Technological Education - DGETI of the Ministry of Public Education is another part of the HSE, which is maintained and administered by the federal government.

There are 456 educational institutions nationwide, of which 288 are Industrial and Service Technological High school Centers (CBETIS) and 168 are Industrial and Service Technological Centers (CETIS). There is no difference between the programs offered in both types of centers, the difference comes from the history and administrative and union aspects.

The DGETI campuses offer 51 technical and technological careers.

In MCMA, there are 54 DGETI campuses. Thirty-four of them are located in CDMX and 20 in the mc-EdoMex.

Those who accredit and complete the study programs of the technological high school receive a certificate at the technical level.

National enrollment of the CBETIS subsystem in the 2021/22 school year was 602,000 students. In the 2018/19 school year, in CDMX: 81,000 and in the EdoMex: 38,000.

The DG of Industrial and Services Technological Education (DGETIS) has a budget of 26,329 million pesos (*1.5 billion USD*) in 2024.⁸⁰

Centers for Scientific and Technological Studies of the National Polytechnic Institute (CECyT - IPN)

The CECyTs of the IPN are part of the HSE with federal support, administered by the National Polytechnic Institute, which is a decentralized agency of the Ministry of Public Education (SEP). The IPN is an educational system that offers high school, college / superior and postgraduate studies.

Originally, the IPN was totally concentrated in CDMX, although it has always had students from many states of the country, especially in its first decades of life (1936 - 1986).

⁸⁰ *Ibid.*

There are 19 IPN CECyTs in total, of which 15 are located in CDMX and one more in Tecámac, mc-EdoMex.⁸¹ The CECyTs of the IPN have a combined offer of 83 technical careers in classroom mode, 18 in non-school (open) mode and 3 in mixed mode; in the areas of Engineering and Physical-Mathematical Sciences, Medical-Biological Sciences, Social and Administrative Sciences.

The enrollment for the 2022-23 school year of the IPN's CECyTs in MCMA was 70,000 students, of which 58% are men and 42% are women.⁸²

In the 2018/2019 school year, the IPN's CECyTs had 56,000 students registered in CDMX and 4,500 in the mc-EdoMex.⁸³

The IPN has an allocation of 109 million pesos (6.4 million USD) for "high school education services" in the PEF 2024.⁸⁴

College of Scientific and Technological of the State of Mexico Government (CECyTEM)

The technological high school model run by state governments is based on the creation of CECyTs. These do not depend on the IPN, but on each state government, but have very similar school programs and careers.

In the State of Mexico, the College of Scientific and Technological Studies (CECyTEM) was created in 1994 and has 60 campuses throughout the State. Of these, 31 are located in 23 mc-EdoMex.

CECyTEM offers 29 technical careers. In the 2021-2022 cycle, it had an enrollment of 37,000 students throughout the State of Mexico.

⁸¹ IPN. Oferta Educativa de Nivel Medio Superior. Available at <https://www.ipn.mx/oferta-educativa/educacion-medio-superior/>

⁸² IPN. Open Data. Enrollment by Academic Program of the High School Level. Year 2022. Available at <https://www.ipn.mx/datosabiertos/conjunto-datos/eje-estrategico-2.html>

⁸³ Government of Mexico. National Commission for the Continuous Improvement of Education - Mejoredu. State indicators for the continuous improvement of education. Reports for CDMX and EdoMex. See notes 73 and 74.

⁸⁴ SCHP. PEF 2024. Decentralized Public Organizations. L6H Commission for the Operation and Promotion of Academic Activities of the IPN. Functional Programmatic Economic Analysis. PP E007.

CECyTEM has been allocated 1,360 million pesos (*79 million USD*) in the 2024 budget of the State of Mexico government.⁸⁵

Technological High school Centers of the Secretary of Education, Science and Technology of the State of Mexico (CBT)

The Secretary of Education of the Government of the State of Mexico also has 204 technological high schools (CBT). Of these, 91 are located in the mc-EdoMex.

There is no information available on the enrollment and budget of CBTs in EdoMex.

National College of Technical Professional Education - Conalep

Conalep operates in a decentralized manner in the state governments, such as in EdoMex, except in CDMX and Oaxaca, where they depend directly on the federal government's SEP.

In CDMX there are 27 Conalep campuses, offering 33 different careers. In the mc-EdoMex, there are 29 Conalep campuses, offering 32 different careers.

In the 2022–2023 school year, Conalep in CDMX had almost 45,000 students and in the EdoMex as a whole, there were more than 50,000. It can be estimated then that in MCMA there are around 80,000 HSE students in Conalep.

In Conalep in CDMX, 53% of the students are men and 47% are women. In EdoMex, 55% are men and 45% are women.⁸⁶

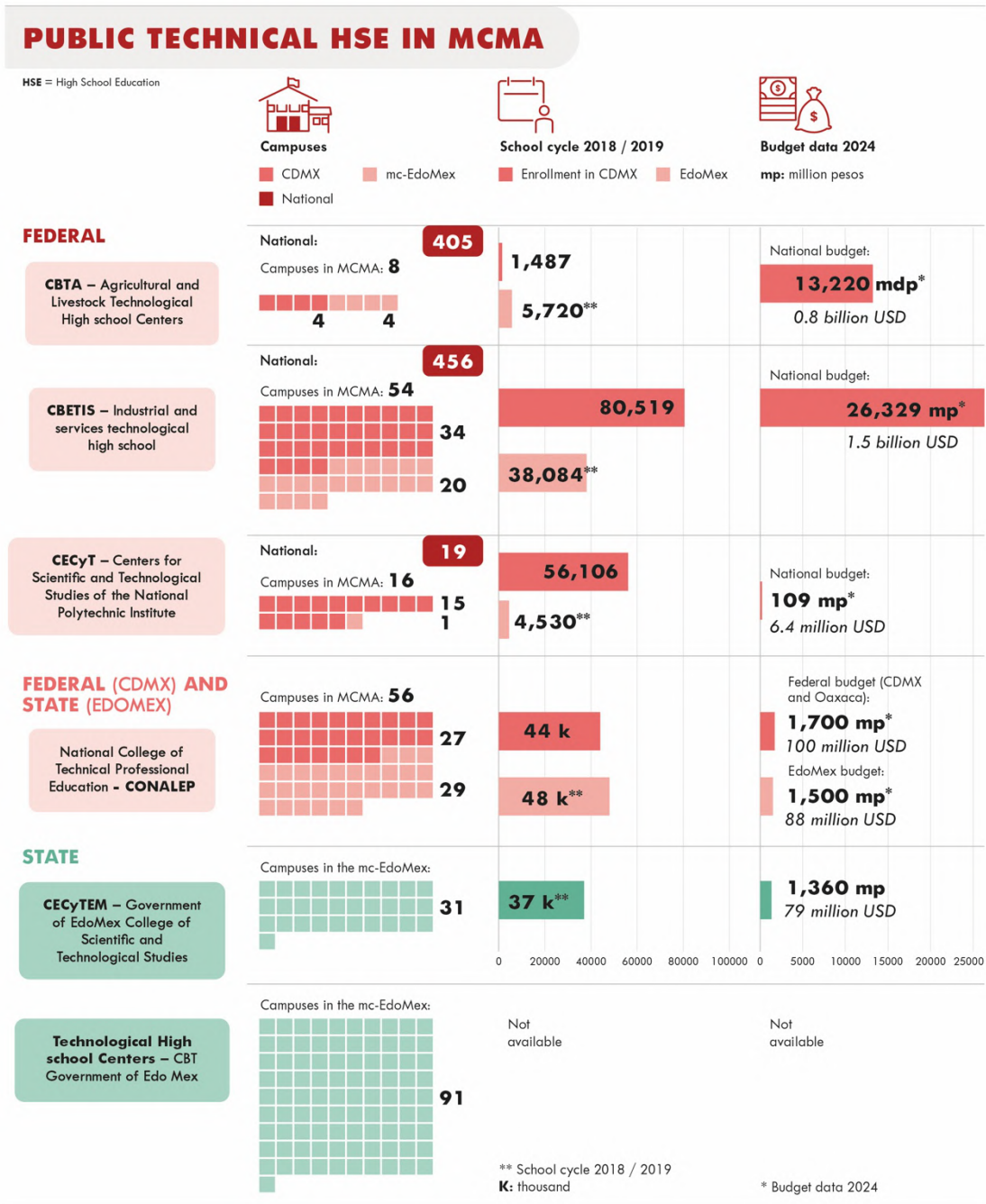
The National College of Technical Professional Education (CONALEP) has 1,700 million pesos (*100 million USD*) in the PEF 2024, which finances the operation of the campuses in CDMX.

In the EdoMex budget, CONALEP has been allocated a budget of 1,500 million pesos (*88.2 million USD*) for 2024, which finances the operation of the campuses in EdoMex.

⁸⁵ Government of the State of Mexico. Presupuesto de Egresos 2024. Published in the Official Gazette on December 28, 2023, p. 35. Available at <https://legislacion.edomex.gob.mx/sites/legislacion.edomex.gob.mx/files/files/pdf/ley/vig/leyvig286.pdf>.

⁸⁶ SEP. Conalep. Basic figures. School year 2022 - 2023.

Figure 27. Public technical HSE in MCMA. Basic data



C. Access to HSE in MCMA: Metropolitan Commission of Public Institutions of High School Education (COMIPEMS)

In February 1996, the federal authorities, the government of the State of Mexico, and the public HSE institutions in MCMA established an agreement to jointly carry out a unified and unique exam to assign applicants to attend HSE in the public schools of MCMA.⁸⁷

This exam allows those who aspire to enter the HSE to find a place according to their performance. It has avoided the mobilizations of "rejected persons" that were frequent during previous years. The exam offers spaces in public HSE institutions in CDMX and in 22 mc-EdoMex.

Nine public HSE institutions participate corresponding to the three educational models: general high school, technical high school and technical professional education (Conalep). In 2024, the offer available through COMIPEMS offers access to 18 HSE programs or subsystems in more than 450 campuses.⁸⁸

Enrollment to HSE is carried out through an exam administered by the National Evaluation Center for Higher Education - CENEVAL. Available places are assigned according to the results of the exam and the options requested by each applicant, who may register up to 20 options, in order of priority. All institutions require to have no failed subjects in secondary school to get enrollment. Only UNAM and IPN high schools require also a minimum grade of 7 (out of 10 maximum) in secondary to occupy a place.⁸⁹

⁸⁷ COMIPEMS. Web site. Background. Available at https://www.comipHSE.org.mx/secinterna?W3F_kWaiw5zAO4oluyANUYyFiuVoZp2QVOK316Jto5r6vGekdby2oL1s0GzxK6VyA8YO0vcBz5SlVlcDv4z4fw

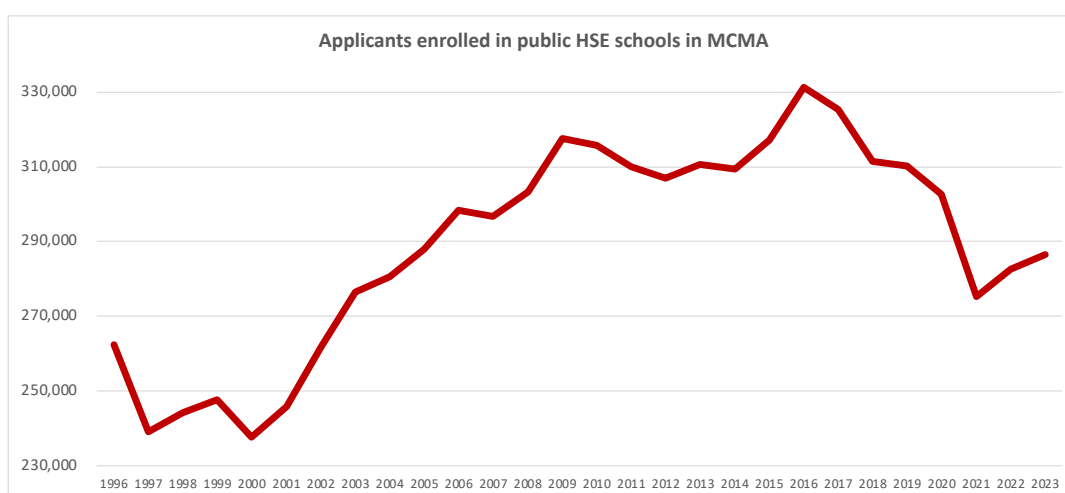
⁸⁸ The 9 participating institutions are 1) Colegio de Bachilleres of SEP, with 20 campuses in the CDMX, 2) Conalep of SEP with 27 campuses in the CDMX (EdoMex is separate), 3) Dirección General de Bachillerato of SEP with 2 campuses in the CDMX, 4) DGETI of the SEP with 51 CETIS and CEBETIS in MCMA, 5) DGETAyCM of the CEP with 5 campuses in MCMA, 6) the IPN with 15 CECyT in CDMX and 2 in the mc-EdoMex, 7) the Secretariat of Education, Science, Technology and Innovation - SECTI of the Government of Edo Mex, with multiple subsystems: 30 Conalep campuses, 20 Colegio de Bachilleres campuses, 189 official high schools, 26 CECyTEM campuses, 38 Centros de Bachillerato Tecnológico, 46 Telebachilleratos comunitarios; 8) the Universidad Autónoma Metropolitana del Estado de México - UAEM with 1 high school in Texcoco; and 9) the Universidad Nacional Autónoma de México - UNAM with 9 general high schools and 5 CCH in MCMA.

⁸⁹ COMIPEMS. Competition for Assignment to High school Education in the Metropolitan Area of Mexico City. 2024 Instructivo. Available at https://storage.googleapis.com/proceso24/DOCUMENTOS_DEL_CONCURSO/Instructivo_2024.pdf

COMIPEMS reports that in 2022 and 2023 there were 280,000 registered applicants. This is a notorious reduction with respect to the years 2008 to 2020 (before the pandemic) where there were more than 300,000 applicants registered in each year. The year with the highest registration was 2016 with over 331,000 and is followed by 2017 with over 325,000. In 2023, the applicants returned to the 2005 registration level (See Figure 28).⁹⁰

There is no precise information on the number and rejection rate. It seems that about 90% of those who register and fulfill the requirements: high school certificate and take the exam, are guaranteed a place, although for most of them, it is not in the first place of their preference.

Figure 28. Applicants to HSE in MCMA 1996 - 2023



Source: Own elaboration with COMIPEMS data. Web site. Background.

D. Non-school high school options: Open HSE, Online HSE and Agreement 286 to obtain the HSE certificate.

There are three options to obtain the HSE certificate in out of school modalities: open, online and the CENEVAL exam established in Agreement 286 (“Acuerdo 286”).

Open high school – Prepa Abierta

The open high school is an educational modality offered by the federal SEP at the national level through two curricula: Modular Study Plan and Study Plan by Subject.

⁹⁰ COMIPEMS Website. Background. *Op. cit.*

The Modular Curriculum of the "Prepa Abierta" is integrated by 22 modules "each one is a learning unit in which the contents of each field of knowledge, teaching and learning strategies, formative activities and information are merged with the objective of developing specific competencies".⁹¹

The Modular Curriculum is organized in 4 disciplinary fields and 5 levels.

The 4 disciplinary fields are: Communication, Mathematics, Experimental Sciences, Humanities and Social Sciences.

The 5 levels are Level 1: Basics, with 1 module (M01). Level 2: Instruments, with 5 modules (M02 to M06); Level 3 Methods and Contexts, with 6 modules (M07 to M12). Level 4: Relationships and Changes with 7 modules (M13 to M19) and Level 5 Effects and Proposals with two modules (M20 and M21). Module 22 corresponds to the professional component and is dedicated to ICT (M22) (see figure 29).⁹²

Figure 29. Curricular map of the Open High School Modular Curriculum.



Source: Taken from SEP. DGB. Plan de Estudios Modular, op.cit

Prepa Abierta also has a Study Plan by Subject. To obtain the HSE certificate, 33 subjects must be accredited. Of which 17 constitute the "common core" and 16 correspond to one of the 3 areas to choose from: Humanities, Administrative or Social Sciences, and Physical-Mathematical Sciences.

⁹¹ SEP. DGB. Open High School. Plan de Estudio Modular. Available at <https://prepaabierta.sep.gob.mx/plan-de-estudio-modular>

⁹² SEP. DGB. Open High School. Plan de Estudios Modular. Op. cit.

The federal government's SEP offers Open High School services in CDMX. In the states, Open High Schools follow the same curricula (modular or subject-based) administered by the educational authorities in each state (State governments Secretaries). In the State of Mexico, Open High School is attached to *Servicios Educativos Integrados al Estado de México* (SEIEM), a decentralized entity attached to the Secretary of Education, Ciencia, Tecnología and Innovation - SECTI of the Government of the State of Mexico.

Open High School is certified by exams (per subject or per module). Each exam costs about 100 pesos. And it is presented in person at fixed venues and dates, with a calendar that establishes the exam date for each module or subject.

Open High School has public tutors and counseling centers, as well as private services that offer exam preparation.

We found no information available on the coverage of Open High School, or on its budget.

Online High School

Online High School – *Prepa en Línea* is a 100% virtual modality, with no admission or exam fee, with a modular curriculum. The Curriculum was approved in 2014 and is composed of 23 modules, which are taken in 4 weeks each. 21 modules correspond to the 5 disciplinary areas of the MCC of the HSE and 2 prepare them for the labor field.

The 5 disciplinary areas are Communication, Mathematics, Experimental Sciences, Social Sciences and Humanities.

Enrollment in Online High School has a monthly call for applications and a limited quota of 30,000 people registered per generation.⁹³ The modules are taken sequentially in terms of 4 weeks each, on fixed dates according to the generation in which the student is enrolled.⁹⁴ At the end of each module there is an exam and a regularization process for those who do not pass the exam.

⁹³ Call for Generation 62 open from January 15 to 26, 2024. Available at <https://prepaenlinea.sep.gob.mx/convocatorias-2024/> accessed on 01/22/2024. The next calls will be open from February 12 to 23 (generation 63) and from March 11 to 22 (generation 64).

⁹⁴ The online high school website reports that Generation 59 is taking Module 1 from December 18, 2023 to January 28, 2024, G60 can consult their propaedeutic course results from January 12 to 25 to enroll in the modules. And G61 is taking the Propaedeutic Module from January 8 to February 4.

Online High School has a "Service Desk" that responds to the needs of applicants, students, graduates and external institutions through the "ticket" system.

Online High School provides statistical information on its coverage. For the year 2022, it reports an enrollment of 174,000 active students. Of these, almost 161,000 are "extra-aged" students. 2/3 are women and 1/3 are men. 6% are indigenous. 65% have children and 4% have a disability.

For CDMX, Online High School reports 48,500 active students in 2022, of whom almost 45,000 are "extra-aged". 65% are women and 61% have children. 4% are indigenous and 4% have a disability.

In EdoMex as a whole, Online High School reports 43,500 active students in 2022, of whom almost 41,000 are over-aged. 67% are women. 70% have children. 6% are indigenous and 4% have a disability.

Agreement 286 to certify HSE

The third option to obtain the HSE certificate outside the school based system is to take an exam administered by an authorized testing institution. The certificate is issued by the *Dirección General de Bachillerato* - DGB of the SEP. Currently there are 9 evaluation institutions approved by the Committee created by the DGB.⁹⁵

Agreement 286 of the SEP, amended on April 2, 2017, establishes the regulations for the authorization of evaluating institutions and for the application of examinations for the certification of high school.⁹⁶

The most recognized evaluation institution with the longest trajectory in the educational system is the National Evaluation Center for Higher Education - CENEVAL.⁹⁷ The CENEVAL conducts many exams for certification: National Entrance Examinations at

⁹⁵ SEP. DGB / Procedures and services / Issuance of certificate of studies under Secretarial Agreement 286. Available at https://dgb.sep.gob.mx/storage/recursos/tramites-y-servicios/I5lDN6Dqh1-Guia_solicitud_certificado_286_primera-vez-1.pdf.

⁹⁶ SEGOB. Official Journal of the Federation 18/04/2017. Agreement number 02/04/17, which amends the diverse number 286 Available at https://www.dof.gob.mx/nota_detalle.php?codigo=5480031&fecha=18/04/2017#gsc.tab=0

⁹⁷ In addition to CENEVAL, the following private institutions are authorized as evaluating institutions to accredit the high school exam: ExBach Tecnología Educativa, Colegio Springfield Campus Metepec, Univer de Veracruz, Centros Culturales de México, Centro Universitario Latino de Veracruz, Colegio Nacional de Integración Profesional, Instituto Universitario del Tercer Milenio and Colegio Rousier. Source: *Ibid.*

the high school, college / superior and graduate levels; Examinations for Graduation from Bachelor's Degree (EGEL) with, excellence variants, and for programs of high academic performance; accreditation of an educational level, through agreement 286 for High school, Bachelor's Degrees and Higher University Technician level, as well as for 3 Teachers Bachelor's Degree; Diagnostic Examinations, Certification Examinations and evaluation of competencies.⁹⁸

The CENEVAL exam for high school certificate is called *Acredita-Bach* and covers 5 disciplinary fields: Mathematics, Experimental Sciences, Humanities, Social Sciences and Communication. CENEVAL offers study guides free of charge.

The current cost of the *Acredita-Bach* for the comprehensive exam is 3,090 pesos. And the cost of the subject area exam is 1,490 pesos.

In 2024, CENEVAL offers 3 application dates nationwide and 2 more, 5 in total, for CDMX. The exam is applied in "paper-based" mode, although it is reported that there is also a "computer-based" mode. In both cases it is in person, at the venue and on the date set by CENEVAL and with rigorous identification procedures.⁹⁹

In 2022, CENEVAL reports that nationwide, 13,000 people registered for the *Acredita-Bach*, of which 5,800 were accredited (43%) and 7,300 were not. In CDMX, 4,345 people registered and 2,236 were accredited (51%). In EdoMex, 1,362 people registered and 684 were accredited (50%).¹⁰⁰

E. Dual Education

Dual Education is an innovative HSE educational experience that combines training in the classroom and in a workplace, for students of technological and technical professional high schools.

Dual Education is carried out with the collaboration of the German Development Cooperation Agency – GIZ and has been running in various technical and technological HSE schools in almost all states of the country since 2013.

⁹⁸ CENEVAL / Exams. Available at <https://ceneval.edu.mx>

⁹⁹ CENEVAL. Examination to accredit the high school level. Available at https://ceneval.edu.mx/examenes-acreditacion-acuerdo_286-acredita_bach/

¹⁰⁰ CENEVAL. Statistical Yearbook 2022. Pgs. 29-30. Available at <https://online.flippingbook.com/view/784563051/30/#zoom=true>

There is no consolidated information on graduates or current participants in the dual education modality. Conalep reports that in the 2022 cycle there were 3,446 students enrolled in Dual Education in 151 campuses throughout the country. For the rest of the subsystems there is no data, but there are indications that coverage is minimal (hundreds or a few thousand in each subsystem).

A recent Monitoring and Evaluation Survey in February 2023 was applied to representatives from 834 companies, staff from 471 schools, 4,191 students and 1,087 graduates nationwide. In CDMX, 9 campuses, 100 students and 27 graduates participated, as well as 75 campuses, 1,286 students and 616 graduates in the State of Mexico. This scope of participant shows a proxy of the low coverage of Dual Education

F. Benito Juarez Universal “scholarship” for HSE students (BBJ HSE)

The BBJ HSE is a cash transfer for students enrolled in public HSE. Its objective is: "To encourage students enrolled in IPEMS (HSE Public Institutions) or in IEMS (HSE Institutions) belonging to the SEN (National Education System), to remain and/or conclude this type of education through a grant".¹⁰¹

The BBJ HSE program has the code S 311 (subsidies subject to operating rules). Its budget is allocated in “*Ramo*” 11 Education, in charge of the Secretary of Public Education - SEP. The Responsible Unit is the National Coordination of BBJ.¹⁰²

The amount of the BBJ HSE cash transfer in 2024 is 920 per month, for 10 months per year, delivered in bimonthly payments.¹⁰³

¹⁰¹ Rules of Operation 2024 of the Universal Grant Program for HSE BJ. PP S311.

¹⁰² UR O00 Coordinación Nacional de Becas para el Bienestar Benito Juárez also has under its execution Program S 072, Programa de Becas de Educación Básica para el Bienestar Benito Juárez (BBJ EB). The BBJ EB have the same amount as the BBJ HSE, but are allocated per household (one transfer per household, regardless of the number of basic education students in the household) and are received by the mother or female guardian of the children.

¹⁰³ The amount of BBJ HSE from 2019 to 2021 was P800 per month. In 2022, the amount increased to P840. And in 2023, it increased to 875. In all cases, for 10 months per year. And a maximum of 30 months per person (3 school years).

At the national level, at the beginning of 2023, the BBJ's HSE enrollment covered 2.8 million students nationwide. In CDMX, 234,000 students were covered and in the mc-EdoMex 273,000 students.¹⁰⁴

From 2019 to 2023, the HSE BBJ roll has had significant variations, nationally and also in CDMX and EdoMex (see table 9).

Table 9. BBJ HSE coverage in CDMX, EdoMex and National 2019 - 2022.¹⁰⁵

Period	CDMX	Edo Mex	National
November - December 2019	337,173	397,663	3,530,060
November - December 2020	358,319	526,408	3,939,589
November - December 2021	348,434	517,914	3,575,795
September - December 2022	234,024	408,881	2,846,253

Source: Own elaboration with data from the Padrón Único de Beneficiarios - PUB of the Secretaria de Bienestar.

BBJ HSE has an allocated budget of 39,400 million pesos in 2024 (2.3 billion USD).¹⁰⁶

G. HSE Common Curriculum Framework- MCC

In the 2008–2009 school year, the "Comprehensive Reform of HSE - RIEMS" was initiated, which sought to articulate and give coherence to this educational level. The RIEMS created the "*Sistema Nacional de Bachillerato*" (National High School System) based on 3 principles¹⁰⁷ :

- Universal validity of all high school modalities and subsystems.
- Relevance and pertinence of the study plans and programs, and

¹⁰⁴ Consultation of the Padrón Único de Beneficiarios (PUB), of Program S311 Benito Juárez Universal Grant for High School students. Data for the two-month period January - February 2023. Available at <https://pub.bienestar.gob.mx/v2/pub/programasIntegrales/246/2640>, accessed on 5/01/2024.

¹⁰⁵ Consultation of the Single List of Beneficiaries of Program S311 Benito Juárez Universal Grant for High School Students. Data for the mentioned period. The last record in the PUB corresponds to the two-month period January-February 2023. Note: In the table the data corresponds to the whole of EdoMex and not only to the mc-EdoMex.

¹⁰⁶ In total, the National Coordination of Benito Juarez Grants has a budget of 101 billion pesos, including the Benito Juarez Grants for Basic Education and personnel and operating expenses (5.9 billion USD).

¹⁰⁷ The founding normative document of RIHSE is Agreement 442, which creates the National High school System. The following points on RIHSE principles and axes are taken from the Annex of the Agreement, published in the DOF on September 26, 2008. Available at https://educacionmediasuperior.sep.gob.mx/work/models/sHSE/Resource/11435/1/images/5_1_acuerdo_numero_442_establece_snb.pdf

- Transit of students between subsystems and schools.

The RIEMS pillars were:

- 1) Construction of the Common Curricular Framework (MCC), based on competencies, centered on "shared final performances" as an alternative to the "common core" obligation. Generic, disciplinary, and professional competencies were defined. The latter two are differentiated into "basic" disciplinary or professional competencies -common to all programs and subsystems- and "extended" competencies, specific to each subsystem or program.
- 2) Definition and regulation of supply modalities. To guarantee pertinence and relevance of the programs and options within a framework of diversity.
- 3) Reform management mechanisms:
 - Create spaces for educational guidance and support to students.
 - Training and updating of teachers
 - Professionalizing management
 - Comprehensive evaluation of the system
 - Implement mechanisms for student transit between subsystems and schools.

The new government (2018 - 2024), has revoked agreement 442 and the set of normative documents implementing the RIEMS, to establish a new "Common Curriculum Framework - MCC" that goes beyond the "limited concept of competencies".

The new MCC proposes a "*Core Curriculum*" with four socio-cognitive resources and three disciplinary areas. The four socio-cognitive resources are: Language and communication. Mathematical thinking. Historical awareness. Digital culture. And the three disciplinary areas are: Natural sciences, experimental sciences and technology. Social Sciences. Humanities (see Figure 29).

Figure 29. Core Curriculum of the new MCC

Currículum Fundamental

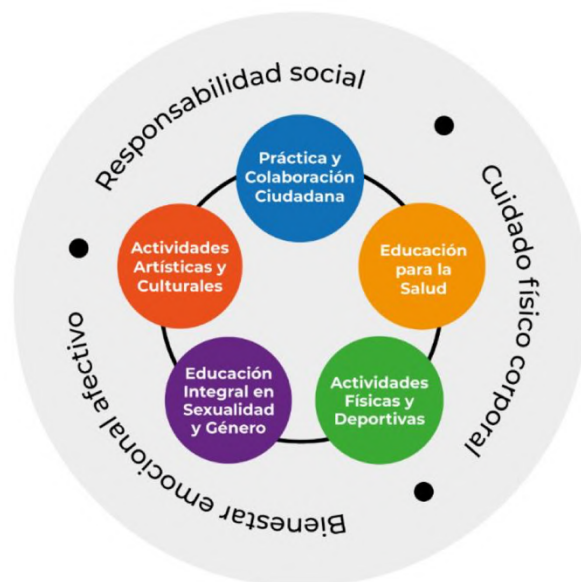


Source: Taken from SEP. SEMS. **Rediseño del Marco Curricular Común de la Educación Media Superior**, p. 40.

The Common Curriculum Framework - MCC is complemented by an "Expanded Curriculum" based on three social-emotional resources and five areas of social-emotional development. The three social-emotional resources are: Social responsibility. Physical body care. Affective emotional well-being. And the five domains are: Citizen practice and collaboration. Health education. Physical and sports activities. Integral education in sexuality and gender. Artistic and cultural activities.¹⁰⁸

¹⁰⁸ Source: Base document of the new Common Curricular Model, available at

Figure 30. Expanded curriculum of the new MCC



Source: Taken from SEP. SEMS. *Rediseño del Marco Curricular Común de la Educación Media Superior*, p. 47.

The Common Curriculum Framework - MCC of the HSE was formalized through Agreement 17/08/2022 published in the DOF on September 2, 2022. The Agreement also includes provisions about the Labor Training Curriculum, which was not contemplated in the original "Base Document". A few days after the Agreement was published, the Undersecretary of High School Education resigned.

A year later, a new agreement is published, with the same purpose, which makes the application of the MCC more flexible for autonomous high schools and state educational authorities. The current Agreement was published in the Official Gazette - DOF on August 25, 2023.¹⁰⁹

Curriculum for job training at MCC

The MCC's Labor Training Curriculum confirms that labor training, in parallel to HSE (as in Conalep) or in other modalities, is intended to certify technical and technological careers, which allow them to join the labor market. And the new decree (2023), expands and develops the modalities of labor training that do not require HSE.

According to the MCC, Labor Education in HSE has 6 purposes: 1) Integral development of the students. 2) Lifelong learning. 3) Maximum learning achievement.

¹⁰⁹ DOF of August 25, 2023

4) Promotion of equity and equality between men and women. 5) Incorporation into the productive sector. 6) Continuation of the educational trajectory to higher education.

The Labor Curriculum contemplates basic labor competencies and extended labor competencies. The basic labor competencies are placed in "Level Two" of competencies. And the extended labor competencies are at "Level three". Level two" refers to the performance of "programmed, mostly routine and predictable activities. The person applies cognitive and communication skills to receive, transmit and recall information, relies on instructions, and requires direct supervision." Level three involves the "performance of technical functions and activities that are both programmed, non-routine and unpredictable, can be applied autonomously in a variety of contexts, solving problems of medium complexity".¹¹⁰

Labor competencies can be "basic" or extended. Extended labor competencies can be "technical" or "technological". In both types of competencies, a distinction is made between educational offerings that do not require a high school or its equivalents for accreditation and those that are linked to and parallel to the high school. The educational offer that does not require a high school consists of "courses" and "pathways".

The educational offer that does not require a high school certificate and does not offer an HSE certificate is offered through the campuses and services of Labor Training Centers - CECATI. The definitions of the educational offer, its characteristics and objectives are defined in articles 18 to 39 of Agreement 09/08/23.¹¹¹

7. Institutions, actions and budget flows for training and education of young people and adults.

A. Training Centers for Work - CECATI of the SEP

The Labor Training Centers - CECATI are part of the national education system and are under the responsibility of the Ministry of Public Education (SEP), through the General Directorate of Training Centers for Work (DGCFT) of the Undersecretary of High School Education.

¹¹⁰ SEP (2023). El Currículo Laboral en la Educación Media Superior. Available at <https://educacionmediasuperior.sep.gob.mx/work/models/sHSE/Resource/13634/1/images/CURRICULUM%20LABORAL%202023.pdf>

¹¹¹ Available at various sites, e.g. <https://dgetaycm.sep.gob.mx/storage/recursos/2023/09/pkvup6xrCi-DOF%20y%20Anexo.pdf>

Participation in CECATI courses only requires primary education. Upon completion of the courses, a diploma accredited by the SEP is obtained. CECATIs also offer an "Official Recognition of Occupational Competence" - ROCO, which certifies skills, abilities and attitudes corresponding to an occupational competence, regardless of how they were acquired (no previous studies are required). CECATI links graduates to CONOCER certification¹¹².

The DGCFT reports a population served of 162,000 people in 2022. This is 0.2% of its potential population.¹¹³

In CDMX, CECATIs are under federal or private support and administration. There are 67 CECATIs with public support from the federal government and other 230 are private. In the public schools of CDMX, 74,000 people were registered and in the private ones, 10,000.

In EdoMex as a whole, there are 14 CECATI with federal support, 52 with state support and 282 are private. There were 8,000 people registered in the federal schools, almost 37,000 in the state government schools and more than 33,000 in the private schools.

By gender, in CECATIs in MCMA, the majority are also women. In both CDMX and the EdoMex, 70% of those registered are women.¹¹⁴

The DG of Training Centers for Work (CECATI) has a budget of 4,400 million pesos (*263 million USD*) for national coverage. These resources finance the CECATIs in CDMX. There is no disaggregated information on the budget for state-funded CECATIs in EdoMex.

B. Productivity Training Program¹¹⁵

At the federal level, the STPS has a Distance Training Program for Workers - PROCADIST, under the responsibility of the General Directorate of Labor Coordination and Training of the Undersecretariat of Labor.

¹¹² See information on CONOCER in section 8, section B, of this document. There is no information on how many CECATI graduates are certified, but given the scarce certification of CONOCER, it is valid to assume that very few.

¹¹³ CONEVAL. Inventory of Federal Programs and Actions 2022. Program E028 in charge of SEP.

¹¹⁴ SEP. Sistema Educativo Nacional. Cifras principales, pp. 121-126.

¹¹⁵ Source: STPS. PROCADIST. Available at <https://procadist.stps.gob.mx/procadist/>

PROCADIST is an educational platform that offers free distance learning courses. Its purpose is that active workers can be trained through the Internet according to their schedule availability.

PROCADIST offers 37 courses, almost half of them are about Occupational Health and Safety (18).¹¹⁶ Upon completion of the course and passing an evaluation, the platform generates a diploma (*constancia*).

PROCADIST reports in 2022 a population served of 302,000 "firms and individuals" that requested one of the courses. This represents 2% of the program's potential population.¹¹⁷

It has 39 million pesos (*2.3 million USD*) allocated in the PEF 2024.

C. State Institutes of Training for Work - ICAT and ICATI

The Labor Training Institute of CDMX - Instituto de Capacitación para el Trabajo de la Ciudad de México - ICAT CDMX, was created in 2014. It is a decentralized public agency, attached in the Secretary of Labor and Employment Promotion of the Government of CDMX.

ICAT CDMX trained almost 18,000 people in 2022, more than double that of the previous two years and almost 80% more than in 2019 in the year prior to the pandemic. The vast majority were online trainings (13,000 people) and less than 4,000 were face-to-face. Sixty-one percent of trainees were women. About a quarter were youth.¹¹⁸

ICAT has 43 million pesos (*2.5 million USD*) approved in the 2024 budget of the Government of the CDMX.¹¹⁹

The Industrial Labor Training Institute of EdoMex - Instituto de Capacitación y Adiestramiento para el Trabajo Industrial - ICATI is a decentralized agency under the Ministry of Labor and Social Welfare of the Government of the State of Mexico. It has

¹¹⁶ The other courses refer to Labor Reform (6), Competency Standards (3), Labor Productivity (3), Socioemotional Competencies (3), Business Training (1) and "additional training" (4).

¹¹⁷ CONEVAL. Inventory of Federal Programs and Actions 2022. Program E004. Training to increase productivity. Variable: Population served.

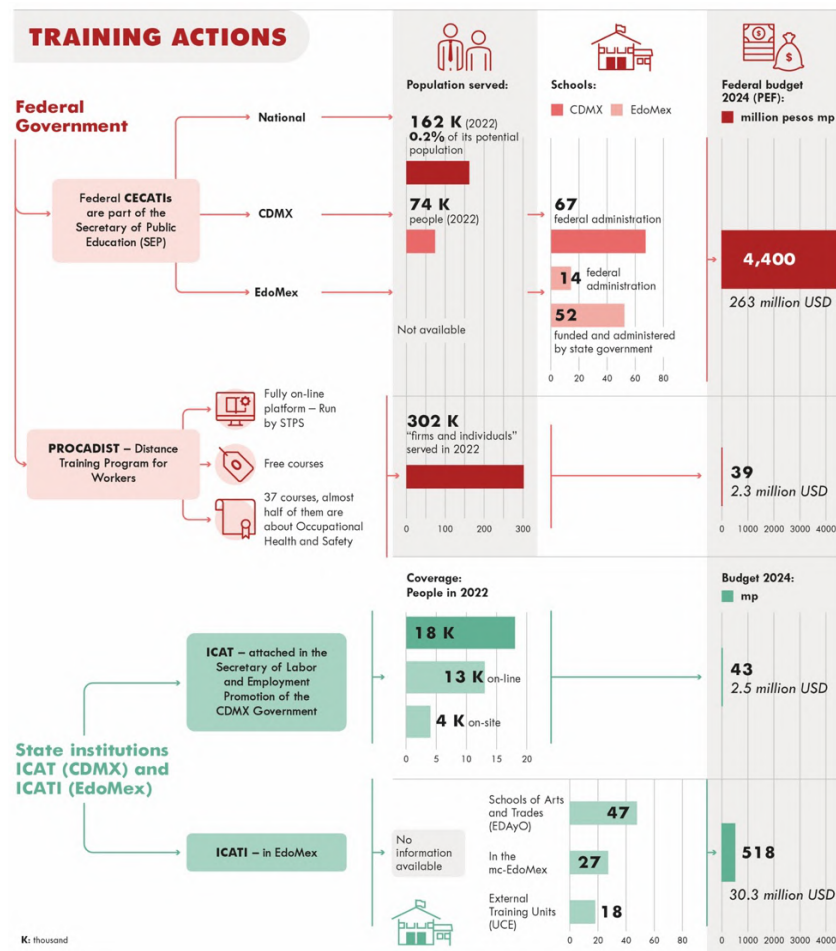
¹¹⁸ Instituto de Capacitación para el Trabajo. Report of activities. January 1 to December 31, 2022. Available at <https://www.icat.cdmx.gob.mx/storage/app/media/documentos/informe-de-gestion-enero-diciembre-2022.pdf>

¹¹⁹ Government of the CDMX. Budget 2024. Volume II. Section B. Administrative classification, p. 2. Available at https://cdmxassets.s3.amazonaws.com/media/files-pdf/paquete_economico_2024/TOMO_II/B_CLASIFICACIONADMIN.pdf.

remote antecedents at the end of the 19th century with the creation of the first School of Arts and Trades (EDAyO). Currently, ICATI has 47 Schools of Arts and Trades (EDAyO) throughout the state, of which 27 are located in the mc-EdoMex. It also has 18 External Training Units (UCE) in the territory of EdoMex.¹²⁰

There is no information available on the number of people served in recent years by ICATI. ICATI has almost 518 million pesos (30.3 million USD) approved in the 2024 budget of the Government of EdoMex.¹²¹ In 2023 it was approved 512 million pesos.¹²²

Figure 31. Training actions



¹²⁰ Government of the State of Mexico. Instituto de Capacitación y Adiestramiento para el Trabajo Industrial. Campuses. Available at <https://icati.edomex.gob.mx/edayo-del-valle-de-mexico>

¹²¹ Government of the State of Mexico. Expenditure Budget 2024. Published in the Official Gazette on December 28, 2023, p. 35.

¹²² Government of the State of Mexico. Expenditure Budget 2023. Published in the Official Gazette on December 21, 2022, page 110.

D. Youth Building the Future - JCF

The JCF program is one of the flagship programs created by the current federal administration. It began operations in January 2019. The program delivers a cash transfer for out-of-school and out-of-work youth who enter as "apprentices" to a "workplace". It also includes "health insurance" through IMSS.

The objective of the JCF Program has had several formulations. In the Rules of Operation 2024, it is formulated as follows: "To contribute to the incorporation of young people between 18 and 29 years of age who are not studying and not working, in productive activities through training in Workplaces that participate in the Program and that have the possibility of providing it".

The Program has the code S 280 (Subsidies subject to operating rules) and is assigned to "Ramo" 14, corresponding to the Ministry of Labor and Social Welfare – STPS. The Responsible Unit is the *Jóvenes Construyendo el Futuro* Program Unit, with code 320.

The amount of the JCF cash transfer is tied to the minimum wage, so it has increased every year since its start in 2019¹²³. In 2024, the amount will be 7,572 pesos per month. The transfer has a maximum period of 12 months.¹²⁴

The JCF program reports supporting 2.9 million youth cumulatively between its start in 2019 and December 2023. This are youth that received at least one transfer. 1.7 million are female (58%) and 1.2 million are male (42%).

The original coverage goal of the JCF Program was 2.3 million young people. The JCF Diagnosis document (*Diagnóstico del Programa S280 Jóvenes Construyendo el Futuro*) published by the STPS in August 2021, refers that the potential population of young people out of work and out of school was 5.7 million in 2018.¹²⁵

¹²³ The amount of JCF's monthly transfer in 2019 was P3,600. In 2020, it was increased to P3,748. In 2021, it was 4,310 pesos. In 2022, it went up to P5,258. And in 2023, it was P6,310 pesos per month.

¹²⁴ In September 2020, an amendment to the Rules of Operation was approved that allowed JCF to provide transfers for 24 months to youth attached to government units of "Sembrando Vida" or "Centros Integradores de Desarrollo", thus covering payments to "promotores" of these government activities with JCF transfers.

¹²⁵ STPS. *Diagnóstico del Programa S280 Jóvenes Construyendo el Futuro*, p. 9. The "diagnostic" document makes the estimate by adding "young people belonging to the non-economically active population (PNEA) who did not continue their studies (except for the disabled {sic}) plus the young unemployed population that also did not continue studying".

The most recent Registry of Beneficiaries data available corresponds to August 2023, with 275,000 young people enrolled and "paid" by the JCF program nationwide. In the same period, 11,733 young people are registered in CDMX and 11,303 in the mc-EdoMex.¹²⁶

The availability of monthly data from the JCF roll as of January 2022 makes it possible to identify the evolution of coverage as shown in Table 10.

*Table 10. JCF Coverage in CDMX, EdoMex and National January 2022 - August 2023*¹²⁷

Period	CDMX	EdoMex	National
January 2022	17,567	26,447	424,949
February 2022	18,252	29,433	489,422
March 2022	14,268	23,817	429,889
April 2022	11,748	21,090	395,938
May 2022	13,080	25,087	405,545
June 2022	15,303	27,366	412,403
July 2022	12,706	24,886	355,699
August 2022	10,505	21,320	290,471
September 2022	8,087	16,578	220,387
October 2022	6,674	17,010	194,085
November 2022	5,318	16,758	155,629
December 2022	5,522	19,690	165,413
January 2023	7,713	21,449	204,506
February 2023	6,775	17,324	168,972
March 2023	10,643	28,573	236,989
April 2023	10,080	27,820	225,192
May 2023	11,806	23,177	273,358
June 2023	10,110	20,323	246,808
August 2023	11,733	21,953	275,761

Source: Own elaboration with data from the Padrón Único de Beneficiarios - PUB of the Secretaría de Bienestar.

¹²⁶ Consultation of the Padrón Único de Beneficiarios - PUB, of the S 280 program, corresponding to the month of August 2023. Available at <https://pub.bienestar.gob.mx/v2/pub/programasIntegrales/9/2846> accessed on 9/01/2024. For data by municipality, see statistical appendix **table xx**.

¹²⁷ Consultation of the Padrón Único de Beneficiarios - PUB, of the S280 program. Notes: As of January 2022, the PUB presents monthly information. Information prior to January 2022 is presented on an annualized basis (January - December 2019, 2020 and 2021). The table presents data for EdoMex as a whole and not only for mc-EdoMex.

In the early years of the JCF program, the registration procedure for young people was carried out only through a digital platform. As of 2022, the program joined the dynamics of the rest of the cash transfer programs and registration is done in events organized by program operators, in a face-to-face manner. Since 2022, the system has been closed and the participation of CSOs as "workplaces" or "tutors" has not been possible.

The budget in 2024 for the Jóvenes Construyendo el Futuro program is 24,200 million pesos (*1.4 billion USD*), this amount represents 85% of the total allocated budget to STPS, which has 28,600 million pesos (*1.7 billion USD*).

E. Youth and adult education - INEA

The National Institute for Adult Education - INEA is responsible of the education of adults who are illiterate or have not completed basic education. INEA is authorized to issue primary and secondary education certificate. INEA does not have the authority to certify HSE.¹²⁸

Its target population are persons over 15 years of age. Therefore, young people 15-29 who are illiterate or without complete basic education are part of its potential population.

INEA is a decentralized agency, sectorized in SEP. It has a decentralized operation, through State agencies, except in CDMX.

Since 2001, INEA developed the Education for Life and Work Model - *Modelo Educación para la Vida y el Trabajo* - MEVyT. It is a continuous, flexible, and modular model that allows literacy and completion of primary and secondary education as a continuous process, adapted to the needs and possibilities of each person.¹²⁹

The INEA reports a potential population of 28 million people by 2022. In that same year, the population served was almost 481,000 people, who concluded one of the following levels: "initial" education - literacy (47,000 people), "intermediate" - primary level (144,000), "advanced" - secondary level (290,000). The effective coverage of potential population of INEA nationwide was less than 2%.¹³⁰

¹²⁸ INEA. What do we do? Available at <https://www.gob.mx/inea/que-hacemos>

¹²⁹ SEP. INEA. MEVyT courses and materials. What is MEVyT? Available at http://www.cursosinea.conevyt.org.mx/index.php?option=com_k2&view=item&layout=item&id=658&Itemid=254

¹³⁰ Potential and attended population: CONEVAL. Inventory of federal programs 2022. Breakdown of number of people by levels: INEA. Open data. INEA in numbers. File: Monthly operation indicators. Available at <https://datos.gob.mx/busca/dataset/inea-en-numeros>

In 2022, INEA in CDMX reported 12,600 people served. Of these, 330 completed the initial level, almost 2,500 the intermediate level (primary) and almost 10,000 the advanced level (secondary).

In CDMX, in 2022 INEA reports on average during the year: 710 active advisors, 145 teaching advisors (coordinating the advisors), 12 zone coordinators, 115 community places in operation and 24 "meeting points".

In the same year, INEA in EdoMex reported serving 28,210 people. Of these, almost 2,700 were at the initial level, almost 7,000 at the intermediate level (primary) and almost 19,000 at the advanced level (secondary).

In EdoMex, in 2022 INEA reports an average of 2,300 active advisors, 192 teaching advisors (coordinating the advisors), 19 zone coordinating offices, 165 community centers and 600 "meeting points".¹³¹

The budget for adult education for CDMX is allocated in “*Ramo*” 25. A total of \$312 million pesos are allocated for technology and adult education, but is not broken down. It is likely that adult education is allocated around one fifth, between 60 and 70 million pesos.¹³²

The federal budget for adult education in EdoMex is transferred to the state government. It is channeled through the “Contributions for Technological and Adult Education Fund” - “Fondo de Aportaciones para la Educación Tecnológica y de Adultos - FAETA” of Ramo 33, with an amount of 204 million pesos for adult education.¹³³

F. PILARES IN CDMX

The CDMX Government's Pilares Program has several objectives:

- Academic advisories
- Training for income generation activities and trades.
- Training in cognitive and digital skills, for educational guidance, as well as in tools for interculturality and diversity inclusion.

¹³¹ Previous information on attention and operational capacity in CDMX and EdoMex, source: INEA. Open Data. INEA en números, op.cit.

¹³² SCHP. PEF 2024. Economic Programmatic Functional Analysis. PP I003. Available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/25/r25_afpe25.pdf

¹³³ SCHP. PEF 2024. Ramo 33. Summary by subfund and state. Available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/33/r33_rsfef.pdf

- Community actions to strengthen the social fabric.

Currently, there are 302 modules of the Pilares program in the 16 *Alcaldias* of CDMX. CDMX Government reports that most of them are located in neighborhoods with low and very low Social Development Index (IDS).

The budget allocated to the Pilares program are used to pay facilitators: workshop facilitators, teachers, technical advisors and other similar functions. The goal in 2023 was to support 3,000 facilitators, with an allocated budget of 300 million pesos.

The beneficiary population of the services provided by the facilitators in the "Pillars" was estimated at 520,000 people by 2023.¹³⁴

In 2024, the budget increased 2.5 times: 736 million pesos are allocated to program E116 Pillars Program¹³⁵.

Pilares - Education for Economic Autonomy

One action of the PILARES program is called Education for Economic Autonomy with a budget of 106 million pesos in 2024.

The purpose of this action of the Pilares program is to select 944 facilitators, who will carry out advisory and educational activities, in person and online, for 150,000 beneficiaries, to learn techniques of a trade and entrepreneurship.

e-schools Pilares

Another line of the PILARES Program, is called Pillars e-Schools, with allocated budget of 186 million pesos.

The purpose of this line is to select almost 1,700 facilitators to carry out advisory and educational activities for people to complete educational cycles (primary, secondary, HSE and higher education), as well as to develop digital and programming skills. It is intended to serve 310,000 people.

¹³⁴ Welfare Information System. Social Programs. PILARES. Rules of operation 2023. Goals and physical progress. Available at https://tubienestar.cdmx.gob.mx/detalle_publico/metas_fisicas

¹³⁵ Government of the CDMX. Secretariat of Administration and Finance. Presupuesto de Egresos 2024. Volume II. Programmatic Functional Analysis, page 11/16. Available at https://cdmxassets.s3.amazonaws.com/media/files-pdf/paquete_economico_2024/TOMO_II/A_ANALISIS_PRO.pdf accessed on 10/01/2024.

8, Institutions and programs in support of employment and economic inclusion

This section analyzes labor intermediation programs, certification of competencies, employment programs of CDMX governments, as well as childcare centers and care support programs.

A. National Employment Service -SNE

The National Employment Service - SNE is a system of labor intermediation and employability actions created in 1978, executed by the Ministry of Labor at the federal level and carried out by the State Employment Services in the 32 states, under the responsibility of the state governments. SNE requires concurrent funding from federal and state governments.

SNE offers Labor Intermediation Services and Employment Support Programs.

The main labor intermediation service is the "employment portal" which functions as a "job board" to search for job offers. As of January 2024, the employment portal (*empleo.gob.mx*) offers a total of 104,000 job offers, of which 1,224 correspond to CDMX and 414 to the EdoMex.¹³⁶

In addition, there is personal attention in in Labor Intermediation Centers of SNE, in a call center, and through Job Fairs.

The Employment Support Programs are "Training ", "Support for Self-Employment" and "Labor Mobility".

The SNE reports having achieved more than 432,000 placements nationwide, as of November 2023. By activity or sub-program, 177,000 correspond to the direct intermediation in centers, 50,000 to the "Job Fairs", and 139,000 to the "Employment Portal". Of the total number of placements, less than 12,000 correspond to JCF program participants.¹³⁷

¹³⁶ Employment Portal, accessed on 4/01/2024

¹³⁷ Results of the different actions of the PAE as of November 2023. Available at https://www.gob.mx/cms/uploads/attachment/file/876021/2023-11_Resultados_PpS043PAE.pdf accessed on 9/01/2024.

The SNE in 2022 reports 354,000 people inserted in formal employment, who were assisted in one of the SNE activities. They represent 2.6% of the total new registrations in the IMSS in that year.¹³⁸

In the breakdown report, 176,000 are reported as "placed" through the "Job Board" at the Labor Intermediation Centers, 54,000 in "Job Fairs" and 44,000 through the "Job Portal". Of the total, 5,000 correspond to participants of the JCF program.¹³⁹

The SNE in CDMX has 16 modules, located at the offices of the *Alcaldías*.

In CDMX, as of November 2023, the SNE reports 56,000 people placed. Of these, 18,500 people were placed through "Bolsa de Trabajo" at the Centers, less than 1,500 in "Job Fairs" and 36,000 through the "Job Portal". Slightly more than 1,000 are participants of the JCF program.¹⁴⁰

In 2022, 40,000 people are reported to be placed in CDMX. 20,000 through "Bolsa de Trabajo" at the Intermediation Centers, 1,400 through Job Fairs and less than 18,000 through the Employment Portal.¹⁴¹

SNE in EdoMex has 10 regional offices and 52 "Servicios Municipales de Empleo" (Municipal Employment Services) in each of the municipalities of EdoMex.

In the State of Mexico, the SNE as of November 2023, reports almost 30,000 people placed. Of which, 11,000 correspond to "Job Board" in the Labor Intermediation Centers, 3,500 in "Job Fairs" and 16,000 through the "Job Portal". Of these, 500 are participants in the JCF program.¹⁴²

In 2022, in EdoMex, the SNE achieved the placement of 20,000. 7,000 through "Job Board" at the Labor Intermediation Centers, 5,000 in "Job Fairs" and through the 8,000 through the "Job Portal". Of these, 300 correspond to participants of the JCF program.¹⁴³

¹³⁸ STPS. Results Indicator Matrix of the Employment Support Program 2022. Results as of December 2022. Available at https://www.gob.mx/cms/uploads/attachment/file/791501/C_liculos_MIR_2022_PAE_a_diciembre.pdf

¹³⁹ STPS. Results of the different actions of the PAE as of December 2022. Available at https://www.gob.mx/cms/uploads/attachment/file/791502/ResultadosPpS043PAE_2022_diciembre.pdf

¹⁴⁰ STPS Results of the different actions of the PAE as of November 2023 (cited)

¹⁴¹ STPS Results of the different actions of the PAE as of December 2022 (cited)

¹⁴² STPS Results of the different actions of the PAE as of November 2023 (cited)

¹⁴³ STPS Results of the different actions of the PAE as of December 2022 (cited)

For a comparative analysis, statistical reports from 2001 to 2019 from the SNE are available here.¹⁴⁴

The SNE has an allocated budget of 166 million pesos (9.7 million USD) in the PEF 2024. The SNE operates with budgets that require a match fund (*pari passu*) from the state government, including that of CDMX.

B. CONOCER - National Council for Standardization and Certification of Labor Competencies - Consejo Nacional de Normalización y Certificación de Competencias Laborales¹⁴⁵

CONOCER is a parastatal agency under SEP. Has a tripartite governing body with the participation of representatives of workers, employers, and the government. Its legal personality is a Trust, created in 1995. In 2015, it was incorporated as a parastatal agency.

CONOCER integrates, operates, and regulates the National System of Competencies, which in turn is made up of two systems:

- The system for the definition of "Labor Competencies Standards", which define the expected performance of a person in a workplace and specify the knowledge, skills and abilities required.
- The Labor Competencies Certification System - SCCL, which establishes the evaluation and certification rules about the labor competencies of individuals.

CONOCER has the following operational instances and mechanisms:

CONOCER's Governing Body is the institutional level of the National System of Competencies - SNC, integrated in a tripartite manner. Since its creation in 2006, the Governing Body of CONOCER is integrated by the CCE, Concamin and Coparmex, on behalf of the business sector; the CTM, CROC and the Labor Congress on behalf of the workers' sector, and by the SEP (which presides it), the STPS, the Ministry of

¹⁴⁴ Government of Mexico. Statistical and Historical Summaries of the National Employment Service. Available at <https://www.gob.mx/stps/documentos/cifras-historicas-del-servicio-nacional-de-empleo?state=published>

¹⁴⁵ The information has two sources, Conocer's website and its main sections, available at https://conocer.gob.mx/acciones_programas/la-red-prestadores-servicio-fortalece-sistema-nacional-competencias-mediante-la-evaluacion-certificacion-competencias-las-personas/. And the data and complementary information were taken from the Institutional Program 2021 - 2024 of the National Council for Standardization and Certification of Competencies, published in the DOF on 04/27/2021 and available at https://www.dof.gob.mx/nota_detalle.php?codigo=5616875&fecha=27/04/2021#gsc.tab=0.

Economy, the Ministry of Agriculture and Rural Development, SECTUR, the Ministry of Energy, the SHCP and the National Institute for Adult Education - INEA, on behalf of the federal government.

Competency Management Committees – Comité de Gestión de Competencias – CGC, are representative groups, validated by CONOCER, as instances that promote the competency-based management model in the sector they represent. They constitute the strategic level of the SNC. In 2019, 30 new CGCs were created, for a total of 309 as of that year. The CGCs create technical groups to define "Competency Standards - CE".

Competency Standards – Estandar de Competencias – EC are official documents that serve to evaluate and certify the competence of individuals. ECs describe the set of knowledge, skills and abilities required to execute a work activity with high performance. ECs are developed by groups of experts defined by a CGC, who apply CONOCER's methodology and guidelines. In 2019, 113 new ECs were added, for a total of 1,338 ECs as of that year.

Service Providers – Proveedores de Servicios – PS, are organizations with experience, specialization, coverage and commitment to the development, growth and competitiveness of Mexico, which carry out two main actions: the evaluation and the certification of people's competencies. They are the operational level of the SNC. The PS can be business chambers, business associations, trade unions, public and private high school and college / superior institutions, job training institutes, federal, state, and municipal government agencies. In 2019, 73 PS were accredited, so there are 439 accredited PS, with almost 7,700 points for evaluation and certification of competencies nationwide. In 2019, 255,000 competency certificates were issued, for a total of almost 2.5 million certificates in its history.

The allocated budget to the CONOCER Trust Fund in the PEF 2024 is 116 million pesos (6.8 million USD). Given that it is a trust, with income generation activities, its available resources are greater.

C. Employment support programs of the Government of CDMX

There are 3 employment support programs of the Government of CDMX: unemployment insurance, promotion of decent work and social economy.

Unemployment Insurance – Seguro de Desempleo

Unemployment Insurance is a program created in 2007 by the government of CDMX.

Unemployment Insurance is aimed to people who lost their formal employment and consists of a maximum of 3 monthly cash transfers. The value of the transfer in 2023 was 2,925 pesos per month. The target was 13,470 people. The target for 2024 is 12,239 people.

The program's coverage has been decreasing, in 2020 the goal was 48,801 people and by 2021 it was reduced to 14,450 persons.¹⁴⁶

The most recent internal report available has detailed data for 2021.¹⁴⁷ They report the achievement of 91% of the planned goal: 13,235 people. Of which, 52% are women and 48% men.

By population profile, half is "general population": 6,737 people (51%). This is followed by indigenous people: 2,852 (21%), people from "markets": 1,587 (12%) and affected farmers: 1,463 (11%).

The municipalities with the largest number of beneficiaries are Iztapalapa (1,989 people), Coyoacán (1,435), Cuauhtémoc (1,269), Tláhuac (1,204) and Xochimilco (1,140).

By age group, young people between 18 and 29 years old are 3,355 (25%), people between 30 and 39 years old are 3,942 (30%), those between 40 and 49 are 3,196 (24%), those over 50 years old are 2,742 (21%).

The budget for the Unemployment Insurance program for 2024 is 200 million pesos (11.7 million USD).¹⁴⁸

Promoting Decent Work

The Promotion of Decent Work program – *Fomento al Trabajo Digno* is part of the actions of the SNE in CDMX. It is attached to the Ministry of Labor and offers monetary support, on a one-time basis, for unemployed persons, in 4 lines or subprograms:

Training / evaluation of competencies, a one-time, lump sum of 4,000 pesos on average.

¹⁴⁶ Government of the CDMX. Welfare Information System. Unemployment Insurance Program. Rules of Operation 2023 and 2024.

¹⁴⁷ Unemployment Insurance. Internal assessment 2022. Available at <https://trabajo.cdmx.gob.mx/storage/app/media/evaluacion-interna-seguro-de-desempleo-gaceta-oficial-cdmx2022.pdf> accessed 9/01/2024.

¹⁴⁸ The source of the information on Unemployment Insurance is the Rules of Operation 2024, available in the CDMX Government Information System for Welfare. Unemployment Insurance Program. Rules of Operation 2024. Available at https://tubienestar.cdmx.gob.mx/detalle_publico/datos_generales

Selfemploy Yourself - Empléate, is a transfer for the purchase of equipment or machinery, with a one-time amount of 10,000 pesos.

Temporary work, to carry out public works defined by government agencies, considering 1 and up to 3 monthly transfers, for an average of 6,000 pesos per month.

Green Jobs, are also temporary public works focused on green areas, sanitation, recovery of parks and others. It also pays 1 and up to 3 monthly transfers, for an average of 6,000 pesos per month.

The goal for 2024 in all modalities is almost 12,000 cash transfers. Training / Evaluation 1,254 grants. Empléate 2,000 supports. Temporary Employment 5,638 grants. Green Jobs 3,000 grants (e.g. 1,000 persons for 3 months).

The allocated budget in 2024 for Promotion of Decent Work program is 190 million pesos (11.1 million USD).¹⁴⁹

The CDMX Government's list of beneficiaries reports 6,715 beneficiaries (persons) in 2023. Although the downloadable file is empty.¹⁵⁰

Social Economy - Promotion, constitution and strengthening of social and solidarity enterprises in CDMX - FOCOFESS

The objective of FOCOFESS is to promote, integrate and consolidate cooperatives.

Its goal for 2024 is to support 8,000 people, through three subprograms or lines:

- Creation of Social Business, which provides one-time grant of up to 80,000 pesos to cooperative groups of at least 5 persons for their legal incorporation. The goal of this subprogram is to support 3,600 people and up to 720 cooperatives.
- Strengthening Social Business, which provides one-time grant of up to 120,000 pesos to established cooperatives with at least 8 members, for their survival and for technical assistance. The goal of this subprogram is to support 3,200 people and up to 400 cooperatives.

¹⁴⁹ All the above information corresponds to the Rules of Operation 2024 of the Social Program for the Promotion of Decent Work, with code S22, available at https://tubienestar.cdmx.gob.mx/detalle_publico/datos_generales.

¹⁵⁰ Government of Mexico City. Welfare Information System. Single Register of Beneficiaries of Mexico City. Social Program for the Promotion of Decent Work. 2023. Available at https://tubienestar.cdmx.gob.mx/padron_beneficiarios accessed on 10/01/2024.

- Popular Impulse - Impulso Popular, provides one-time grant of up to 800,000 pesos to established cooperatives with at least 50 members, to promote their subsistence and technical assistance. The goal of this subprogram is to support up to 50 cooperative societies and 1,500 people.

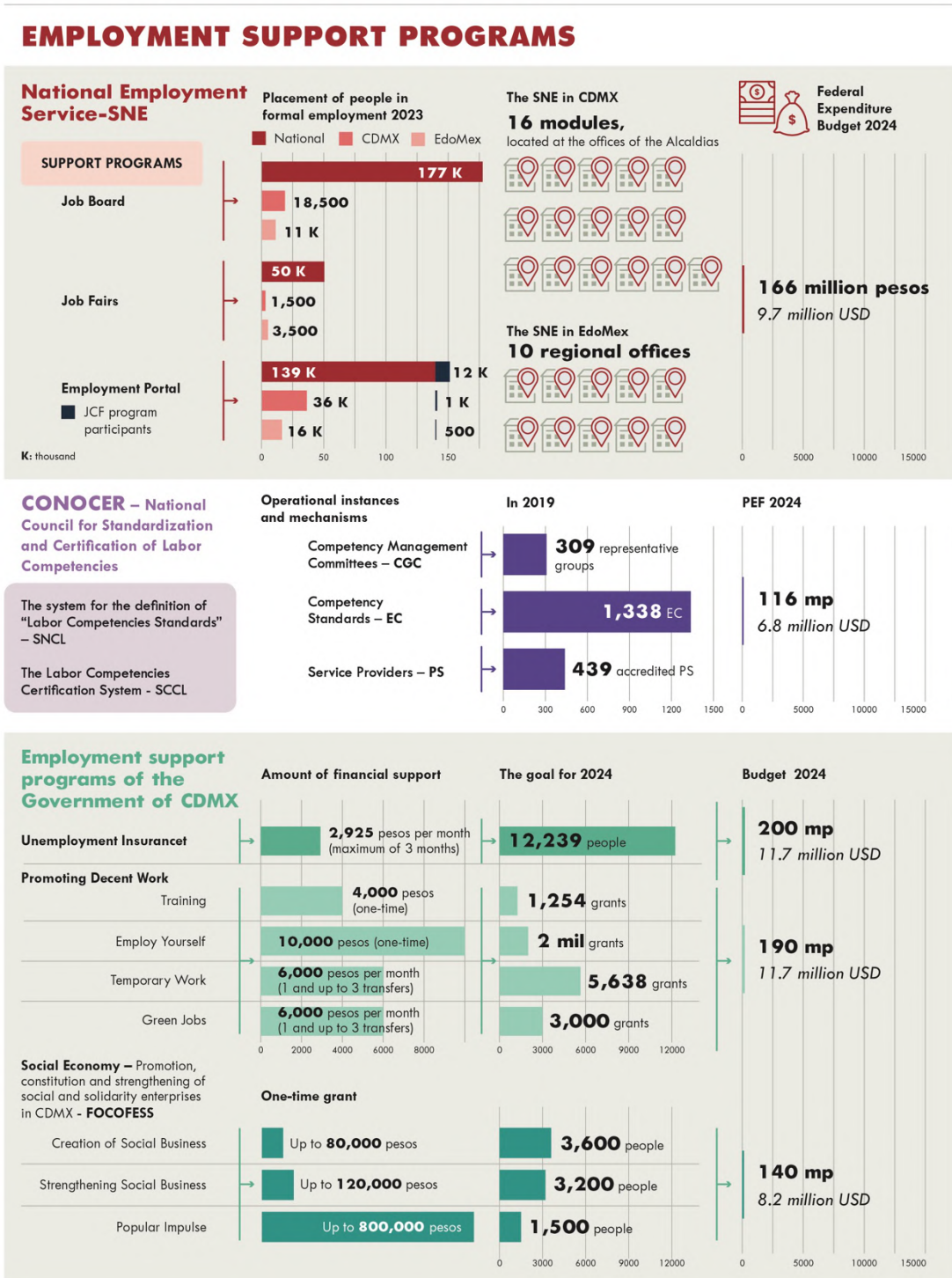
The FOCOFESS program, with code S023 has an authorized budget of 140 million pesos in 2024 (*8.2 million USD*)¹⁵¹ In 2023, reports 61 grants, the downloadable file has no content.

In addition, the DIF of the CDMX Government has an approved budget of almost 58 million pesos for a program called "Promotion of self-employment and cooperative societies", about which we could not find more information.¹⁵²

¹⁵¹ All the above information comes from the Rules of Operation 2024 of the Social Economy Program in the CDMX, with code S023. Available at Gobierno de la CDMX. Information System for Welfare. Economía Social en la CDMX 2024, available at https://tubienestar.cdmx.gob.mx/detalle_publico/datos_generales.

¹⁵² The program appears with code U037, assigned to the Sistema para el Desarrollo Integral de la Familia - DIF, in the 2024 budget. However, it does not appear in the "Sistema de información para el bienestar" (tubienestar.cdmx.go.mx) or in the Inventory of programs of the Instituto de Evaluación de la CDMX.

Figure 32. Employment support programs



D. Daycare centers: Social Security (IMSS and ISSSTE) and DIF

Social security institutions have funds and legal obligations to provide childcare services for affiliated working mothers.

The Mexican Social Security Institute (Instituto Mexicano del Seguro Social – IMSS) is the social security institution for workers in the private sector, under the regime of Section "A" of Article 123 of the Mexican Constitution.

The Instituto de Seguridad Social y Servicios para los Trabajadores del Estado – ISSSTE (Institute of Social Security and Services for Public Sector Workers) is the social security institution for those working in the federal government and some State governments, under the regime of Section "B" of Article 123 of the Constitution.¹⁵³

In addition, there are daycare centers run by state and municipal governments, under local DIFs linked to the Sistema para el Desarrollo Integral de la Familia – DIF (System for the Integral Development of the Family).

IMSS Day Care Services

Mexican Social Security Institute – *Instituto Mexicano del Seguro Social* – IMSS is a decentralized public agency, with its own legal personality and assets, with tripartite governance body, and is also an autonomous tax agency.¹⁵⁴

IMSS has a dual role. It is a service provider and an entity that collects and manages funds and risks to finance the provision of services.

IMSS provides medical services, both preventive and curative, to the insured working population and their families, pensioners, and students. It also provides daycare services and has a "package" of social and economic benefits to cover risks (e.g., maternity pension, sickness or accident pension, death bonus).

IMSS daycare centers serve 9% of the potential population nationwide. In 2022, 174,000 children were served out of a potential population of 2 million.¹⁵⁵

¹⁵³ There are decentralized public agencies whose labor regime corresponds to section "A" of the Constitution.

¹⁵⁴ For more information see appendix 6 What does social security include in Mexico and what is its relationship to labor?

¹⁵⁵ CONEVAL. Inventory of federal social programs and actions 2022. The IMSS Results Indicator Matrix (MIR) reports a coverage of 12% as it counts the number of "available places" and not only the number of "children attended". See IMSS / Transparency / Open Government / Budgetary Program Indicators /

In CDMX, in 2022 IMSS had 124 childcare centers, 50 are administered directly by IMSS and 74 are outsourced services (subrogated). In them, 14,200 children were served. 6,300 in the northern zone and 7,900 in the southern zone of CDMX.

In EdoMex, in 2022 IMSS had 86 childcare centers. Only 8 are administered directly by IMSS and 78 are outsourced services. In them, 11,500 children were cared for. 7,100 in the eastern zone and 4,600 in the western zone of EdoMex.¹⁵⁶

The authorized budget in 2022 for IMSS PP E007 "Daycare Services" at the national level was 14,450 million pesos (850 billion USD) and the amount actually exercised was 12,233 million pesos (715 million USD).

IMSS' PP E007 "Childcare Services" at the national level has an approved budget in PEF 2024 of 15,285 million pesos (894 million USD).

ISSSTE Child Care Centers

The Instituto de Seguridad y Servicios Sociales de los Trabajadores al Servicio del Estado - ISSSTE is a decentralized public entity with its own legal personality and assets.

The ISSSTE's purpose is to contribute to the welfare of workers, beneficiaries and family members of federal government agencies, the federal powers (Congress and the Judiciary), autonomous jurisdictional bodies, bodies with constitutional autonomy (INE, INAI, among others), the government of CDMX, and the governments of the States that sign the respective agreement.¹⁵⁷

ISSSTE covers insurance, benefits, and services. The insurances are a) health insurance, b) occupational risk insurance, retirement, unemployment, advanced age and old age, and disability and life insurance. The benefits and services are a) mortgage loans and financing for housing, b) personal loans, c) social services (including child welfare and development through childcare centers), d) cultural services.¹⁵⁸

Daycare Services / Results Indicator Matrix 2022, available at <https://nptp.hacienda.gob.mx/programas/jsp/programas/fichaPrograma.jsp?ciclo=2016&id=50E007> accessed on 01/23/2024.

¹⁵⁶ IMSS. Datos Abiertos/ Servicio de Guarderías / Servicio de Guarderías 2022 / Archivos: Niños Atendido y Número de Guarderías. Available at <http://datos.imss.gob.mx/dataset/servicio-de-guarderias-2022> accessed on 01/23/2024.

¹⁵⁷ ISSSTE Law. Art. 1.

¹⁵⁸ ISSSTE Law. Arts. 3 and 4

In 2022, ISSSTE's childcare centers served 5% of their potential population nationwide. They report the care of 25,000 workers (mothers or fathers) with children enrolled in the daycare centers, out of a potential population of almost 468,000 mothers and fathers with children between 2 months and 6 years of age.¹⁵⁹

The directory of ISSSTE childcare centers includes 212 nationwide, of which 118 are directly ISSSTE-run and 94 are outsourced services. In CDMX the directory includes 41 *estancias infantiles* and in the mc-EdoMex there are only 3.¹⁶⁰

In 2022, ISSSTE's PP E048 Daycare centers for Infant Welfare and Development - *Estancias para el Bienestar y el Desarrollo Infantil* exercised a total budget of 2,708 million pesos (158 million USD) at the national level.

In the PEF 2024, Daycare centers of ISSSTE have a total budget of 3,013 million pesos (176 million USD).

DIF child day care centers (State and municipal)

The System for the Integral Development of the Family - *Sistema para el Desarrollo Integral de la Familia* - DIF is formed by the National DIF, which is part of the federal government, sectorized in the Ministry of Health, State DIFs in the 32 states and approximately 2,000 municipal DIFs throughout the country.

One of the actions or programs of the state and municipal DIFs are the "daycare centers". In CDMX, the DIF directory registers 21 Center of Infant Attention, Care and Development - *Centros de Atención, Cuidado y Desarrollo Infantil* - CACDI under the responsibility of the DIF CDMX (central government of CDMX).¹⁶¹

In addition, the municipalities of Benito Juárez, Álvaro Obregón and Tlalpan have childcare programs.

Information on the population served in the CACDIs of the CDMX government is not available. In the Benito Juarez and Tlalpan municipalities, between 200 and 680 users

¹⁵⁹ CONEVAL. Inventory of federal programs 2022. PP E048 Servicios de Estancias de Bienestar y Desarrollo Infantil, a cargo del ISSSTE. Variables Potential population. Population served. Coverage.

¹⁶⁰ ISSSTE. **Directory catalog for child welfare and development stays**. Available at <https://ebdis.issste.gob.mx> accessed on 01/23/2024.

¹⁶¹ CDMX Government. DIF / Services / Child Care Centers, Child Care and Development. Areas of Attention. Available at <https://dif.cdmx.gob.mx/servicios/servicio/estancia-infantil-en-los-centros-asistenciales-de-desarrollo-infantil> accessed on 23/01/2024

are reported. And in A. Obregón *Alcaldía* the program provides cash transfers to 1,100 mothers.¹⁶²

In EdoMex, the DIF of the government of EdoMex reports having 5 childcare centers, plus 143 of the "municipal DIF systems". Unfortunately, there is no central directory to define how many centers correspond to mc-EdoMex. We can estimate that between 80 and 120 daycare centers dependent on the municipal DIFs are located in the mc-EdoMex.

In 2024, the DIF of CDMX has an approved budget of 148 million pesos (*8.6 million USD*) for PP S066 "Centers for Child Development".¹⁶³

There is no budgetary information on the EdoMex childcare centers.

E. Caregiver Support Program

Program to support for the Welfare of Children of Working Mothers

In 2019 the current federal government cancelled the Daycare Centers Program – Programa Estancias Infantiles, which was implemented by the Ministry of Social Development (SEDESOL). That program provided a subsidy to daycare centers for working women in areas of high and very high marginalization. In 2018 it had a coverage of 313,500 children 0-5 years old, in 9,000 daycare centers throughout the country. 521 were located in CDMX, and 1,130 in EdoMex.¹⁶⁴

The Daycare Centers program was replaced by the Programa de Apoyo para el Bienestar de Niñas y Niños, Hijos de Madres Trabajadoras, which is a cash transfer given, in the

¹⁶² Evalúa CDMX. Inventario de Programas de las Alcaldías 2023. Available at <https://www.evalua.cdmx.gob.mx/evaluacion/inventario>

¹⁶³ Government of the CDMX. Expenditure Budget. Fiscal Year 2024. Volume II. Section J. Programmatic Classification by Unit Responsible for Expenditure. Available at https://cdmxassets.s3.amazonaws.com/media/files-pdf/paquete_economico_2024/TOMO_II/J_CLASIFICACION_URG.pdf

¹⁶⁴ The Directory of the Child Care Program reports a total of 9,273 child care centers in September 2016, nationwide. Of these, 521 were located in the CDMX and 1,130 in the State of Mexico as a whole. In 2016, the Program reports a population served of 312,000 children (10% of the potential population) and in 2018, the last year of operation, a similar coverage: 313,500 (11% of the potential population). Source. Directory "found" [at https://www.gob.mx/cms/uploads/attachment/file/163646/directorio_ei_septiembre.pdf](https://www.gob.mx/cms/uploads/attachment/file/163646/directorio_ei_septiembre.pdf) accessed on 01/23/2024. And for coverage data for the estancias infantiles program, the 2016 and 2018 versions of Coneval's federal "Inventario de Programas y Acciones sociales".

amount of 800 pesos per month, paid bimonthly. It is managed by the Welfare Secretary – Secretaría del Bienestar (formerly SEDESOL).

The program with PP code S174 registers 168,000 beneficiaries nationwide as of mid-2023. In CDMX almost 33,000 and in EdoMex almost 11,000.¹⁶⁵

By 2022, the program had a potential population of 16.8 million beneficiaries and a target population of 1.6 million people. That year it reports 335,000 children as the population served. Therefore, an effective coverage rate of 2% and an efficiency rate of 21% of the target population.¹⁶⁶

In 2024, the Program has a budget of 3,068 million pesos (*180 million USD*).¹⁶⁷

Pink Salary - Salario Rosa in EdoMex¹⁶⁸

The government of EdoMex in 2017-2023 created an "umbrella" program called Pink Salary – "*Salario Rosa*" to deliver cash transfers to women.

The largest coverage of this program was for Strong Families - "*Familias Fuertes Salario Rosa*" action, that was aimed at women living in poverty and unemployed, who work as caregivers in the home. In 2023, this component had a coverage of almost 450,000 women.¹⁶⁹

In addition, there were other lines of support. "Salario Rosa por el Trabajo" (Pink Salary for Work) was aimed at women who do not have a job and are looking for one, that in addition offer them access to training courses. In 2023, this component had a coverage of almost 106,000 women.

¹⁶⁵ Consultation of the Padrón Único de Beneficiarios, for the two-month period July-August 2023. Available at <https://pub.bienestar.gob.mx/v2/pub/programasIntegrales/12/3392> accessed on 11/01/2024.

¹⁶⁶ CONEVAL Inventory of Federal Social Development Programs and Actions 2022. Program S174. Variables: Potential Population, Target Population, Population Served, Program Coverage, Program Efficiency.

¹⁶⁷ SChP. PEF 2024. Ramo 20. PPs. PP S174. Available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/20/r20_ppcer.pdf

¹⁶⁸ For the information on the target population of the different areas, the Rules of Operation of the Salario Rosa areas were consulted, available at <https://legislacion.edomex.gob.mx/index.php/node/35422>.

¹⁶⁹ Information on coverage and total budget amount in 2022 is based on Gobierno del EdoMex. Center for Research and Evaluation of Social Policy. *Estudio de Impacto Global del Programa de Desarrollo Social Familias Fuertes Salario Rosa en el Estado de México*. p. 15. Available in <http://cieps.edomex.gob.mx/sites/cieps.edomex.gob.mx/files/files/EVALUACIONES/EIGestudiosalariorosa2023.pdf>

"Salario Rosa por el Emprendimiento" (Pink Salary for Entrepreneurship) was aimed at women who do not receive formal remuneration but collaborate with family businesses or other income-generating activities. In 2023, this component had a coverage of almost 35,000 women.

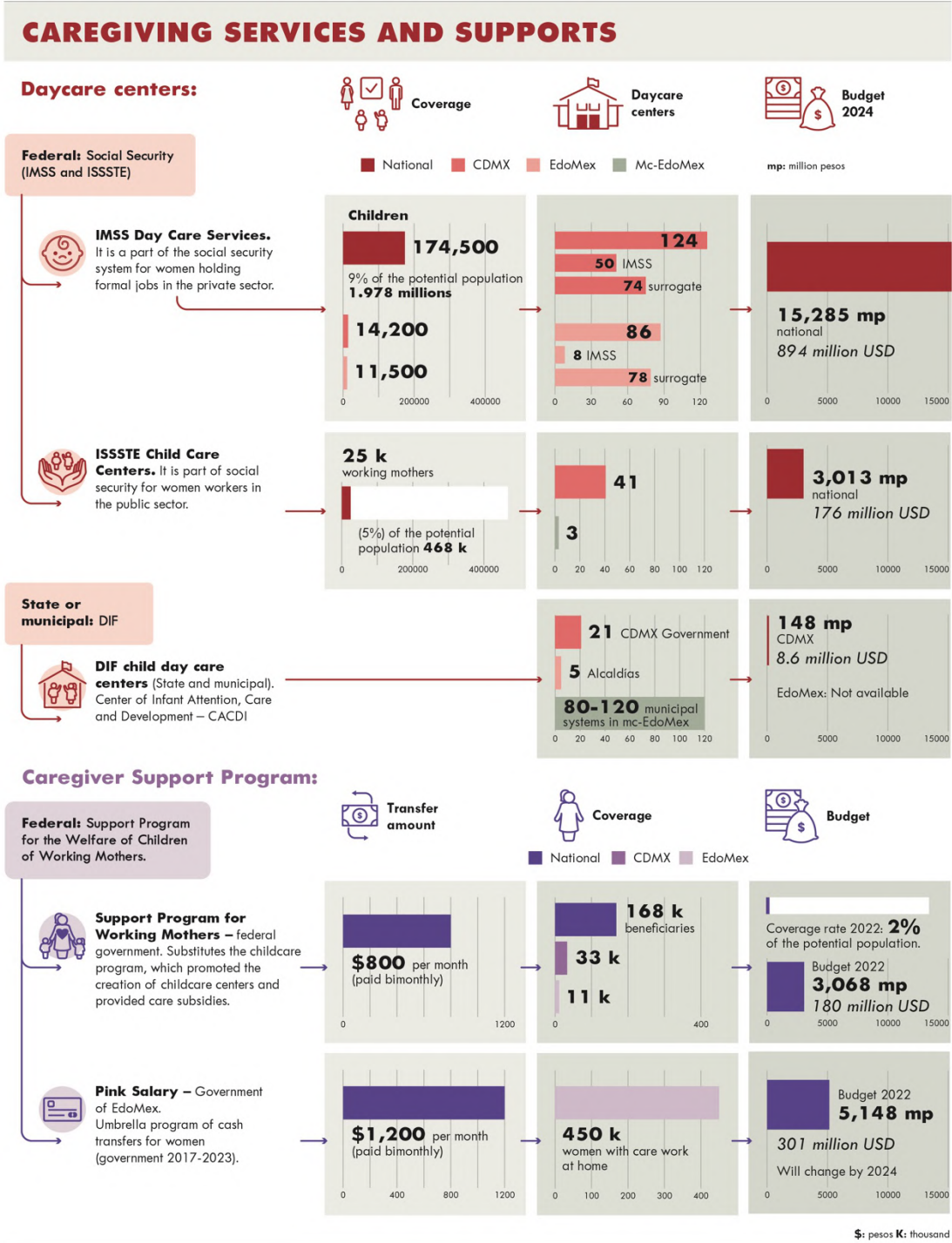
Also Salario Rosa had grants for women in rural areas who collaborate in household chores and agricultural production (*Salario Rosa para el Campo*), for women in high school and college / superior with children (*Salario Rosa por la Educación*) or and also for students (*Salario Rosa Beca Educativa*), for women who work as caregivers in the home of a person with disabilities (*Salario Rosa DIF*), or for women who are pregnant or breastfeeding (*Salario Rosa por la vulnerabilidad*), or for women who carry out community development activities (*Salario Rosa por la Cultura Comunitaria*).

In all cases, the eligibility criteria were women between 18 and 59 years of age, living in poverty. And the amount is 1,200 per month period, paid bimonthly with a maximum of 6 payments, although it may be and was renewed with continuity actions.

The 9 lines of action of Pink Salary reached a coverage of 720,000 women in 2022 and something similar in 2023. The Program's budget amount in 2022 was 5,148 million pesos (301 million USD).

The elected government of EdoMex for the period 2023 - 2029 has decided not to continue the program and has not announced what action or program will replace it.

Figure 33. Caregiving services and cash transfers



9. National and State Institutes for Youth

The Mexican Youth Institute – Instituto Mexicano de la Juventud – IMJUVE was created by law in January 1999 and is part of the Federal Public Administration.

Initially, IMJUVE was part of the Secretary of Public Education (SEP). In March 2013, it was sectorized in the Secretary of Social Development (SEDESOL). As of August 2022, it was sectorized to the Secretary of Labor (STPS).

The Mexican Youth Institute has 129 million pesos (7.5 million USD) approved in the PEF 2024.¹⁷⁰

The Youth Institute of CDMX is attached to the Ministry of Welfare and Social Inclusion of the Government of CDMX. It does not offer information on its programs or actions.¹⁷¹

The Instituto Mexiquense de la Juventud (Youth Institute of the State of Mexico) was created in 1997. In 2010, the Youth Law was approved in the State of Mexico. There is no information about its programs or actions.¹⁷²

¹⁷⁰ SHCP. PEF 2024. Volume I. Summary of economic classification by Responsible Unit, Functional and Budgetary Programs.

¹⁷¹ In the Institute's reports and reports section, only reports on the Archival Program and publications prior to 2019 can be found.

¹⁷² See https://imej.edomex.gob.mx/apoyos_programas accessed on 4/01/2024, is under "construction".

Part III. Conclusions: Opportunities and recommendations for advocacy from civil society

10. CHALLENGES

The first set of conclusions refers to the challenges to *opportunity youth* access to decent work. There are three types: structural challenges, public policies of low or no effectiveness, and the "culture" or environment of opinion.

A. Structural (systemic) challenges

There are three main structural (systemic) challenges for the economic inclusion of young people: the educational gap of young people who leave school without completing high school education, a situation that affects in a greater extent to youth living in poverty; the exclusion of young people and especially women, especially those who have not completed high school education - HSE; and the precarious jobs that affects the entire productive force, but to a greater extent young people with educational gap.

Poverty leads to educational gap

The first factor of disadvantage affecting *opportunity youth* is dropping out of school without completing HSE, which becomes "educational gap".

Before the pandemic, 45% of young people in MCMA, 2.319 million were out of school, without having completed high school or lagging far behind for their age (15-19).

This situation affects to a much greater extent to young people in poverty and with low-income.

The labor system excludes women and young people with educational gap

Mexico has one of the lowest female labor participation rates in the world: 46%. It ranks 132nd in a list of 184 countries with data for 2022 or recent data.¹⁷³ This is a constant and stable trend.

¹⁷³ Acción Ciudadana Frente a la Pobreza. **Going to the root of poverty. Diagnosis and proposals to eradicate poverty.** Special report October 17, International Day for the Eradication of Poverty. pp. 33-34.

The main cause of women's low labor participation is the asymmetry in the responsibility for care work in the home, which is overburdened to women.

Women between 15 and 64 years of age account for 96% of those who are not available to look for work because they perform unpaid domestic care work.¹⁷⁴ In MCMA, there are 232,000 young women in this condition. They are 10% of the total number of *opportunity youth* and 43% of *opportunity youth* without work and out of school.¹⁷⁵

The labor system also has greater exclusion of young people. Being 27% of the employed population, they represent 52% of unoccupied group and 48% of total unemployment (adding the hidden unemployment of available to work persons).

The total unemployment rate of young people is double that of adults between 30 and 64 years old, at least since 2018.¹⁷⁶ In MCMA, with the most recent data for 2023, the youth total unemployment rate is 2.5 times higher: 21.5% youth, 8% adults 30-64.¹⁷⁷

The educational gap resulting from dropping out of school without completing high school education is a central factor of labor exclusion: 88% of unemployed young people have educational gap.¹⁷⁸

Educational gap, although not the only barrier, is a key factor with a high correlation with exclusion from the labor market.

The labor system multiplies precarious work

Mexico's labor system is distorted. The low levels of wages and precariousness of labor in Mexico are much higher than in other countries with similar conditions, i.e. upper middle-income economies, in the world and in Latin America.

Mexico has the lowest average wage in the OECD, below Chile, Costa Rica, and Colombia (see Figure 34).¹⁷⁹

¹⁷⁴ National data. Ibid. Pp. 36-37

¹⁷⁵

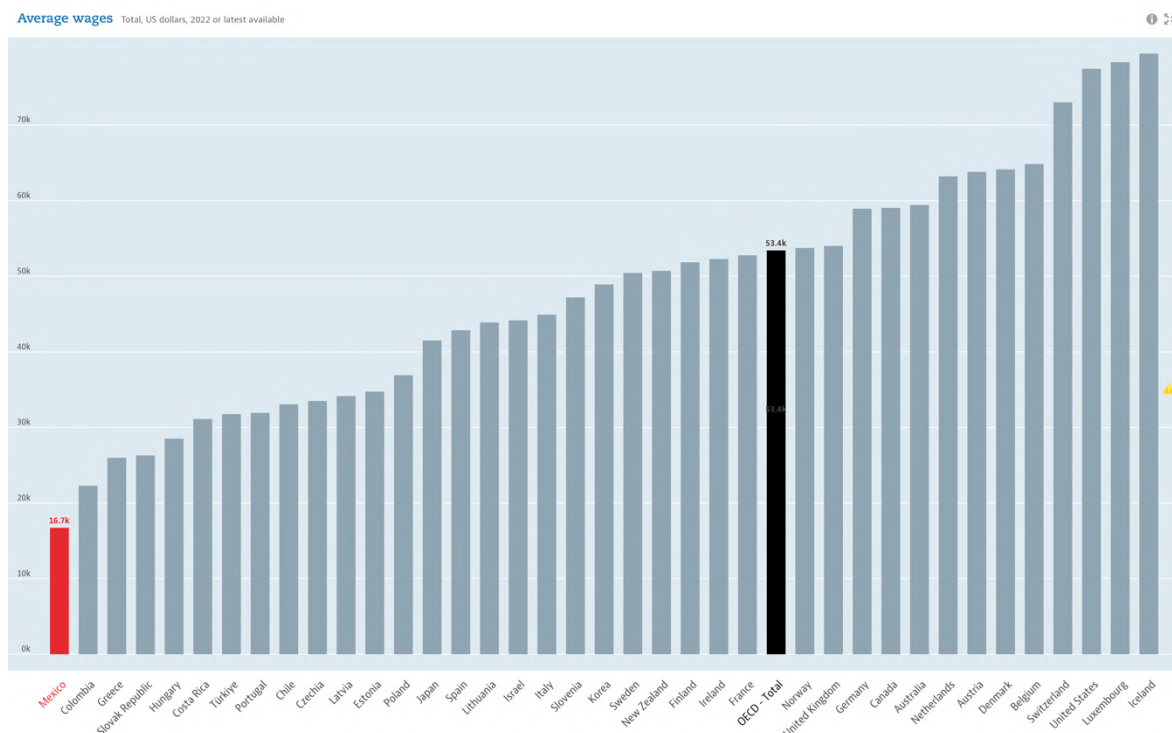
¹⁷⁶ National data. Acción Ciudadana Frente a la Pobreza. **Going to the Root of Poverty**, op. cit. Pp. 39-40.

¹⁷⁷ INEGI. ENOE 2023 - II. Total unemployment is the sum of unemployed persons plus available persons. The rate is calculated by adding available persons to the EAP as the denominator.

¹⁷⁸ Ibid. Pp. 41-42

¹⁷⁹ Chile has an average salary twice that of Mexico, Costa Rica almost twice as high (90% higher) and Colombia 30% higher. The U.S. average wage is 4.6 times higher, Canada 3.5 times higher and the OECD

Figure 34. Average wage in OECD countries, 2022 or most recent data.



Source: OECD (2024), *Average wages (indicator)*. doi: 10.1787/cc3e1387-en (Accessed on 14 February 2024).

Mexico ranks 43rd in a list of 60 countries for its labor informality rate. It is below all OECD countries as well as Uruguay, Chile, Brazil, Costa Rica, Argentina, and Panama.¹⁸⁰

Low wages are a constant reality of Mexico's labor system. The proportion of working poor is totally disproportionate. In the European Union working poor rate is 9% and goes up to 12–13% in the EU countries with the highest incidence¹⁸¹. In the U.S. it is between 4% and 5% of the working population.¹⁸² While in Mexico it is between 55 and 65% of the employed population for as long as we have had comparable data.¹⁸³ The

average is 3.2 times higher. This does not correspond to the size and export and productive dynamism of the Mexican economy.

¹⁸⁰ ILO. **ILOSTAT SDG Indicator 8.3.1 Share of informal employment in total employment**. List includes only countries with data for 2022 (most recent available). Accessed 14/02/2024, available at https://www.ilo.org/shinyapps/bulkexplorer7/?lang=es&id=SDG_0831_SEX_ECO_RT_A.

¹⁸¹ Eurostat. **Labor statistics**. Indicator: *In-work at-risk-of-poverty rate, by country 2015 - 2020*.

¹⁸² US Bureau of Labor Statistics. **Annual Social and Economic Supplement (ASEC) of the Current Population Survey**. Indicator *Working poor rate of people in the labor force for 27 weeks or more, 1986–2019*.

¹⁸³ Citizen Action Against Poverty. **Decent Work Observatory**. Statistical annex. Indicator "Without sufficient salary". Table 3 A. National. The indicator counts the employed population with labor income

proportion is higher among young people: 63% young people and 53% adults 30-64, with the most recent data.¹⁸⁴

This is a structural and chronic situation. There have been slight improvements in labor income, but they are still not enough to reverse the trend. Even among people with formal jobs, 39% of formal workers do not earn sufficient salary above poverty threshold (2 basic baskets).

B. Public policy challenges

The second set of challenges refers to the ineffectiveness of public policies and government action in general.

A general overview shows great weakness of public policies to promote the economic inclusion of *opportunity youth* and to effectively address the structural challenges that produce youth labor exclusion.

In summary, a general perspective shows **four serious limitations in public policies:**

- **High level of dispersion, low quality of design and execution, with great disconnection between actions that should be complementary.**
- **Very low coverage, due to very limited budgets (with the exception of cash transfers).**
- **Low effectiveness of cash transfers because they are isolated measures.**
- **Political ups and downs prevent the stabilization and consolidation of effective services and good practices, and recently have increased clientelism and political bias.**

This section is an analysis of the main actions presented in Part II. The following analysis provide the basis for the four general and synthetic conclusions mentioned above, and also provide specifics about each program or type of programs.

This section considers the empirical experience of organizations specialized in youth that face daily and directly the effects of insufficient, poorly designed, and poorly applied

lower than the cost of two basic baskets. The Observatory presents the percentage of the population reporting income. Here we quote the percentage of the total employed population.

¹⁸⁴ Citizen Action Against Poverty. **Decent Work Observatory**. Statistical annex. Indicator "Without sufficient salary". Table 3 D Youth - Non-youth. With source data: INEGI. ENOE 2023 - II. Percentage of employed population for each age group.

governmental actions, often distorted by corruption, political patronage or simple negligence and incapacity.

The purpose of this section is not intended to be an evaluation of government programs, which is beyond the scope of this study. Its focus is to show evidence on the effectiveness of the main actions to reverse the barriers that lead to the exclusion of *opportunity youth*.

The increase in HSE Benito Juárez Grant coverage has no effect on increasing HSE coverage and schooling rates.

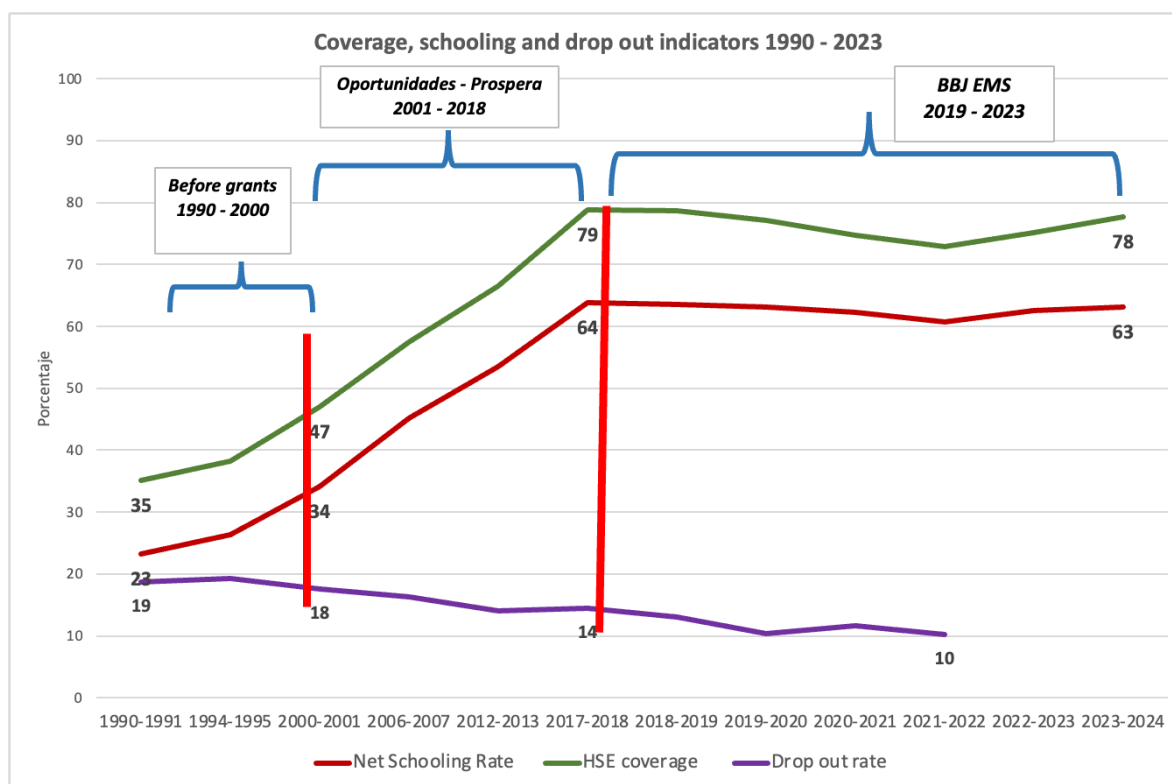
In 2019, the Benito Juárez Universal Cash Transfer Program for HSE Students (BBJ HSE), doubled the coverage and number of students with grants, compared to the previous year. In 2018, cash transfer programs served 2.1 million HSE students¹⁸⁵. In 2019, the BBJ HSE program reports serving 4.1 million. As of that year, the program reports a population served greater than the public HSE enrollment, which is a red flag.¹⁸⁶

However, coverage and schooling rates show stagnation, starting that year, in the 2018–2019 cycle, even before the pandemic. The "dropout" rate shows improvement, increased from 2018. This is good news, there is more permanence, but there is no longer an increase in the access of young people, as had happened previously (see Figure 35).

¹⁸⁵ The Prospera program reports 1.4 million students with grants and the SEP's HSE Grant Program reports 700,000. Source: Presidency of the Republic. 6th Government Report 2018. p. 189.

¹⁸⁶ CONEVAL. Inventory of Federal Social Programs and Actions. Listings for 2019, 2020, 2021 and 2022, of the BBJ HSE program. The data recorded in the Padrón Único are much smaller, as presented in the section dedicated to the BBJ HSE program in Part II, section B. Educational Actions.

Figure 35. Coverage, school enrollment and dropout in HSE 1990 - 2023.¹⁸⁷



Source: Own elaboration with SEP data. DG. SEP Educational Indicators Report. Note: the periods between 1990 and 2018 are "trimmed" to facilitate visualization. Data is presented annually as of the 2017-2018 cycle.

Figure 35 allows for a long-term view and shows a trend of growth in the coverage and schooling rate of 15–17-year-olds between 1990 and 2018. In the 2001 school year, which coincides with the creation of the *Oportunidades* HSE grants, a period of greater growth begins. In the 2017 - 2018 school year, coverage rate reaches 79% and the net schooling rate of 15–17-year-olds reaches 64% of the cohort.¹⁸⁸

¹⁸⁷ The SEP's historical series of educational indicators begins in 1990 and has data up to the 2022–2023 school year. The figures for the school dropout indicator for the 2022–2023 school years are estimated, so they were not included.

¹⁸⁸ In 2001, the *Progresas - Oportunidades* Program incorporated HSE grants as part of the transfers to poor households. Independent impact evaluations, carried out with rigorous methodologies by national and international experts, show positive effects, which can also be perceived in national statistics (see Parker, S. study in the book *Progresas - Oportunidades - Prospera* 20 years, published by Coneval). In 2001 - 2002, it had a census of 3.2 million households, with 255,000 HSE students with grants. In the 2006–2007 school year, with an enrollment of 5 million households, there were 722,000. At the beginning of the 2012–2013 school year, there were just over 1 million. And for 2018, HSE grants (including *Progresas* grants –formerly *Oportunidades*– and SEP grants) are 2.1million.

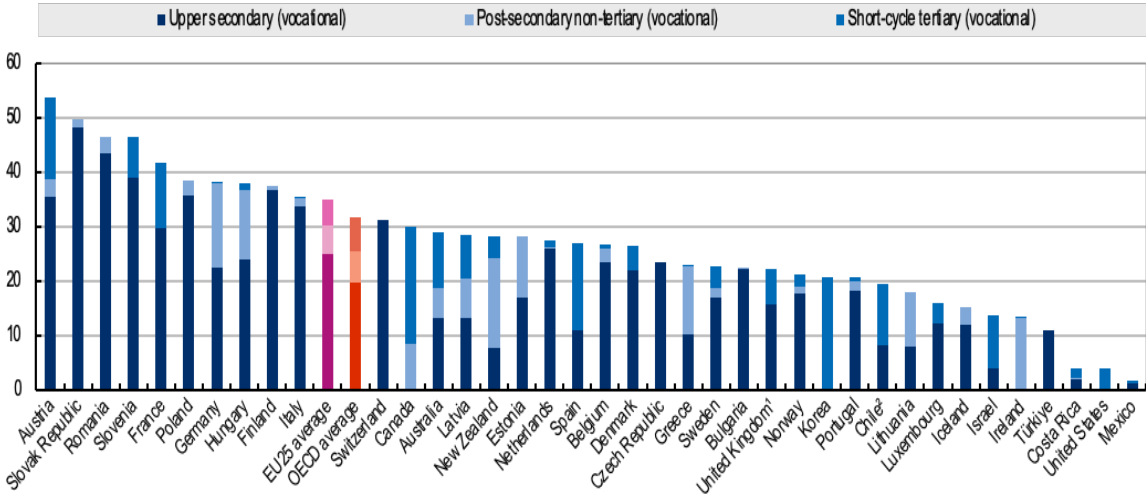
Since that year, which paradoxically coincides with the increase in BBJ HSE grant coverage, both indicators stagnate.

Technical HSE lacks budgetary, administrative, and political priority.

Technical and technological HSE is highly dispersed in multiple subsystems and programs. Furthermore, it lacks priority for governments, which allocate inertial budgets and give little relevance to actions to reduce dropout rates and to provide greater relevance and updating of the educational offer, in accordance with the new requirements of the productive sector.

Mexico has the lowest rate of young people with technical and technological education in OECD and partner countries: 2%, compared to 4% in Costa Rica, 19% in Chile or 32% in the OECD as a whole (see figure 36).

Figure 36. Percentage of youth 15-34 whose highest level of schooling has a vocational (technical) focus.



Source: Taken from OECD. Education at Glance. Figure A1.1, p. 29

Technical and technological HSE enrollment represents 38% of HSE enrollment in the 2021-22 cycle. The proportion has decreased; technical HSE represented 46% of enrollment in the 2000-2001 cycle and 44% in the 2010-2011 cycle. The reduction begins in the 2013-2014 school year.

The disconnection between technical HSE and the productive apparatus is worrisome. More than half of the graduates of technical and technological subsystems did not

participate in professional practices, internships, or apprenticeships during their studies (54%).¹⁸⁹

Recent years also show budget reductions for technical and technological HSE. For example, the 2019 budget for Conalep is 12% lower than that of 2018 and that of DGETIS is 5% lower.¹⁹⁰

There is also an issue of lower status and stigma. Preference is given by parents and youth to the general high school, as a pathway to professional development through a college (university) career. But only 45% of those who graduate from HSE apply to higher education, only 33% enter and only 28% remain 2 or 3 years later.¹⁹¹

Social networks show empirical evidence of stigmas and prejudices especially about Conalep. And in general, there is an opinion that tends to give lower value to "technical careers" with respect to university careers.¹⁹²

Non-school-based HSE options are not suitable for opportunity youth

The options for obtaining the HSE certificate for young people who dropped out are highly problematic. The low coverage of the "open" and "online" options and the accreditation exam through agreement 286 are clear evidence of the complexity of these options.

While the scarce coverage data place the "enrollment" of these options at just over 100,000 young people in total for the 3 options in a given year, each year more than 700,000 young people drop out of HSE without completing it. The backlog is counted in millions and the attention of the 3 options serves less than 5% of the demand (more likely between 1 and 2%).

In addition, these options present serious problems in terms of adequacy for the needs and possibilities of *opportunity youth*:

¹⁸⁹ INEGI. ENILHSE 2019. See appendix 2.

¹⁹⁰ CIEP (2019). Technological education. History, dimension and budget. Available at <https://ciep.mx/educacion-tecnologica-historia-dimension-y-presupuesto/>

¹⁹¹ INEGI. ENILHSE 2019. See appendix 2.

¹⁹² Negative expressions are cited about Conalep, such as "Nacolep" "Nopalep" and others. Several press reports cite opinion studies in which young people and parents consider technical education as an undesirable option or as a "last option" for education.

- The 3 options maintain the subject-based approach, with topics of very low relevance to income generation and economic inclusion needs.
- Lack of focus on labor and productive insertion
- They have costs per exam
- They require conditions of discipline, dedication and technology for self-learning that are rare among *opportunity youth*.

Public training programs are dispersed and have very low coverage

Government job training programs are dispersed, some belong to the SEP and others to the STPS, some to the federal government and others to the state governments.

Adding all of the them, coverage is insignificant:

- Public CECATIs report a population served of 162,000 people nationwide, less than 1% of their target population (0.2%).
- ICAT CDMX reports 18,000 people attended. ICATI does not provide coverage data.
- PROCADIST reports a little more than 300,000 people and companies served, 2% of its potential population (2022 data).
- INEA serves 480,000 people, less than 2% of its potential population.

CECATI programs in general are outdated for the current and changing needs and trends of the labor market. INEA programs are more focused on the completion of educational levels: literacy, primary and secondary, rather than on content related to "work" skills.

Training in general is a dismissed activity despite the Federal Labor Law establish that it is an obligation of employers.¹⁹³ In practice, only one-fifth of employed personnel receive

¹⁹³ The Federal Labor Law establishes that "employers have the obligation to provide to all workers, and the latter to receive, the training or instruction in their work that will allow them to raise their standard of living, their labor competence and their productivity" (art. 153 - A). In companies with 50 or more workers, the creation of "Mixed Commissions for Training, Education and Productivity" is mandatory (art. 153 - E). The Law mandates the creation of the "National Committee for Agreement and Productivity" with the participation of the STPS, the Ministry of Economy, employers, unions, workers and academic institutions.

some training in their job (21%) and less than 4% of the Economic Units -UE train their personnel.

By size, at the national level, only 2% of micro UE trained 4% of their staff, 26% of small UE trained 18% of their staff, 44% of medium UE trained 26% of their staff and 59% of large UE trained 39% of their staff.

In CDMX the reality is slightly better, 4% of the UEs train 26% of their personnel. Two percent of the micro EUs train 4% of their personnel, 25% of the small EUs train 17% of their personnel, 42% of the medium-sized EUs train 24% of their personnel and 54% of the large EUs train 38% of their personnel.

In EdoMex, the reality is similar to the national situation. Only 2% of the EUs train 15% of their personnel. By size, 1% of the micro EUs train 3% of their personnel, 23% of the small EUs train 17% of their personnel, 42% of the medium-sized EUs train 25% of their personnel, and 53% of the large EUs train 31% of their personnel.

The JCF program has serious limitations to improve the employability of opportunity youth.

The JCF program is the main youth employability action: because of its political clout, its budget, and its coverage.

For the first time, a public policy of great visibility focuses on the issue of youth labor insertion. From 2018 to 2023, the program has exercised almost 100,000 million pesos (5.8 billion USD). And it reports a coverage higher than the originally planned goal. It reports 2.8 million young participants¹⁹⁴.

The program reports multiple achievements and progress. It even presents two "impact evaluations" conducted by the government itself using INEGI data. The most recent one with data from ENIGH 2022.¹⁹⁵

The main results of the most recent impact study are:¹⁹⁶

¹⁹⁴ The original goal was 2.3 million youth. See section on JCF in Part II.

¹⁹⁵ STPS. Dirección Técnica de la Comisión Nacional de Salarios Mínimos - CONASAMI (2023). **El efecto del programa Jóvenes Construyendo el Futuro usando datos de la ENIGH 2022**. Available at <https://www.gob.mx/conasami/documentos/el-efecto-del-programa-jovenes-construyendo-el-futuro-usando-datos-de-la-encuesta-nacional-de-ingresos-y-gastos-de-los-hogares-2022>

¹⁹⁶ See executive summary of the document cited in the previous note.

- Young people participating in the program are 2.7 times more likely to get a job compared to those who were not in the program (62% vs. 23%).
- The effect is greater for men (47%) than for women (30%).
- Participation increases household income this is a direct effect due to transfers.
- The program is "progressive", as there is a 0.57% participation in the three lowest income deciles compared to 0.17% in the three highest income deciles.

These results are not supported by evidence. There is no space, nor is it the purpose of this study to discuss the methodology and consistency of the evaluation in depth.

But even the official study raises "red flags" of alert about the program. We highlight the following:

- The coverage of the program is only 1/3 of what is reported. Coverage in the study ranges from 113,000 youth in May to 122,000 in July.¹⁹⁷ In those months, the JCF administrative registry reports 406,000 participants in May and 356,000 in July.¹⁹⁸ Therefore, the study's "sample" captures only between 28% and 34% of the participants registered as transfer recipients.

This wide discrepancy opens a very grave question about the program: what is the actual coverage of youth receiving JCF transfers? Why are 2/3 of beneficiaries missing?

And it also questions the validity of the study: how representative is the "sample" of the study to estimate the effect when 2/3 of its coverage is missing? It compares a biased or trimmed coverage . . . as it only represents 1/3 of the program participants. Of the missing 2/3 - if there are any in reality - we know nothing.¹⁹⁹ For example assuming the "result" of 62% of participants getting a job, actually is less than 1/3 of that: 20%, because we do not know what happened to the other 2/3. And then, the difference with "no participants" is zero, or negative: 23% of non-participants got a job vs 20% of participants.

- But the problem goes beyond that. The alleged impact results from comparing two universes with very different magnitudes: 57,000 program participants are

¹⁹⁷ Ibid., p. 4 (not numbered in the original).

¹⁹⁸ See table 9 in this document.

¹⁹⁹ There is always a discrepancy between the administrative records and the National Surveys, however, the magnitude in this case does appear to be very significant.

compared to 12.2 million youth who did not participate. This two very different samples are the basis of the “result” of 2.7 times greater probability of finding employment. The validity of the comparison is highly questionable.

- Without considering the previous questions, reading carefully, the result of impact measurement of the study is very different. The impact reported by the study is much lower: around 31%. The econometric *matching* methodologies that would measure impact show results ranging from 25% to 42%, by no means 270% (2.7 times).²⁰⁰
- The study also shows that JCF program's coverage is not prioritizing *opportunity youth*: 66% of participants have completed high school or even higher education. JCF participants have 1.3 more years of schooling (11.8 years) than youth who "do not study and do not work" (10.5 years), according to the population groups compared in the study.
- The probability of finding employment is reinforced more for men than for women, when the universe of *opportunity youth* and, in general, of young people out of school and out of work is mostly female. And when the program coverage is 58% female.

These “impact” studies elaborated and disseminated by the government are not conclusive to demonstrate a positive impact. The official propaganda goes even further, since it concentrates on saying that 61% of those who participate in the JCF program got jobs. This is false, it is a fallacy.

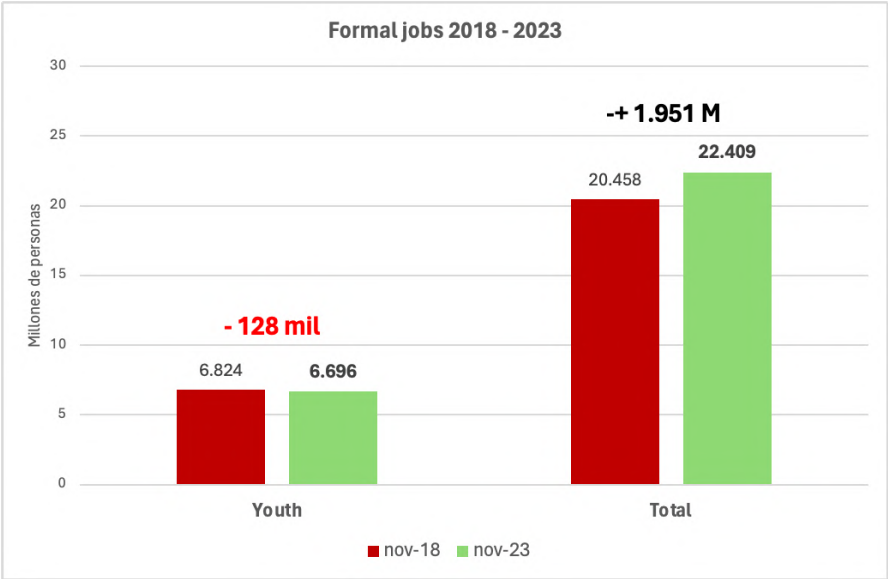
In fact, in formal employment there is no impact at the big scale: the number of young people in formal employment at the end of 2023, with respect to those at the end of 2018, before the program started, has not grown, it is slightly lower. There are 128,000 less young workers in formal jobs now, with respect to 2018.

²⁰⁰ *Ibidem*, p. 13 of 24, the table presents the following results of the impact estimations with different methodologies: *Propensity with Probit*: 31.8%; *Propensity with Logit*: 31.2%, *Nearest-neighbor matching*: 42%; *Regression adjustment*: 31.5%; *Inverse probability weighting*: 27.1%; *Inverse probability weighting and regression adjustment*: 25.4%.

In November 2018, there were 6.824 million young people registered in formal jobs in the IMSS. In November 2023, five years later, there are 6.696 million, despite the billions of budget allocated to the JCF program (see figure 37).²⁰¹

For a benchmark of comparison, IMSS-registered jobs grew 9.5% in the same period. This is 2 million more people with formal jobs: from 20.458 million in November 2018 to 22.409 million in November 2023.²⁰²

Figure 37. Formal jobs registered in IMSS 2018 - 2023.



Source: Own elaboration based on IMSS. IMSS open data. Historical series.

The explanation for these poor results is that JCF has several limitations and challenges in its design and implementation that affect its impact:

- **JCF does not prioritize youth with higher barriers of employability.** The JCF program defines its target population as out-of-school and unemployed youth. But it makes no mention of education gap or other conditions that hinder or prevent labor market insertion.²⁰³

²⁰¹ IMSS. Open Data. Registered jobs. Historical series. Considers the month of November in both cases. Considers age group 15-29. Adjusting the estimate to the 18-29 age group, the reduction is 70,000 young people. The analysis holds: there is no impact on the number of young people in formal jobs.

²⁰² Even reviewing only the 20-29 age group, the conclusion holds. The 5-year variation is 30,000 more 20-29 youth in 2023 than in 2018, virtually unchanged.

²⁰³ See bias towards young people with completed high school and higher education in the above-mentioned evaluation results.

- **JCF has a geographic bias that reduces coverage in cities and metropolitan areas where there are more out-of-school and out-of-work youth.** JCF coverage does not correspond to the states and municipalities with the largest number of out-of-school and out-of-work youth, such as MCMA and other metropolitan areas. JCF adopted some geographic targeting based on the marginalization index that is totally inadequate. This bias distances the program from areas with large numbers of out-of-school and out-of-work youth, in poverty and in contexts of violence, in zones where there are jobs.²⁰⁴
- **JCF does not guarantee meaningful work experience, training, or skills development.** The program does not consider the participation of training entities, whether public, private, or social. Given the low priority that most businesses give to training their own staff²⁰⁵, it is unlikely that there will be a solid and adequate plan for apprentices. In addition, there is a predominance of individuals, political actors and entities without SAT registration in the "Workplaces" that receive JCF apprentices, so it is unlikely that they will have significant labor learning. There are testimonies and other empirical evidence that in many cases the training and the labor experience are a simulation.
- **JCF does not offer care options for women mothers.** With women being most of young people out of school and out of work, the program did not consider the need of daycare services.
- **The JCF cash transfer is much larger than student grants which could incentivize dropouts.** In 2024, the JCF cash transfer is 8 times larger than the HSE grant and 3 times the college / superior grant ("Youth Writing the Future"). This may generate undesirable incentives for dropping out or at least sends a mixed message.²⁰⁶

²⁰⁴ The coverage of MCMA program is telling. For example, in 2019, JCF had twice as much coverage in Tabasco than, in the CDMX, where there are almost 2.5 times more young people than in Tabasco. Or in Veracruz it had more coverage than in EdoMex which has more than twice the youth population. In Puebla it had twice as much coverage as in Guanajuato (where there are slightly more young people) and where violence affects the vast majority of urban areas. In addition, the coverage of Puebla's ZM, where 40% of the youth population is concentrated, is much lower than that of the rural municipalities, where 15% of young people live.

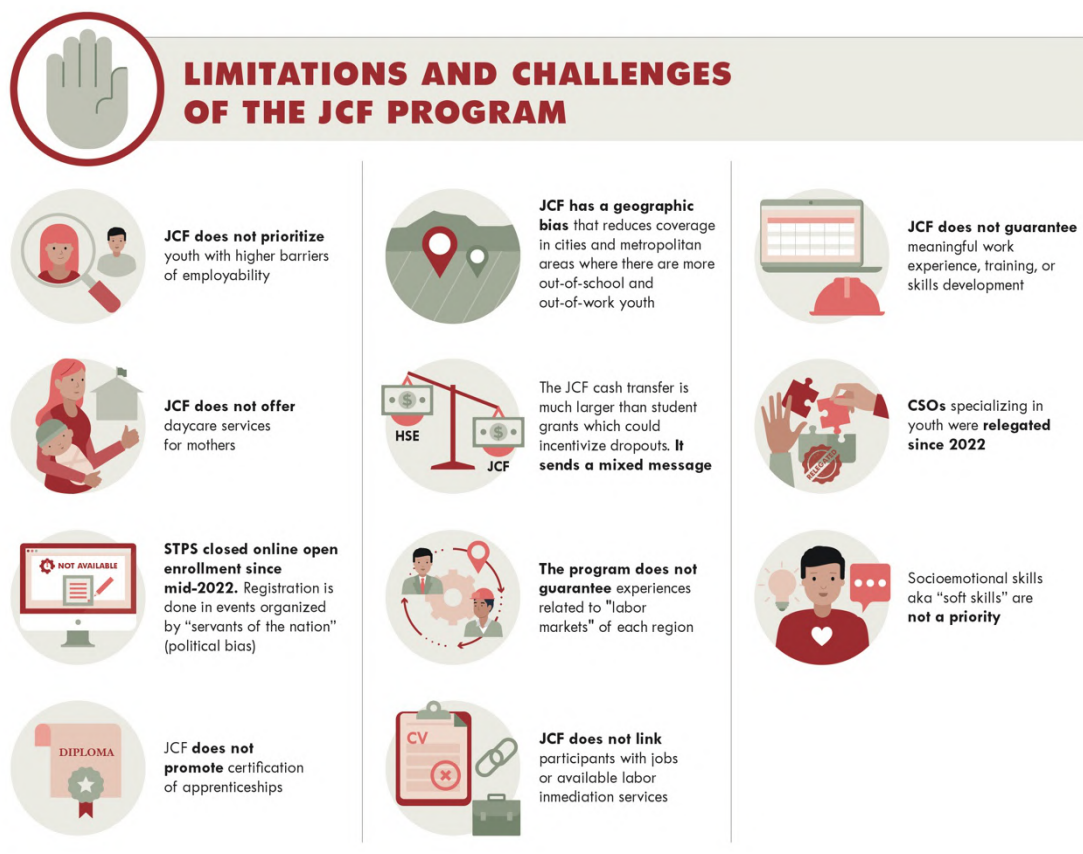
²⁰⁵ See data in previous section: Only 4% of economic units train some of their personnel.

²⁰⁶ JCF transfer in 2024 is 7,572 pesos for up to 12 months. The HSE BJ grant is 910 pesos for 10 months. The Higher Education grant ("Jóvenes Escribiendo el futuro") is 2,800 pesos for 10 months.

- **The program does not guarantee experiences related to "labor markets" of each region.** The workplaces registered – mostly individuals – do not represent the dynamics of the "labor market". There are many political actors and governmental entities (municipal offices, welfare coordination centers, social programs) that register apprentices. In practice, they are substituting staff and using youth for political purposes.
- **Socioemotional skills aka “soft skills” are not a priority.** The program does not consider socioemotional skills as indispensable part of the training. At the start of the program, it was intended that an "online course" of a few hours would be a way to "cover the requirement". Even this has been discarded since the pandemic.
- **The JCF program does not promote the certification of apprenticeships.** The young people who participate are not linked to "CONOCER" or other forms of certification of their training, with some official validity.
- **The JCF program does not link young people with labor intermediation programs or "job boards".** In 2020, because of the first "generation" of young graduates, the "month 13" strategy was created, which lacks links to job offers.
- **CSOs specializing in youth were relegated since 2022.** CSOs with employability programs ceased to be considered as "work centers" or as "co-tutors" following internal political changes in the Unit responsible for the JCF program. The program coordination "closed" the system for the registration of CSOs specialized in youth. And it does not accept their participation as it was allowed and facilitated from 2019 to 2021.
- **The program closed online open enrollment for youth in mid-2022.** Since then, the registration of youth to the JCF program is done in events organized by the operational structure of the "servants of the nation" – *servidores de la Nación*. The program joined the operational model of the rest of the cash transfer programs, which facilitates political clientelism and vote conditioning.

In short, the JCF program has major limitations in achieving results and reversing the barriers to employability of *opportunity youth*. The good news is that there is a funding stream with significant budget for this purpose. That is a great opportunity to redesign the program and address most of these limitations.

Figure 38. Limitations and challenges of the JCF program



Coverage of work support programs is very limited (childcare centers, SNE, entrepreneurship and social economy).

The rest of the actions and programs supporting employment and economic inclusion have low budgets and very low coverage. They are very far of their potential target population.

First of all, social security childcare centers have very limited coverage; millions of beneficiaries who pay their social security contributions, are excluded due to a lack of access quotas.

In general, access to childcare centers, adding those from DIF, is segmented and their coverage does not even reach 10% of the potential demand.

The creation of the "National Care System" approved in a constitutional reform in the Chamber of Deputies is still pending.

The lack of daycare services is one of the main limitations for the labor market insertion of young women.

The other actions to support employability, like the National Employment Service –SNE that is well evaluated in its design, has also has limited coverage and a low budget. It depends on the mix of funds between the federal and state governments, which is considered one of the reasons for its stagnation and low coverage, for political reasons.

The current administration eliminated the National Entrepreneur Institute – Instituto Nacional del Emprendedor – INAEM, which was intended to support entrepreneurship. Also the National Institute of Social Economy – Instituto Nacional de Economía Social – INAES, responsible for promoting the social economy, was left with zero budget to finance projects.

The funds allocated by the governments of CDMX and EdoMex for entrepreneurship and the social economy are minimal.

In general, employability support actions are disperse and underfunded. There are some valuable experiences and good practices, but without continuity or processes of learning and continuous improvement. In the current federal government, cash transfers were prioritized and the provision of services and other employment support measures – different from JCF- were abandoned.

Youth institutes lack political authority and technical capacity

Since their creation, the Youth Institutes have had low technical capacity and little political authority. Youth policy is limited to isolated events generally related to music or culture, sports, and sexual and reproductive health.²⁰⁷

Unlike the "Women's Institutes", which have become instances of promotion of "equality between men and women" and the vindication of the gender agenda, in line with social movements, civil organizations and academic studies, the Youth Institutes suffer from the limitation inherent to young people: a transitory stage in life, where training is completed and the first experiences are gained, and a very wide diversity of needs, desires, and projects.

²⁰⁷ A former director of the Mexican Youth Institute (Francisco Landero) critically referred to this experience in a text whose title illustrates this simplification: "*Rola, balón y condón. Song, ball and condom. Critic and proposal to the youth policy in Mexico*".

C. Narrative challenges and negative perceptions

Negative perceptions and notions about young people who lack college / superior education, come from low socioeconomic environments, and lack family and friendship relations to get formal jobs, add difficulties for their labor insertion and economic inclusion.

The stigma of "*ninis*" has permeated society. It circulates profusely and unrestrainedly in many environments, including political actors and sectors of high economic level. It has a deep derogatory charge and holds the young person responsible for his or her situation, blurring the structural and systemic barriers that are out of control for them.

The government's discourse to justify the creation of JCF program contributed to give an even greater negative burden to young people without college / superior education and without work. On the one hand, they were labeled as violent, with the slogan: "*becarios, no sicarios*". As if these young persons were contributing to the climate of violence and insecurity, which is absurd, because most of youth out of school and without work are women.

On the other hand, political polarization, moves opposition to criticize the program due to its political bias and clientelism. And the disqualification of the program turns into the reinforcement of the stigma: "the program of the *ninis*" and as "easy money for those who do not work".

Negative perceptions about youth permeated the environment even before that: 28% of young people report having been discriminated. And of these, 33% report having been discriminated in getting a job or promotion at work. On the other hand, half of the population considers that most young people are irresponsible. And 30% of the population considers it justified to call the police when young people are gathered on a street corner.²⁰⁸

The most generalized perception of youth refers to students and specially to college students. They are framed as talented, special, with extraordinary abilities. At the other extreme, the other visible subsector of young people are actors of violence and delinquency, or at least potential criminals. All the rest remain invisible.²⁰⁹

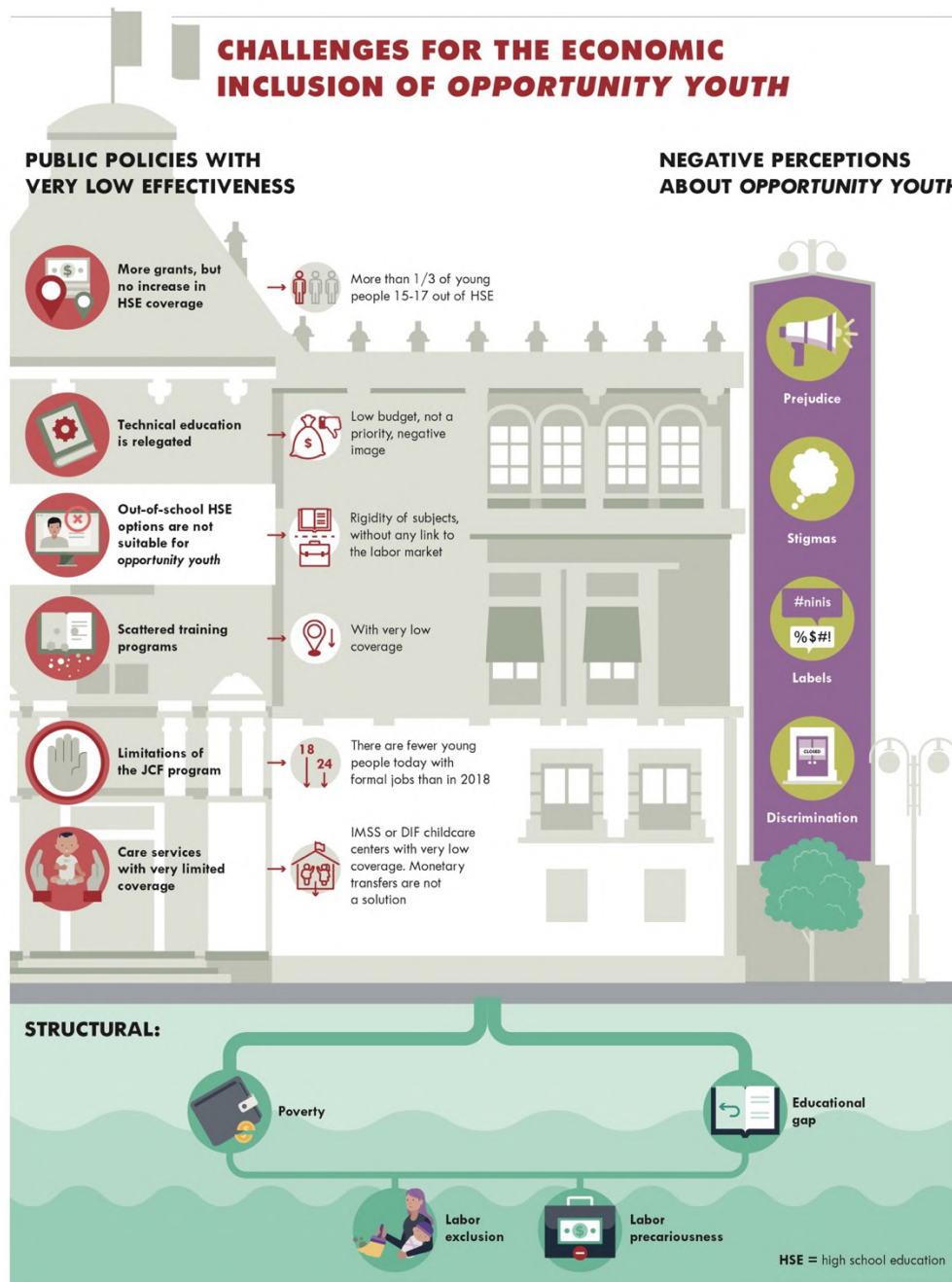
²⁰⁸ INEGI. National Survey on Discrimination - ENADIS 2022.

²⁰⁹ Conclusions of the diagnosis carried out by Tridente Acceleradora, to support the "change of narrative" about *opportunity youth*.

Opportunity youth, i.e. young people without college / superior studies and coming from adverse contexts, are "invisible" and appear as a problem in the statistics. The concept that encompasses them is their negative identity: they do not study and do not work.

All this adds new barriers of perception, negative imaginary, and prejudice about *opportunity youth*.

Figure 39. Challenges to economic inclusion of opportunity youth



11. OPPORTUNITIES

Besides the challenges, the current moment also presents opportunities to promote the economic inclusion of youth and their labor insertion in decent jobs.

There are national and some international context and trends, political and economic, that are relevant for successful civil society advocacy.

We list and briefly explain some that seem more directly linked to the purpose of economic inclusion of *opportunity youth*.

In the political context they are particularly relevant:

- USMCA, labor reforms and minimum wage recovery
- The JCF program as a policy with significant funding
- Growing awareness of the right to care and of gender equality
- The 2030 agenda and other global agendas

In the economic context:

- The "vacancy" crisis and the urgency of workforce ("talent") development
- The *nearshoring* opportunity
- Business initiatives for a decent income and new CSR trends

A. USMCA, labor reforms and the recovery of the minimum wage

The renegotiation of NAFTA to approve USMCA, the labor reform approved in 2018 and 2019, as well as the increase of minimum wage, have coincided and have given relevance to the labor agenda, that it lacked previously.

For the first time in decades there is a vibrant public debate on working conditions, wages, and productivity.

The USMCA includes multiple provisions to protect labor rights in Mexico, including a Rapid Response Labor Mechanism. The "Mechanism" as well as a set of clauses included in the USMCA, open a new stage to strengthen collective bargaining, labor justice and union representation.

The breakthrough for the decent work agenda was the 2018–2019 labor reform. The new legislation creates a new labor justice system within the judiciary. It eliminates the

government-controlled "Conciliation and Arbitration Boards", which were recognized for their corruption and incapacity in detriment of both parties: employers and workers. The labor reform also establishes a mandatory prior conciliation mechanism before proceeding to trial.

The labor law reform mandates the "legitimization of collective contracts", as well as the democratic election of union leaders, both by secret ballot. This opens the possibility of renewing the stagnant and corrupt union leadership, and of the disappearance of "white" unionism and "protection contracts" in the hands of employers.

The gradual recovery of the minimum wage also creates a catch-up effect for lower wages and opens the debate about sufficient and living wage.

In 2021, new law reforms were approved to eradicate "abusive" outsourcing. The reform solved the "law loops" that allowed the substitution of the employer to use "alternate" contractor, that facilitated temporary contracts, avoided labor "seniority", evaded compulsory profit sharing, and facilitated also the total or partial evasion of social security contributions. Later in 2023, a reform that doubled the minimum number of paid vacation days was approved (from 6 to 12 days, rising two days for each extra year worked until 20 days).

These reforms, unlike the rest of the political debate, have included political dialogues and opened room for the active participation of the private sector and civil organizations.

These law reforms are still at a very early stage of practical implementation. The labor reality still reflects previous trends, with low wages and precarious working conditions. The new labor rules are not yet a reality in practice, but they represent a favorable trend for the future and open opportunities to advance the decent work agenda.

B. The creation of the JCF program and its significant funding

Despite its limitations of design and implementation, the creation of the JCF program brought to the forefront of policy for the first time the relevance of economic inclusion of *opportunity youth*.

Without yet calling them positively as *opportunity youth* and rather underpinning the stigma, the creation of the program and its budget of 24,000 million pesos each year (1.4 billion USD) create a funding stream and a platform that may be used to implement an improved policy with better results in the employability of *opportunity youth*.

The first years of the JCF program allowed the collaboration of private firms and civil society organizations specialized in youth. This first experiences offer multiple lessons. These lessons can be the basis for improving the program in the next administration.

C. Growing consensus about the right to care

The plural women's movement has a great confluence around the urgency of creating the care system, as an indispensable policy for the substantive equality of women, via their economic inclusion.

For *opportunity youth women* this is great news, as it would break down one of the main barriers in access to work. Provided that the "care system" develops sufficient service infrastructure, with diverse modalities to cover the different needs and contexts of care needs. There is a risk that the "care system" is reduced to a cash transfer program with very limited coverage of services, as it has been up to now.

The creation of care system infrastructure and services is also an opportunity, as new jobs will be created, which are suitable for young women and men.

A comprehensive care system must provide children daycare services, full-time schools and other care and development spaces for school-age children, day care sites for senior adults, rehabilitation and inclusion sites for people with disabilities, along with home care modalities. These services will create jobs, most of which do not require college / superior studies and are entirely suitable for the hiring of *opportunity youth*.

A policy to promote the care system, which is open to private and social participation to provide services financed - at least partially - with taxes, also opens space to create childcare centers and other care services, as entrepreneur initiatives and social economy enterprises such as cooperatives.

D. The 2030 agenda and other international initiatives

The 2030 agenda, in particular goal 8: Decent work and economic growth and its target 8.6 "By 2020, significantly reduce the proportion of young people not in employment, education or training", directly and unequivocally state the importance of the decent work for youth agenda.

Goals 1 "End poverty" and 10 "Reduce inequalities" are also closely linked to actions for the economic inclusion of *opportunity youth*.

There are also opportunities in other agendas and international trends, such as the recent announcement by the Biden administration in the U.S. that it is committed to promoting

labor rights, worker empowerment and the adoption of high labor standards on a global scale.²¹⁰ The M-Power initiative proposes an international multilateral alliance, driven by the Department of Labor - DOL, which should have a priority presence in Mexico.²¹¹

E. *The "vacancy" crisis and talent development*

In the economic environment, one of the relevant trends is the unfilled "vacancy crisis" and its relation to high turnover rates.

There is a growing awareness that while there is a shortage of specialized talent and an urgent need to develop STEM (science - technology - engineering - mathematics) related careers, the picture is more complex and requires a keen eye to identify the various unfilled job openings available and the type of jobs and economic units with a high turnover of personnel. Many vacancies are for low skilled, operative, or technical jobs. Therefore workforce development needs to be a priority, not only high-end, sophisticated carriers.

The personnel shortage is caused -at least in part- by the low quality of job offers: low salaries, poor working conditions, flexible working hours and working days, without overtime pay.

The study on the "vacancy crisis", recently prepared by two very influential organizations in business circles, IMCO and Coparmex, shows that there is a "reserve sector", available for work, but that has given up looking for work, which could fill the vacancies. The document also points out the need to invest in training the productive force to fill operational positions. This conclusion is an opportunity to raise awareness in private sector to invest in training and open vacancies for *opportunity youth*.

For example, the Council of Global Companies - CEG, in Mexico, presented an agenda with "20 ideas for Mexico", whose first point places the "formation of talent as the greatest challenge that Mexico faces". The CEG groups 64 of the most important global companies, which represent 10% of the GDP and 11% of exports. Among the actions in their agenda there is one that is explicitly linked to the Alianza Jóvenes con Trabajo Digno: "to promote training programs for the employability of young people and

²¹⁰ The White House. Memorandum on Advancing Worker Empowerment, Rights and High Labor Standards Globally. Available at <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/11/16/memorandum-on-advancing-worker-empowerment-rights-and-high-labor-standards-globally/>

²¹¹ Department of Labor. M-POWER - Multilateral Partnership for Organizing, Worker Empowerment, and Rights. Available at <https://www.dol.gov/sites/dolgov/files/ILAB/508-M-POWER-02092022.pdf>

excluded sectors" and gives as an example the Alianza's model "Formación Integral para el Trabajo - FIT" (Comprehensive Training for Work - FIT).²¹²

F. The nearshoring opportunity

The new configuration of alliances to guarantee the supply chains for strategic industries in North America has generated an expectation of growth in foreign investment and relocation of companies from Southeast Asia to Mexico.

Among the indispensable requirements for relocating companies and attracting investment is the availability of "labor" with the appropriate qualifications to take on production.

One of the risks of this trend is to promote Mexico once again as a competitive country based on "low wages" and violation of labor rights, as happened with NAFTA.

The labor agenda and clauses related to USMCA should serve to prevent this risk and to focus competitiveness factors on other comparative advantages of Mexico's geography, infrastructure, education and training of the productive force, and other favorable conditions. If realized, this economic trend can create jobs for *opportunity youth*.

G. Private sector initiatives for a living wage and the new demands of corporate social responsibility

The recovery of the minimum wage has been promoted even before the current administration, by the private sector organizations, particularly Coparmex. In continuity and moving further, several business initiatives have emerged in different parts of the country that promote the shift of labor paradigm from "low wages" to a "living wage".

There are initiatives in Chihuahua (México Digno), in Jalisco (Coincydes), in Guanajuato (Alianza para la Prosperidad), in Nuevo León (Consejo Ciudadano de Planeación Estratégica, the Eugenio Garza Sada Center and the Centro de Empresas Conscientes del Tec de Monterrey) and in CDMX (Empresas e Ingreso Digno).

These initiatives have been articulated, and are led by Coparmex, Canacindra, the Alianza por la Responsabilidad Social Empresarial (AliaRSE), as well as the Centro Mexicano para

²¹² Global Business Council. 20 ideas for Mexico. Axis 1: Talent training. In fact, the comprehensive document gathers the experience of the "Formación Integral para el Trabajo - FIT" programs developed by the Alianza Jóvenes con Trabajo Digno, as an example of training programs for employability. Available at <https://20ideasparamexico.empresasglobales.com/wp-content/uploads/2024/02/EG-CAP-1-La-formaciòn-de-Talento.pdf>

la Filantropía y la Acción Ciudadana Frente a la Pobreza (Mexican Center for Philanthropy and Citizen Action Against Poverty).

In the business environment, there is an incipient and growing acceptance of the need to balance economic growth, productivity, and competitiveness, with other measures to guarantee respect for labor rights and pay sufficient salary.

There is also some progress in private sector awareness of the link between poverty reduction, paying sufficient wages and labor inclusion of women and young people.

These initiatives have its own momentum in favor of the decent work agenda and can contribute to improving working conditions in other sectors, especially some that concentrate large numbers of *opportunity youth* in precarious jobs (e.g. retail commerce).

Other international agendas, such as the one developed by the World Business Council for Sustainable Development (WBCSD): "Confronting Inequality. An agenda for business action", to mention just one example, create opportunities for linking advocacy actions with international initiatives and global companies that adhere to these agendas.²¹³

In addition to these trends and initiatives, there are others that may represent opportunities to promote the economic inclusion of *opportunity youth*: the growing interest in entrepreneurship and the social economy, the innovation agenda and the preparation for the "jobs of the future", the new digital economy and the niches of the circular economy and other forms of sustainable production, among others.

12. RECOMMENDATIONS FOR PUBLIC POLICY ADVOCACY

A. National and Federal Approach

As a conclusion, we present recommendations for public policies in favor of decent work and the economic inclusion of *opportunity youth*.

²¹³ The Business Commission to Tackle Inequality (2023). **Tackling Inequality: An Agenda for Business Action.** World Business Council for Sustainable Development. Available at <https://tacklinginequality.org>

These recommendations emerge from the collaborative creation of the Alianza Jóvenes con Trabajo Digno, GOYN CDMX and Acción Ciudadana Frente a la Pobreza.

This section does not claim originality. On the contrary, it seeks to reflect in the best possible way and in coherence with the analysis carried out in the study, a collective agenda in favor of the economic inclusion of young people, in the face of the change of government at the national level and in CDMX.

These proposals still require further grounding and details to achieve agreements and forms of collaboration with decision-makers from the federal, state and municipal governments, as well as the legislative branches.

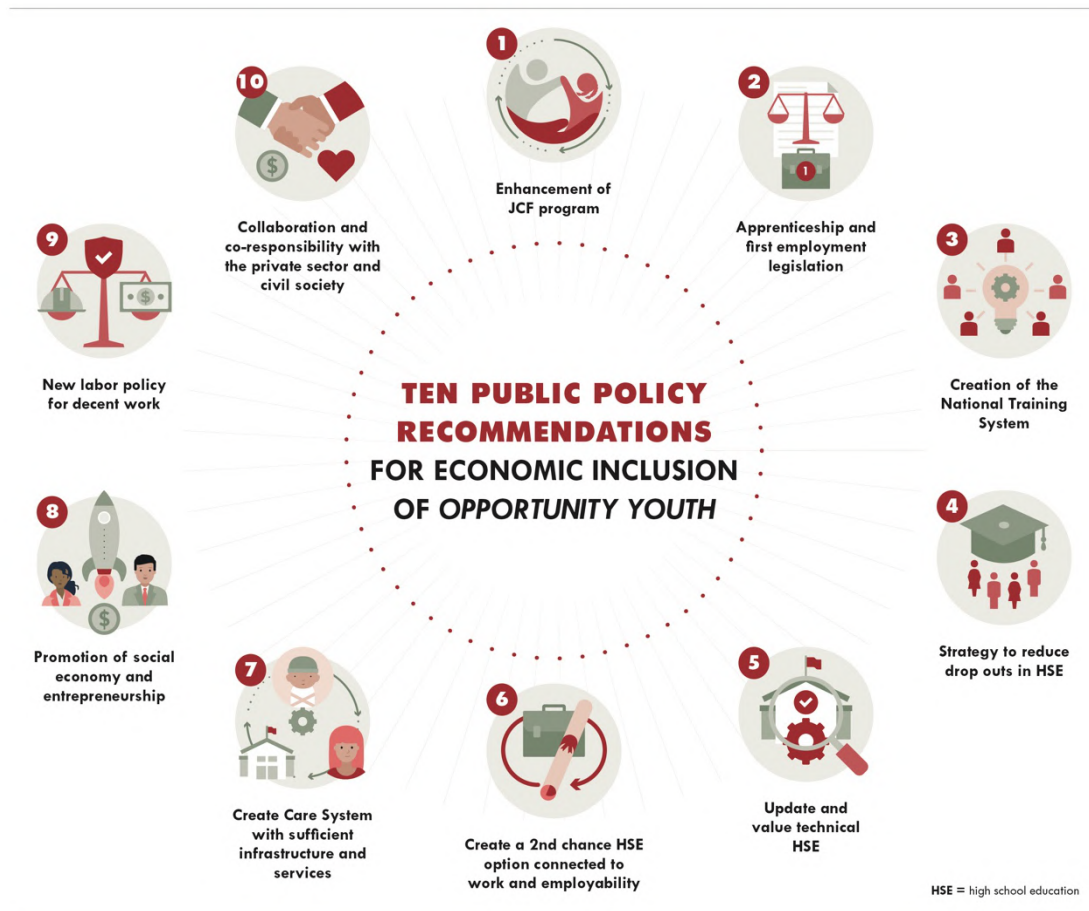
The formulation of these 10 recommendations is general, with a federal and national outlook. It is an initial basis for the development of more specific and detailed proposals according to the conditions in each place and the legal attributions of the tiers of government.

The recommendations are summarized in 10 points, which are closely linked to each other and should be considered as an integrated strategy:

1. Enhance the JCF program to promote *opportunity youth* employability.
2. Approve apprenticeship and first job legislation.
3. Create a National Training System linked to the needs and trends of the economy in each territory.
4. Develop a HSE dropout reduction strategy that goes beyond cash transfers.
5. Update and increase value of technical HSE.
6. Create a 2nd chance HSE option connected to labor insertion.
7. Create the care system with sufficient infrastructure.
8. Foster social economy and entrepreneurship
9. Promote a new labor policy to achieve "decent work".
10. Recover collaboration and co-responsibility with the private sector and civil society (indispensable key).

At the end of this section, we present recommendations to be considered for CDMX government that could also be adapted for the Government of EdoMex.

Figure 40. Policy recommendations for economic inclusion of opportunity youth.



1) *Enhance the JCF program to promote the employability of opportunity youth*

The resources allocated to the JCF program should be maintained and focused on a targeted employability program for *opportunity youth*: a "JCF reloaded".

The enhanced program retains many essential features of the current JCF design:

- Target out-of-school and out-of-work youth.
- Practical, on-the-job, training experience as the core activity.
- Collaboration of private sector companies that open "work centers" for apprenticeships.
- Direct cash transfer, without intermediaries, for apprentices while they participate in the program.

- Technological platform, with transparent, simple procedures and simple requirements to facilitate enrollment and to link applicants and work centers.
- IMSS health insurance to apprentices while they participate in the program.
- Maintain a significant budget, as in recent years (24,000 million pesos).

To achieve better results the enhanced JCF program need to adequate some aspects:

- Prioritize young people with educational gap: those who have not completed HSE. It does not seem appropriate for the program to support young people with college / superior studies as apprentices; although some exceptions may be considered (young people with disabilities or indigenous people).
- Prioritize and assign coverage goals to geographic areas with the highest number of out-of-school youth, especially metropolitan areas, without detriment to the participation of youth in rural areas.
- Facilitate, promote, and encourage the participation of public training institutes and civil society organizations specialized in youth and employability as "co-tutors" for the implementation of part of the training program, especially for the development of socioemotional skills, for the development of learning competencies (reading & writing, arithmetic, English, digital skills) and for technical aspects necessary in the industry corresponding to the work center.
- Facilitate, promote, and encourage the linkage of young graduates with CONOCER and other instances of certification of competencies and learning, including advancement in educational level (completion of HSE, for example).
- Linking and facilitating the access of young graduates to public services for labor intermediation and other support programs for job placement, once they have completed their apprenticeship.
- Facilitate and encourage the multiplication of virtual learning communities by branch, territory, and other specialties, that allow exchange of best practices.
- Create a monitoring and evaluation model based on participatory tools that make it possible to record the progress made by work centers, apprentices, training agencies, certification agencies, and labor linkage and intermediation agencies.
- Adjust the amount of the cash transfer so that it does not compete with the amount of the HSE and college / superior education grants. A part of the amount

of the current monetary transfer could be a cash transfer to the participant and the other part as a "voucher", also given to each participant, to cover training services, HSE exams, labor competency certification exams, and other employability services. All of which require previous authorization and supervision by the program.

- Offer an extra "voucher" to mothers so that they can access care services while participating as apprentices in the program. And look for ways to maintain support for their labor insertion (as part of the care system).

2) Approve legislation on apprenticeships and first employment.

To institutionalize the new stage of the JCF program, it is necessary to regulate the apprenticeship and the promotion of "first employment" in the Federal Labor Law.

Based on the experience of Colombia, Chile and Brazil, clear and enforceable rules must be established to avoid simulation, to prevent the substitution of personnel by "apprentices", to avoid prolonging the duration of the "apprenticeship" stage, and to favor and encourage the hiring of apprentices as paid personnel with full labor rights, once the apprenticeship is finalized.

The figure of apprentice can be regulated with additions to the training and productivity section corresponding to articles 153 A to 153 H of the Federal Labor Law. Specifically, some paragraphs could be added as article 153 D bis.

The legislation should include at least:

- The recognition of apprentices as recipients of training activities in the workplace, for which they must be expressly authorized by the STPS, for example as part of Article 153 D bis.
- The maximum duration - 1 year - of the apprenticeship stage for each person, in the same article.
- The possible participation of entities accredited as apprentice trainers in Art. 153 D bis based on the same requirements of Art. 153 G.
- The obligation to include training in socioemotional skills, with appropriate, practical, and experiential methodologies, as part of apprenticeship training programs, in art. 153 D bis.

- The recognition of civil society organizations as training entities if they comply with the provisions of Art. 153 G, with an addition in that article.
- The need to develop guidelines, criteria, and training bases for apprentices under the responsibility of the National Committee for Coordination and Productivity, as provided for in Article 153 K.
- The form of participation of a representation of civil organizations specialized in youth and employability as part of the National Committee for Coordination and Productivity, within art. 153 L.

This new regulation could also consider the promotion of the first employment of young people with educational gap and other conditions of vulnerability.

The promotion of the first job could consist of tax incentives such as the "salary credit", the exemption from local payroll taxes and a possible "rebate" on the IMSS employer's contribution, for employers who hire young graduates of the program, all for a determined period. The location of these regulations of incentives in the LFT and possibly in the IMSS Law needs to be defined.

3) To create the National Training System linked to the needs and trends of the economy in each territory.

The National Training policy must be articulated in a "National Training System" and its offer must be updated regularly and systematically in accordance with the requirements and trends of the labor market in each place. The policy and the system should be the way to break dispersion, avoid duplication and strengthen technically and politically the training actions as a factor of productivity.

To create this System, some key actions are:

- The National Committee for Coordination and Productivity could be activated, renewed, broaden its representativeness, increase its technical capacity, and gain political authority. It could be the institutional space to promote a major reform that links training entities, including technical and technological education, with the rest of public and private training actions. It could promote the systematic and permanent updating of training programs and methods, in accordance with the new trends of the present and the future of work and would make it possible to avoid duplication.

- Collaboration with the private sector, unions, and civil organizations should be the normal way of working of the training policy in all its aspects and in its complete cycle: planning, programming, implementation and evaluation.
- The National Employment Service and other agencies that offer employment support must be linked and aligned with the Training system. No public agency should develop training programs or actions in isolation, without being part of the system and without complying with approved standards of content and method. Classroom training and other “school-based” training modalities that are not linked to practice and requirements of the productive sector must disappear.
- Public funded training should move from “fee for services” to “payment for results”. Training entities should receive incentives and payments based on labor insertion results rather than for the training courses provided.
- The Training policy must have as one of its priorities the economic inclusion of *opportunity youth* and be linked to the actions of the enhanced JCF program.
- Part of the resources of the improved JCF program could be used to cover training costs, through vouchers and other modalities that empower users (and not the training offer) if the amount of the transfer is adjusted so that it does not compete with educational grants.

4) To develop a strategy to reduce dropout rates in high school education that goes beyond grants.

HSE dropout requires a strategy that goes beyond grants and makes it possible not only to stay in school, but also to improve learning.

The basis for that strategy is outlined in the "Guidelines to improve permanence in HSE" defined by the National Institute for the Evaluation of Education - INEE in 2017. We also have the evaluated experience of the Progresá / Oportunidades / Prospera grants, as well as the experience of CSOs specialized in youth and education with experience in HSE, especially the one carried out in the *ConstruyeT* program in 2008-2010.

The INEE "Guidelines" establish the following actions to reduce dropout in HSE. This is a quote:

1. "To strengthen, with a focus on equity, the policies aimed at institutionalizing actions for school permanence in HSE schools.

2. To improve the training of academic tutors and the institutional conditions for their adequate performance.
3. Strengthen teaching skills to generate pedagogical interactions relevant to the educational needs of young people.
4. To strengthen young people's identity with the school, promoting safe, inclusive and democratic school environments.
5. Expand strategies for the educational reincorporation of young people, taking into account the diversity of their social contexts."²¹⁴

The experience of organizations specializing in youth and education indicates that in addition to grants, a dropout reduction strategy requires (i) actions that improve the school environment and promote the belonging and participation of young students in their school, (ii) instruments for detection and timely attention for young people at risk of dropping out of school, (iii) academic support options for those who require it, as well as (iv) referral and access to specialized services for cases that require psychological care, addiction treatment, handling of feelings, domestic violence situations, and others.

The evaluations of the Progresas / Oportunidades / Prospera program high school grants are a good basis for reformulating the amount of HSE grants and for measuring the impact of offering additional amounts for grade advancement and a bonus for HSE completion. Also to assess if in certain contexts it is necessary to offer amount grants differentiated by gender.²¹⁵

The experience of the "ConstruyeT" program in its first phase (2008–2010), is also very useful. *ConstruyeT* involved a very active participation of civil society organizations specialized in youth. They were responsible of organizing actions of participation, leadership and improvement of the school environment defined in a participatory manner by young students in each school. They also provided training and coaching for principals, tutors and key teachers in hundreds of public high schools.²¹⁶

²¹⁴ INEE (2017). Guidelines to improve school permanence in high school education. Available at <https://www.inee.edu.mx/wp-content/uploads/2018/12/P1F105.pdf>

²¹⁵ Progresas / Oportunidades / Prospera education grants increased by grade and were differentiated in favor of women. In addition, a HSE completion "bonus" called "Jóvenes con Oportunidades" was included, with a format of "accumulation of points" per year, which were converted into a peso deposit upon completion of HSE. All of this was eliminated with the disappearance of the program in 2019.

²¹⁶ The first phase of the Construye T program was designed with the participation of civil society experts in youth, gender, and high school education. It involved more than 20 civil organizations as responsible

There are very low-cost actions (or none at all, as in this case) that can have a positive effect. An experimental study showed that publicizing the salary differential between those who complete and those who do not complete high school education has a positive impact on permanence and completion.²¹⁷

Portability" and the possibility of changing campuses, subsystems and educational programs is indispensable. There must be great flexibility to facilitate and avoid that the changes of school, program and subsystem become the cause of the abandonment of HSE without completion.

The prevention of dropout in high school education can be one of the actions of participatory public policy, based on collaboration between the three levels of government, businesses, civil organizations, and citizens, with broad participation of the young people themselves.

In addition to dropout prevention, a participatory initiative could also help improve the quality of learning and its equity, especially in the technical and technological subsystems.

5) Update and reassess technical HSE.

Technical education is a great option for a life project. It must be revalued as such and also for its economic potential, in an economy like the Mexican one.

While much emphasis is placed on the need for specialized talent in STEM and cutting-edge topics such as "artificial intelligence", "big data" and scientific and technological innovation in general, it is also true that many jobs of the present and "of the future" do not require college / superior studies and may have a good market value.

The Mexican experience of the creation of the IPN at the end of the 1930s (at the beginning of World War II) and the creation of Conalep in the 1990s, when the Mexican economy was opened to the economic trends of globalization, offer two solid starting points and are pillars for re-evaluating and updating technical education in general and technical high school education in particular. Technical education may have a "third wave" of national priority.

for the participation actions and projects defined by young students, as well as the training of directors and tutoring, counseling, vocational guidance, and psychologists at the schools that participated in the program in its first phase.

²¹⁷ At this time we were unable to recover the reference. This finding remains to be confirmed.

Some of the actions to be considered are:

- Establish the institutional link, active and practical, between the technical and technological HSE subsystems and the national training system of the proposal 3. Create the appropriate mechanisms of participation and involvement to give relevance to technical HSE in the national training and productivity policy.
- Avoid budget cuts and improve financing channels for subsystems and campuses that participate in the updating and new trends of linkage with the productive apparatus.
- Strengthen and update the links between the educational programs of the various technical and technological subsystems and the requirements and trends of the productive apparatus in each territory.
- Generate a positive identity of technical "careers" and their contribution to the country, families, and individuals, as a professional life project.
- Diversify the technical and technological offer to incorporate "careers" linked to the creative industry, entertainment, environmental protection, circular economy, natural resources and care.
- Establish educational and professional development trajectories that begin in technical and technological HSE and may continue –for those who so choose– in graduate studies and other forms of applied talent development.
- Expand the coverage of dual education, but also of other less complicated modalities that allow internships, apprenticeships, and other forms of practical learning within the economic units.
- Incorporate the promotion of entrepreneurship, the development of business plans, knowledge of the social economy, in specific subjects and in topics within existing subjects, so that they are options for economic insertion for students of technical and technological HSE.
- Incorporate times and moments in the academic schedule for linking students with employment portals, labor intermediation services and, in general, services and inputs for employability and for the development of labor competencies, taking advantage of technological platforms and online services.
- Facilitate investment and financing from the productive sector to invest in the improvement of the technical HSE, with equipment, teacher training, mixed

programs (dual training type) and many others, with transparent procedures and well-aligned incentives.

6) Create a 2nd chance HSE option connected to job placement

There are more than 17 million young people without complete HSE and there are also millions of young adults in this situation. Around 40% of the *opportunity youth* without complete HSE and are not in age or condition to return to the “regular” high schools. They require a new opportunity, appropriate to their life conditions (need to work as the most relevant) and learning contexts (not inclined to academic, “subject-based” lessons).

The non-school options currently available are not adequate for most *opportunity youth*. They require discipline, learning conditions, motivation, and academic support to go through the tutorials, subjects, content, and exams required by the current modalities.

In addition, all current modalities are totally disconnected from job training and training for work. Open and Online HSE is a pre-university high school: a “general” high school. There are no adequate models of 2nd opportunity HSE, linked to work training and job placement.

It is urgent to create a suitable option, totally linked to labor insertion and preferably not organized by subjects but by practical, theoretical, and philosophical knowledge that is totally and directly related to work. The 2nd chance HSE should be designed totally different from “subjects” and “areas” of knowledge: departs from training for work and then fulfill the necessary generic competencies (math, communication, digital skills), and with that competencies and knowledge provide HSE certificate.

The incipient experience of 2nd Chance HSE implemented by YouthBuild Mexico and other organizations, in collaboration with educational authorities and job training institutes in Guanajuato, and other regions of the country, is a good starting point to develop this model.

7) To create a care system with sufficient infrastructure to facilitate the labor insertion of women

The care system is an urgent need. The current infrastructure of day care - *estancias infantiles* is minimal, extended hours schools were eliminated by the current government, and there is no support for other forms of care in the home, or for day care sites for seniors, or centers for people with disabilities.

One of the main considerations to advance in the creation of the care system is to decouple daycare services from social security. Currently social security is conditioned to formal employment registered in the IMSS or other social security institutes.

Care services should be financed by general taxes and probably by family and private contributions in a complementary manner.

The management of services may be public, private, social or mixed (public-private, public-social, private-social).

Standards for childcare centers must provide nutrition and early childhood development programs, as well as protection in accordance with the "June 5" Child Care Services Delivery Act.

The care system should also consider after-school and other services for school-age children and adolescents (6 to 14 years old). After-school programs in extended schedules, "homework and extracurricular activities" spaces, and other safe modalities of care for children and adolescents are essential to promote the inclusion of women in the labor market.

These actions can also have a major effect on educational performance.

Financial support for home care for people with incapacitating illnesses, people with severe disabilities and elderly people with low mobility and other conditions also needs to be considered as part of the services.

The creation of infrastructure for the diversification of care services, and a set of adequate operating and financing schemes, requires a gradual, planned process and budgetary planning that guarantees its progressiveness in accordance with a human rights based approach.

For no reason should the care system prioritize or even less be reduced to the delivery of cash transfers to households or women. Transfers should be one of the components depending on the operating conditions of different types of care services and modalities.

The creation of the various care services is a twofold opportunity for the insertion of *opportunity youth* into the labor market: on the one hand, because it makes possible the economic inclusion of women who were previously unable to look for work. On the other hand, thousands of paid jobs are created in these services, which can be filled by *opportunity youth*.

Youth entrepreneurship and social economy schemes can play a very important role in the creation of the care services infrastructure.

8) Promotion of social economy and entrepreneurship.

In addition to "traditional" subordinate and salaried employment: job, the other option for economic inclusion of *opportunity youth* is the creation of new businesses.

Personal entrepreneurship and associative forms of business creation in the social economy (like cooperatives) are a complementary way for the economic inclusion of young people.

In fact, some qualitative studies show that there is a preference among many young people for "entrepreneurship" of their own rather than seeking employment.²¹⁸

This aspiration needs to be encouraged and promoted, while at the same time putting in place the necessary economic and social safeguards to prevent them from falling into poverty traps. In the current situation, 99.9% of people who are self-employed and more than 80% of those who work in microenterprises have precarious working conditions: without access to social security and without sufficient salary²¹⁹.

The competitiveness and productivity requirements of the market economy represent a very important barrier. The regulatory framework, the business management capacity; the lack of technical assistance for the development of business plans; or for product design, marketing and sales strategies; as well as the market's own requirements, slow down many of the initiatives and condemn them to be "informal" and low-yield work without sufficient income.

A policy to promote social economy enterprises and new ventures requires:

- Regulatory framework for the promotion and development of investment, commercialization and alliances with the public, private and social sectors
- Creation of investment funds and other financing mechanisms that combine social and market criteria to avoid unproductive subsidies or onerous interest rates.
- Opening of marketing channels and development of products and services.

²¹⁸ Tridente Consulting for Alianza Jóvenes con Trabajo Digno. Audience diagnosis.

²¹⁹ Data from the Decent Work Observatory of Acción Ciudadana Frente a la Pobreza.

- Education, training, and learning exchange programs for the development of management and technical staff.
- Visibility and strategies for dissemination, communication, and links with potential clients.²²⁰

9) New labor policy for decent work

The labor system requires structural changes to generate decent working conditions for the majority.

The number and permanence of millions of people without sufficient wages ("working poor") and with "informal" jobs, that is, without social protection and without labor rights, requires a new labor policy. The new policy must be based on social dialogue to build agreements between employers and workers aimed to improve working conditions and improve wages based on productivity.

There is still a long way to go in the promotion of the new labor policy concerted through social dialogue:

- Complete the recovery of the general minimum wage so that it is sufficient for at least two basic baskets in urban areas, and close the gap with the minimum wage at the border.
- Generate incentives for companies that guarantee a living wage (greater than the cost of two basic baskets, sufficient to acquire a larger or "dignified" food basket).
- Oversee working conditions and prevent abuses that systematically violate labor rights. An inspection model that sanctions mandatory extended hours, failure to pay overtime and rest days in accordance with the law, temporary contracts for permanent jobs, and many other widespread practices that violate labor rights.
- Encourage and accelerate the care system that facilitates the labor participation of young women.
- Promote incentives and hiring schemes without discrimination for *opportunity youth*.

²²⁰ Proposals developed in: Social Economy Promotion Group. **Agenda for the visibility and strengthening of social enterprises**. Available at <https://frentealapobreza.mx/agenda-para-el-fortalecimiento-y-la-visibilidad-de-las-empresas-sociales/>

- Promote the training policy, as well as spaces for apprenticeships and first jobs.
- Create alliances between private companies, social economy enterprises, and youth entrepreneurship as part of value and production chains.

And in general, for actions that allow for greater productivity with full respect for labor rights, as well as the gradual reduction of working hours and other flexible forms of work, as has been discussed recently.

A labor policy of social dialogue could also address a major structural reform that decouples health and care services from "social insurance" and its dependence on the formal employment relationship.

This is a far-reaching reform, which requires transition processes in order to replace the current model of financing health services and childcare, which is based on "employer contributions" as part of social security, to convert it into a general right of all people, independent of work and employment status, financed by general taxes.

10) To recover spaces for collaboration and co-responsibility with the private sector and civil society (transversal).

Last but not least, one of the major changes to be achieved is to demand that the public value of the activities of civil society organizations be recognized in practice, as well as to recover and multiply the forum and mechanisms for collaboration and co-responsibility between governments, businesses, civil organizations (CSOs) and academia, as provided for in the Law for the Promotion of CSO Activities and in many other legal provisions.

This proposal is the key or indispensable step to advance this agenda.

There has been a regression in the relationship between the federal government and civil society organizations in this administration. Budgetary programs with transparent access to competitive funds for CSOs were closed. Most institutional spaces for civil society participation in public policies were weakened, disappeared or became inoperative. Something similar happened in CDMX.

A policy of collaboration and co-responsibility between government and civil society has its practical counterpart in the creation of various forms of co-investment and promotion for actions carried out by civil organizations specialized in youth, supported with public funds.

A proven mechanism of co-responsibility is the Social Co-investment Program, which was once in charge of INDESOL. The program provided public funds to projects of civil society organizations through a transparent assessment process based on clear rules.

There have been other experiences in programs funded with public resources carried out by civil society organizations, which have demonstrated results over the last 20 years.

The Social Coinvestment Program and these other experiences need to be recovered and implemented again.

Another very promising modality of access to public resources for effective programs of the organizations are the "contracts with payment by results" (also known as "social impact bonds"). These "contracts" establish an *a posteriori* payment, with public funds, for services or programs executed by civil organizations. The funding is "payment by results", since it is only executed if the organizations comply with very precisely agreed goals, verified by an independent entity.²²¹

The recommendation is to multiply public-social or public-private-social collaboration and co-financing schemes in actions of social benefit. This will make it possible to strengthen and multiply *opportunity youth* employability programs, as well as other programs for the prevention of high school dropouts, such as the Construye-T program, to mention just one example.

B. Recommendations tailored to the Government of CDMX

The previous set of recommendations has an overall national view, mostly involving the federal government.

To derive possible recommendations adapted to the context of the local government of CDMX, it is important to understand the attributions of the state governments, as well as specific characteristics of the institutional framework of CDMX, derived from its origin as a capital city: the Federal District.

The most relevant are:

- The amount of budget available in the states is much less than that of the federal government. The margin of fiscal space is reduced by the weakness of state government revenues. Most states depend to a large extent in the federal

²²¹ There is a project under study in the government of Nuevo Leon to establish a "social impact contract" with YouthBuild Mexico to implement a program for the insertion of *young people* into the labor market. This could be a first example to multiply this type of government-civil society relationship schemes.

participations and contributions and also by the agreements with "*pari passu*" schemes (equal contributions from both federal and state governments as SNE).

- The labor law is federal; there are no state labor laws. The Constitution establishes a single Federal Labor Law for the entire country. In addition to the regulatory aspect, this explains why the labor institutions are federal and why the State Governments do not develop an active labor policy. This explains in part the weakness of the Secretaries of Labor in the states of the country. In fact, not all states have a Labor Secretary. In CDMX there is: the Secretary of Labor and Employment Promotion (STyFE).
- One of the main training institutions in CDMX (the CECATI) depends on the federal Secretary of Public Education - SEP. This institutional arrangement isolates it from labor and economic policy. It also strengthens the interference of the teachers' union (SNTE), which is always a complication.
- Most of the Education in CDMX is also under the responsibility of the SEP. The CDMX government has no participation in basic education (primary and secondary), and IEMS serves less than 5% of the total HSE enrollment in CDMX, and the reach is similar in college / superior education.

The areas of opportunity for advocacy in actions to promote the economic inclusion of *opportunity youth* with the Government of CDMX, may be:

1. **Create 2nd chance HSE focused on work and skills for life and work.** With a technical training curriculum complemented by the "four socio-cognitive resources: Language and communication. Mathematical thinking. Historical awareness. Digital culture" of the new Common Curriculum Framework. And no exams per subject or "module", but a competency exam in the four "resources" as well as in technical knowledge equivalent to the technological high schools and Conalep.
2. **Promote the entrepreneurship and social economy fund and a technical assistance program.** The objectives and focus of CDMX government's employment support programs coincide in this purpose. The problem is that their execution leaves much to be desired: minimal resources, scattered actions, very low coverage, and ample room for clientelism and political bias. The current resources (500 million pesos in total) and their desirable expansion could have a much greater impact if they were placed in a fund whose governance is independent from the government and is governed by technical and economic criteria. It should allocate resources to incubate projects and to promote them. And it could multiply the funds by establishing

alliances with the private sector, with development banks and even with investment funds.

3. **Expand resources for ICAT and favor alliances with CSOs to strengthen the employability ecosystem for *opportunity youth*.** The experience of recent years shows the potential of collaboration between ICAT, Alcaldías and CSOs with expertise in youth and employability. This line can be strengthened with resources, new alliances, and as part of a policy in favor of *opportunity youth*, which also contributes to revalue, update programs, and link Conalep, CECyT of the IPN and CBTIS of CDMX with the productive sector.
4. **Promote the local care system.** Integrate the local care system based on the DIF and the municipalities' childcare centers, the recovery of full-time schools, the reconversion of the PILARES into safe spaces for homework and activities for school-age children and adolescents.
5. **Promote a policy of co-responsibility between government and civil society:** with CSOs, the private sector, universities, and other relevant actors. The government of CDMX can establish a model of democratic governance in multiple causes to address the problems of the city, in terms of citizen security, protection of natural resources, employment for women and youth, local economy and other initiatives that require the participation of society along with the government.

APPENDICES

1. Poverty measurement
2. Educational enrollment. Basic, HSE, technical HSE and College / Superior Education
3. Labor market insertion of HSE graduates
4. Right to work and its main rules
5. Minimum wage.
6. Social Security
7. Labor informality
8. Wage levels of young people in formal jobs.
9. Introduction to the Federal Budget - PEF and basic figures of PEF 2024
10. Education in the PEF 2024
11. Annex 17 of PEF 2024: Expenditures for Youth

Appendix 1 Who measures poverty in Mexico and how is it measured?

The National Council for the Evaluation of Social Development Policy – *Consejo Nacional de Evaluación de la Política de Desarrollo Social* - Coneval, is the agency established by the Constitution and the General Law of Social Development as the entity responsible for measuring poverty, created in 2006. Coneval is also responsible evaluation of programs and policy in relation with social rights established in that Law: Education, Health, Work, Housing, Food, Social Protection.

The Law approved in 2004 established that poverty measurement should be multidimensional, considering income and at least six social deprivations. Based on this legal provision, Coneval created the official methodology for the multidimensional measurement of poverty in Mexico.

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By provision of the Law, the measurement is based on information from INEGI. The official methodology is based on data from the National Household Income and Expenditure Survey (ENIGH).

The first measurement with the multidimensional methodology corresponds to 2008 data, for the national level, for the 32 states and for different breakdowns by population sectors: men and women; children and adults; youth and non-youth; indigenous and non-indigenous, rural and urban.

The measurement is updated with these levels of disaggregation every two years and the most recent measurement corresponds to 2022.

At the municipal level, the measurement is applied every 5 years, starting in 2010, and data is available for 2010, 2015 and 2020.

The multidimensional measurement combines two dimensions: the well-being dimension, which refers to income, and the deprivation dimension, which refers to social deprivation.

In the welfare dimension, the multidimensional methodology considers two thresholds of income: poverty line and extreme poverty line. Poverty line is equivalent the cost of a basic basket (food plus nonfood items). Extreme poverty line is equivalent to the cost of a food basket.

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In the deprivations dimension, 6 social deprivations are established:

²²² The current version of the methodology is available at <https://www.coneval.org.mx/InformesPublicaciones/InformesPublicaciones/Documents/Metodologia-medicion-multidimensional-3er-edicion.pdf>.

²²³ For the measurement, the household's liquid income is divided by the number of members, with a percentage adjustment in the case of underage members. In the 2022 measurement, the poverty line was 4,105.11 pesos in urban areas and 2,928.47 in rural areas. The extreme poverty line was 2,042.89 in urban areas and 1,566.95 in rural areas.

Educational gap²²⁴
Lack of access to health services²²⁵
Lack of access to social security²²⁶
Housing quality and space deficiency²²⁷
Lack of access to housing services²²⁸
Lack of access to nutritious and quality food²²⁹

²²⁴ A person is in educational gap if a) they are of school age (3–21 years old) and do not have compulsory education (high school level) and no longer attend school, or b) if their level of schooling is lower than the level of education that was compulsory during their school age. For example, people born before 1982 and do not have completed primary school. Or if they were born between 1982 and 1997 and do not have completed secondary school. Or if they were born from 1998 onwards, are 22 years old or older and do not have completed high school.

²²⁵ A person has this social deprivation if they are not affiliated with a public or private health system.

²²⁶ A person has this social deprivation if they work and do not have social security for their work, and this includes their direct family dependents (spouse and children), or if they no longer work and do not have a retirement or social pension (senior citizens program), with a minimum amount equivalent to the average cost of the rural and urban food basket.

²²⁷ A person has this social deprivation if their home has a floor, walls or roof made of precarious material or if there are more than 2.5 people per room (not counting kitchen and bathroom), which is considered overcrowding.

²²⁸ A person has this social deprivation if their home lacks a connection to drinking water in the home, or to sewage or to electricity or lacks a gas stove (or if it lacks a chimney if it is a wood stove).

²²⁹ A person has this social deprivation if they are moderately or severely food insecure or have limited food consumption, i.e. if they regularly eat less than 3 meals a day.

Appendix 2. School enrollment

Education statistics provide a continuous series of data of educational enrollment by type of education (primary, secondary, HSE and college / superior education), by educational modality (schooling and non-schooling), by subsystem (educational service, administration and support), disaggregated by entity and municipality.²³⁰

Basic education enrollment

As an informative reference, we include data on basic education: primary and secondary. Interestingly, enrollment in HSE is currently higher in quantity than in secondary, reflecting the demographic change in the population pyramid.

Primary education enrollment in MCMA is 1.929 million students in the 2022-2023 school year.²³¹ In CDMX there are 746,000 and in the mc-EdoMex there are 1.163 million.

In MCMA, in primary school, 49.4% are girls (951,000) and 50.6% are boys (977,000). The percentages are very similar in CDMX (49.3% girls) and in the mc-EdoMex (49.4% girls).

Secondary education enrollment in MCMA is 999,000 students. In CDMX there are 409,000 and in the mc-EdoMex there are 579,000.

In MCMA, in high school, 49.7% are women (497,000) and 50.3% are men (503,000). The percentages are very similar in CDMX (49.6% female) and in the mc-EdoMex (49.8% female).

HSE Registration

HSE enrollment in MCMA is 917,000 students in the recently concluded 2022 - 2023 school year. In CDMX the enrollment is 451,000 students and in the mc-EdoMex there are 458,000.

These data reflect a displacement of young people living in the mc-EdoMex to HSE campuses in CDMX.

In HSE in MCMA, the proportions by sex are inverted with respect to basic education, as 51% are women (468,000) and 49% are men (449,000). The percentages have a little more variation:

²³⁰ SEP's Sistema Interactivo de Consulta de Estadística Educativa is available at <https://www.planeacion.sep.gob.mx/principalescifras/>. The source of information in the following sections comes from that source, until a new reference is available.

²³¹ From now on and until a new reference is available, all data corresponds to the 2022-2023 school year. The school year for primary education runs from the end of August to the beginning of July. Previously it was from the first week of September to the last week of June. The goal set at the end of the 1990s was 200 effective school days (which in practice is not met).

in CDMX (50.1% women) and in the mc-EdoMex (51.8% women). This reflects that young women do not move to study from mc-EdoMex as much as men.

By grade, in MCMA 369,000 young people are in 1st grade of HSE, 183,000 are in 2nd grade and 186,000 are in 3rd grade. There is a clear effect of the pandemic on those in the 2nd and 3rd grades of HSE.

In CDMX, 179,000 young people are in 1st grade of HSE, 87,000 are in 2nd grade and 92,000 are in 3rd grade. In the mc-EdoMex, 187,000 are in 1st grade of HSE, 94,000 are in 2nd grade and 93,500 are in 3rd grade.

The 12 municipalities with the highest number of HSE students (+25,000) concentrate a little more than half of the enrollment of MCMA (53.5%): Gustavo A. Madero (79,200), Iztapalapa (64,638), Ecatepec (54,469), Álvaro Obregón (42,701), Azcapotzalco (40,480), Nezahualcóyotl (37,568), Coyoacán (37,078), Naucalpan (29,489), Tlalnepantla (27,670), Cuautitlán Izcalli (27,467), Miguel Hidalgo (27,356) and Tlalpan (26,961).

There are 12 municipalities with less than 1,000 HSE students: Temamatla (282), Ayapango (340), Cocotitlán (409), Tonanitla (417), Ecatzingo (433), Tenango del Aire (538), Isidro Fabela (684), Papalotla (686), Tepetlaoxtoc (693), Nopaltepec (717), Tepetlixpa (882) and Otumba (891).²³²

The municipalities with the highest percentage of female enrollment (and therefore lower male enrollment) are: Nopaltepec (57.9%), Milpa Alta (56.1%), Amecameca (55.9%), Ayapango (55.3%), Chalco (54.9%) and Zumpango (54.8%).

The municipalities with the lowest percentage of female enrollment are: Miguel Hidalgo (43.2%), Temamatla (43.8%), Tláhuac (45%), Chiautla (46.8%), Apaxco (46.8%), Tepetlaoxtoc (47.2%).

Enrollment by HSE Subsystems²³³

There are 1709 HSE schools in MCMA, with 24,625 groups and more than 75,000 teachers²³⁴. In CDMX, there are 606 schools, with 12,432 groups and 37,429 teachers. In the mc-EdoMex there are 1,103 schools, with 12,193 groups and 37,927 teachers.

²³² These municipalities also have a reduced population and number of young people, although some of them may have more school dropouts, such as Ozumba.

²³³ The source of information for this section is SEP's Sistema Interactivo de Consulta de Estadística Educativa, op. cit.

²³⁴ For the data and the following analysis, only data from the CDMX and the mc-EdoMex are included. The municipality of Tizayuca, Hgo. was not considered.

By administration, there are 675 public and 1,035 private HSE schools in MCMA. In public schools, enrollment is 772,000 students and in private schools, there are 126,000. **86% of the HSE enrollment in MCMA studies in public schools.**

In CDMX, there are 254 public schools, with a little more than 386,000 students (85% of total enrollment). And in the mc-EdoMex there are 781 public schools, with almost 386,000 students (86% of total enrollment).

We now focus only on **public HSE schools**, since they account for the majority of enrollment and are the main option for young people of lower socioeconomic status.

By educational type, in CDMX, there are 206,000 students in general high school, 134,500 in technological high school and almost 45,000 in technical professional high school. In the mc-EdoMex, we can estimate almost 240,000 students in general high school, a little more than 111,000 in technological high school and 34,000 in professional technical high school.

We can estimate that there are **325,000 students in technical HSE in MCMA**. In technical HSE, the participation of women is slightly lower than that of men (47%). This contrasts with the general high schools, where the participation of women is higher (52%).

In terms of funding, there is a big difference between CDMX and the EdoMex. **In CDMX, there is zero state budget.** 66% of HSE enrollment in public schools is federally supported and 24% is autonomously supported (also from federal budget). On the other hand, **in EdoMex, 11% of HSE enrollment is federally funded, 82% is state funded and 6% is autonomously funded.**

In CDMX, of the 615 HSE schools, 231 are federally supported, 22 correspond to autonomous universities and 362 are private schools. In the State of Mexico as a whole, of the 2,250 HSE schools, only 67 are federally supported, 1,581 are state supported, 21 are autonomous and 581 are private.

HSE enrollment evolution ²³⁵

A long-term look at HSE enrollment clearly shows:

- The steady increase in HSE enrollment in the mc-EdoMex and very slow in CDMX. This is partly due to the mobility of the population and the substantial increase in the supply in EdoMex and the rest of the country that used to move to study in CDMX (see figure A).

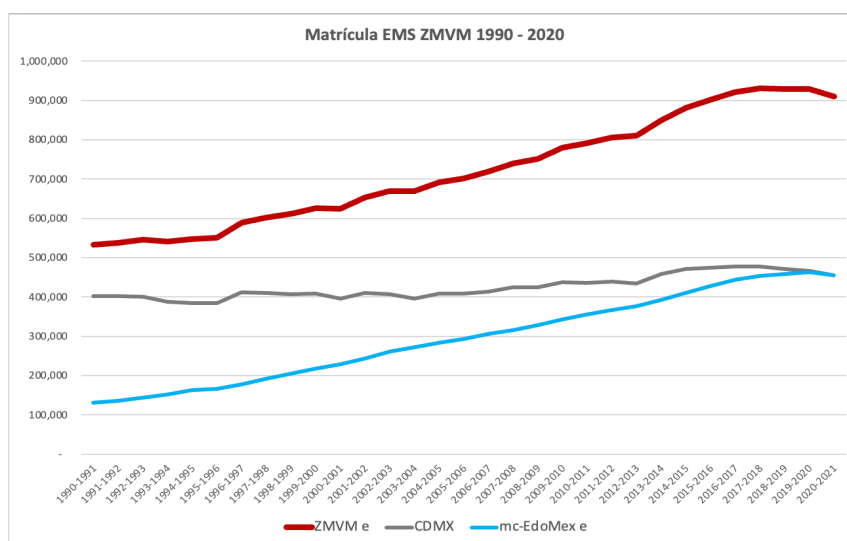
²³⁵ The data in this section are sourced from SEP. Historical series of the national education system Estimating mc-EdoMex enrollment, with a stable factor of 0.69 of EdoMex enrollment. Available at <https://www.planeacion.sep.gob.mx/estadisticaeducativas.aspx>

- The increase occurs in public HSE institutions and in private institutions there are variations according to economic cycles and other factors.
- Substantial increase in technical and technological HSE, especially in the mc-EdoMex (see figure E).
- The reduction in enrollment due to the pandemic cannot yet be seen with this series culminating just in the 2020-2021 cycle.

HSE enrollment in MCMA increased from 533,000 students in the 1990-1991 cycle to 623,000 in the 2000-2001 cycle, to 790,000 in the 2010-2011 cycle and to 909,000 500 in the 2020-2021 cycle (see figure A).

In 30 years, enrollment increased 71% in HSE in MCMA between 1990 and 2020. In intermediate 10-year periods, it increased 17% between 1990 and 2000, 27% between 2000 and 2010, and 15% between 2010 and 2020.

Figure A. HSE enrollment in MCMA

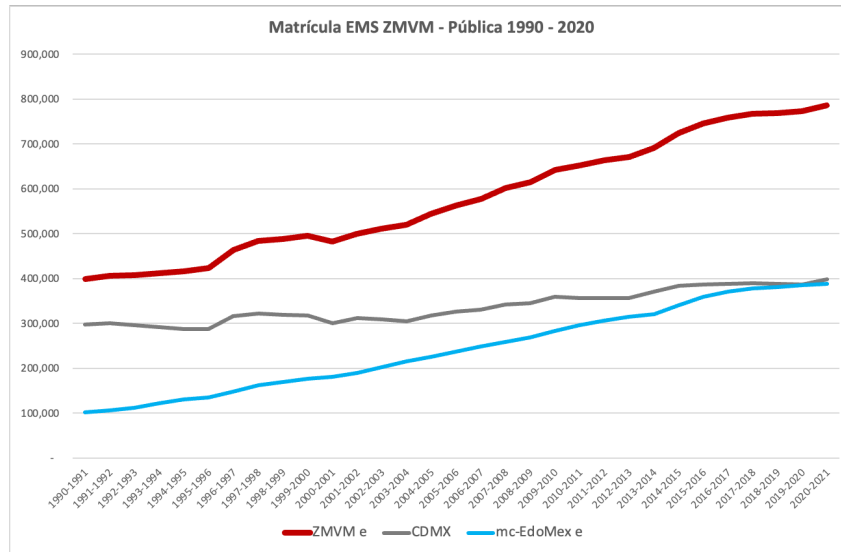


Source: Own elaboration with source data: SEP. Historical series of the national education system

Enrollment in public HSE institutions almost doubled in 30 years, between 1990 and 2020 (97%). In intermediate 10-year periods, it increased 21% between 1990 and 2000, 35% between 2000 and 2010, and 21% between 2010 and 2020.

Enrollment in public HSE institutions went from 399,000 in 1990 to 495,000 in 2000, to 652,000 in 2010 to reach 786,000 in 2020 (see Figure B).

Figure B. HSE enrollment in public institutions in MCMA 1990 - 2020.

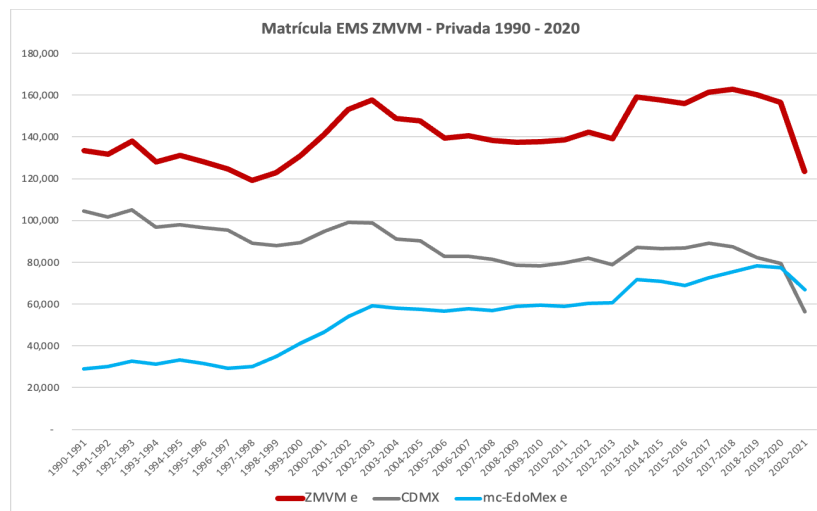


Source: Own elaboration with source data: SEP. Historical series of the national education system

Enrollment in private HSE institutions in MCMA decreased 8% between 1990 and 2020. Between 1990 and 2000 it increased 6%, between 2000 and 2010 it decreased 2% and between 2010 and 2020 it decreased 11%.

Enrollment in private HSE institutions in MCMA went from 133,000 young people in 1990 to 141,000 in 2000, dropped to 139,000 in 2010 and dropped again to 123,000 in 2020 (see Figure C).

Figure C. HSE enrollment in private institutions in MCMA 1990 - 2020.

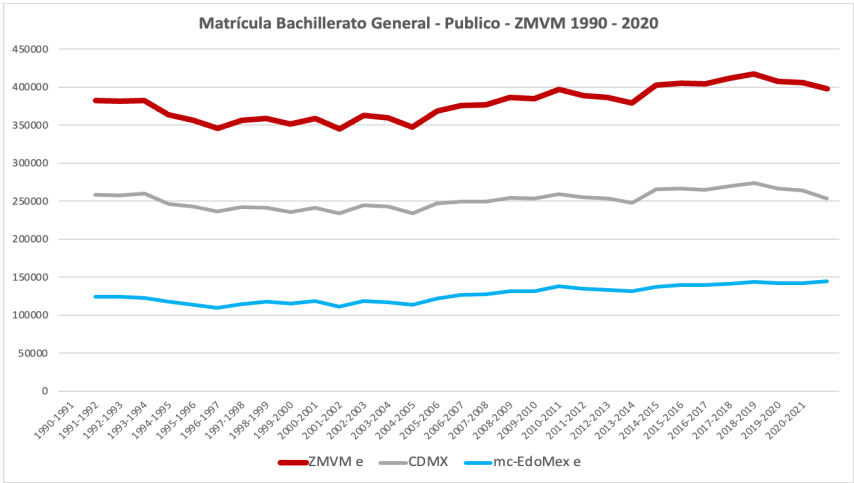


Source: Own elaboration with source data: SEP. Historical series of the national education system

Enrollment in the general public high school has been very stable, and only grew 4% in 30 years, between 1990 and 2020. Between 1990 and 2000 it decreased 10%, between 2000 and 2010 it recovered by increasing 13% and between 2010 and 2020 it increased 2%.

In quantity, enrollment dropped from 382,500 in 1990 to 345,000 in 2000, rose to 389,000 in 2010 and reached 397,000 in 2020 (see Figure D).

Figure D. Enrollment in general public high school in MCMA 1990 - 2020.

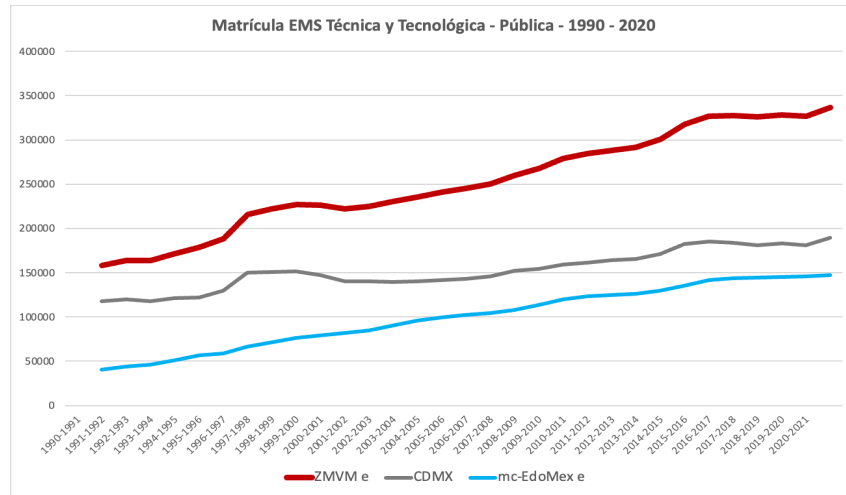


Source: Own elaboration with source data: SEP. Historical series of the national education system

On the other hand, public technological and technical high schools more than doubled their enrollment between 1990 and 2020: 113% more in 30 years. Between 1990 and 2000, they increased 40%, between 2000 and 2010 they increased 28% and between 2010 and 2020 the increase was 18%.

In quantity, enrollment in public technological and technical high schools went from 158,000 in 1990 to 222,000 in 2000, rose to 284,000 in 2010 and reached 336,500 in 2020 (see Figure E).

Figure E Public technological and technical HSE enrollment in MCMA 1990 - 2020



Source: Own elaboration with source data: SEP. Historical series of the national education system

College / Superior education enrollment

As a reference, college / superior education enrollment in the 2021-2022 school year in CDMX was 549,000 young people. And in the EdoMex there were 437,000. In the mc-EdoMex, we can estimate almost 300,000 students. In MCMA we can estimate 845,000 students in college / superior education.

By gender, in CDMX, 51% are women and in the EdoMex 53% are women.

By type of education, in CDMX, 87% of enrollment is at the undergraduate and technological level and 13% at the graduate level. In the State of Mexico, 95% of enrollment is at the undergraduate level and 5% at the graduate level.

By administration, in CDMX, 71% of college / superior education enrollment studies in public schools and 29% in private schools. In the State of Mexico, 62% of college / superior education enrollment attends public schools and 38% go to private.

Appendix 3. HSE graduates 18-20 years old: Transition and socioemotional skills.

In 2019, INEGI carried out the National Survey on Labor Market Insertion of High School Graduates - ENILEMS 2019.²³⁶ ENILEMS 2019 has a universe of 2.9 million youth between 18 and 20 years old who completed HSE. It does not consider 1.5 million youth who did not complete HSE or had a lower level in 2019.

Its main results are:

- 98% studied HSE in school-based modalities. Less than 2% studied mixed or non-school modalities.
- **38% studied technical or technological high school** and 62% studied general high school.
- 83% studied high school in public schools and 17% in private schools. 96% of those who studied in technical and technological high schools did so in public schools.
- More than a third, 36% chose the school based in proximity to home, 22% because of career or study of interest, 14% because of prestige or educational level. 7% because it was assigned to them, or they could not enroll at the school of their choice.
- **Almost half studied HSE without education grants (48%).** 30% got federal government grants, 12% state or municipal government grants, and the remaining 10% from other sources (private and others).
- 7% changed schools, 93% did not change.
- 61% did not participate in business linkage programs and professional internships. 34% participated through social service. 20% participated in professional practices, internships, and work experiences.²³⁷
- In technical and technological high school programs, there is more outreach. Even so, 28% of graduates did not participate in outreach programs. 62% participated through compulsory social service. **Only 46% of technical HSE students participated in professional practices, internships, and work experience activities.**

Regarding the transition to college / superior education, the data are very revealing: **66% of HSE graduates did not manage to enroll in higher education.** Only 33% were able to enroll in

²³⁶ All data in this Annex correspond to INEGI. National Survey of Labor Market Insertion of High School Graduates - ENILEMS 2019. Basic tabulations. Available at <https://www.inegi.org.mx/programas/enilems/2019/#tabulados>

²³⁷ It does not add up to 100% because you can participate in more than one way.

higher education, although 45% attempted to do so. Only 28% are still enrolled in higher education (2-3 years after graduation).

Regarding the employment situation, the data are also interesting:

- 22% of graduates lacked work experience. 5% had experience before starting HSE, 15% had experience during HSE and 58% had experience at the end of HSE.
- 42% had no job after finishing HSE, 35% have had one job and 23% have had two or more jobs.

Of the subset that had their first work experience upon completion of HSE (58% of the total number of HSE graduates):

- 57% looked for a job for less than one month, 33% were offered a job and did not look for it, and 8% looked for more than one month.
- 32% required the high school diploma, 54% did not required level of studies and 12% required only a primary or secondary school.
- 47% had a salary of less than 3,000 pesos per month when they started working.²³⁸
- 40% worked a full day (35 to 48 hours per week), 38% worked less than 35 hours and 22% worked more than 48 hours.
- 60% found out about the job from a family member, friend, or acquaintance. 26% through an advertisement in a public place, at the workplace, or on the Internet. And only 1% through social service, professional practices, or internships.
- 21% worked as merchants, salesclerks or sales agents, 19% in elementary or support activities, 15% as assistants in administrative activities, 13% in personal services or security, 11% as professionals and technicians.
- 65% worked in micro or small economic units (1 to 15 people), 12% in small (15 to 50 people), 15% in medium and large (more than 50 people).
- 58% worked with benefits and 42% without benefits.
- 62% lack affiliation to occupational health services through social security.
- 55% work other days of the week or without regular working days, 27% from Monday to Friday, 5% only on weekends and 12% every day.

²³⁸ The cost of two basic baskets at the end of 2019 was 7,037 pesos. One basic basket cost just over 3,500 pesos per month.

- 75% have morning shifts, 19% have mixed or more shifts and 6% work at night.
- 25% say that the skills acquired in HSE were not useful for their work, 18% say little useful, 27% say they were more or less useful, and 31% say they were very useful.
- 35% consider the most valued aspect of the job is the experience gained or the possibility of advancement, 28% the salary, working hours or relationship with studies, and 27% the work environment or stability.
- 56% no longer continue in their first job.
- The average monthly income in the first job was 3,542 pesos per month. The average of income decile V was less than 3,123 pesos per month. The average of the highest decile (decile X) was 8,066 pesos.

Among those who had no work experience at the end of high school, 88% did not look for a job.

The ENILEMS also offers information on reported attitudes and socioemotional skills:

- 39% report low degree of teamwork competence and 28% a high degree.
- 34% report a low degree of service attitude and 35% a high degree.
- 48% with low degree of negotiation skills and 20% with high degree.
- 43% with low degree of decision-making competence and 25% with high degree.
- 36% with low tolerance to frustration and 49% with high tolerance.

Regarding personal characteristics, they report:

- 47% have obsessive episodes.
- 59% feel discouraged (without motivation).
- 37% have attention deficit
- 93% is dedicated
- 48% recognize they lack objectives
- 50% is distracted
- 75% is diligent
- 93% of them make an effort

This study - the second of its kind - offers valuable information to understand the dynamics of transition and to identify challenges and needs to be addressed in the education system, as well as in training and other non-school or non-formal education modalities.

Appendix 4. Right to Decent Work and its main standards

Decent Work is the concept referred to the human right to work. The norms, parameters and conditions established in the International Human Rights Treaties, as well as the in the Mexican Constitution are its content.

In Spanish we adopt the concept "*trabajo digno*" as the exact equivalent of the concept of "decent work".

The Universal Declaration of Human Rights (UN 1948), in art. 23 establishes (quote):

1. *Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.*
2. *Everyone, without any discrimination, has the right to equal pay for equal work.*
3. *Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.*
4. *Everyone has the right to form and to join trade unions for the protection of his interests.*

And art. 24 adds:

"Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay."

All international human rights treaties abound in this founding formulation. In particular, the International Covenant on Economic, Social and Cultural Rights - ICESCR (UN 1966) in art. 7 states:

"The States Parties to the present Covenant recognize the right of everyone to the enjoyment of just and favourable conditions of work which ensure, in particular:

(a) Remuneration which provides all workers, as a minimum, with:

(i) Fair wages and equal remuneration for work of equal value without distinction of any kind, in particular women being guaranteed conditions of work not inferior to those enjoyed by men, with equal pay for equal work;

(ii) A decent living for themselves and their families in accordance with the provisions of the present Covenant;

(b) Safe and healthy working conditions;

(c) Equal opportunity for everyone to be promoted in his employment to an appropriate higher level, subject to no considerations other than those of seniority and competence;

(d) Rest, leisure and reasonable limitation of working hours and periodic holidays with pay, as well as remuneration for public holidays."

And Article 8 of the same ICESCR establishes the right to freedom of association and the right to strike.

These texts are relevant, since Article 1 of our Constitution establishes that the human rights norms in treaties to which the Mexican State is a party are norms in force in our country.

In Mexico's Federal Labor Law, Art. 2 defines decent work:

"Decent work is understood as work in which the human dignity of the worker is fully respected; there is no discrimination based on ethnic or national origin, gender, age, disability, social status, health conditions, religion, migratory status, opinions, sexual preferences or marital status; there is access to social security and a remunerative salary; continuous training is received to increase productivity with shared benefits; and there are optimal health and safety conditions to prevent occupational hazards.

Decent work also includes unrestricted respect for the collective rights of workers, such as freedom of association, autonomy, the right to strike and collective negotiation.

The substantive or de facto equality of male and female workers vis-à-vis the employer is protected.

Substantive equality is achieved by eliminating discrimination against women that impairs or nullifies the recognition, enjoyment or exercise of their human rights and fundamental freedoms in the workplace. It entails access to the same opportunities, considering the biological, social and cultural differences of women and men."

Article 123 of the Constitution establishes a very broad set of norms related to labor rights, in summary:

"The right of every person to choose a dignified and socially useful job; to have a sufficient salary to satisfy the normal needs of a head of family in the material, social and cultural order.

In addition, work must have the following conditions:

The maximum daily workday shall be eight hours during the day and seven hours at night. The maximum working hours per week are 48.

The working day may be increased in an extraordinary manner, but may not exceed three hours per day, nor three consecutive times. The salary for these hours shall be double the normal hours.

The maximum working day for minors under sixteen years of age shall be six hours. The prohibition of work for minors under 15 years of age.

Right to have one day off with pay for every six days of work.

Entitlement to 12 days of vacation for the first year of employment, 2 more days each year, and up to 20 days as of the 5th year of employment.

The right to equal pay for equal work, regardless of sex or nationality.

The right of women during pregnancy to enjoy 6 weeks of rest prior to childbirth and six weeks after childbirth, with full pay, and to keep their jobs and other rights they have due to the employment relationship.²³⁹ During the breastfeeding period, they will have two extraordinary breaks per day, of half an hour each, to feed their children.

The right to participate in the profits of the companies, which does not imply that they can intervene in the management or administration of the companies.²⁴⁰

The right of workers to receive on-the-job training from their employers.²⁴¹

Companies are obligated to provide workers with comfortable and hygienic living quarters. This obligation will be fulfilled through contributions made by employers to a national housing fund and to establish a financing system so that workers can acquire affordable and sufficient credits to acquire a house.

The right to the payment of the corresponding compensation by employers in the case of accidents and illnesses suffered during the exercise of the profession or work they carry out.

The right to safe and hygienic facilities.

The right to associate for the defense of their interests in unions, professional or other associations.

Right to strike and work stoppages.

Right to receive compensation in the event of dismissal without just cause or for being part of a union, association or participating in a strike.²⁴²

²³⁹ The salary payment during maternity leave is covered by "maternity insurance" which is part of "social security". See Appendix 6 on social security in Mexico.

²⁴⁰ The "profit sharing" is annual and currently corresponds to 10% of the net profit of the previous year, which is paid no later than May 31 of the following year.

²⁴¹ The Federal Labor Law establishes that the obligation applies to companies with more than 50 employees. In other words, only medium and large companies are required to comply.

²⁴² Citizen Action Facing Poverty (2018). Human Rights and Poverty. Políticas públicas frente a la pobreza con la perspectiva de derechos del art. 1º constitucional". Published by the National Human Rights Commission, pp. 41-42. Available at <https://www.cndh.org.mx/documento/estudio-derechos-humanos-y-pobreza-politicas-publicas-frente-la-pobreza-con-la>

Appendix 5. What is the minimum wage (SM) in Mexico and how is it set?

The minimum wage (SM) is part of the norms of the right to decent work and is established in the Constitution (art. 123).

The constitutional text establishes that there are general minimum wages and professional minimum wages. General minimum wages (SMG) apply to a geographic area. Professional minimum wages apply to sectors, branches, trades, or activities.

The SMG must be sufficient for the "normal material, social and cultural needs of a head of household and to provide for the compulsory education of his or her children".

The Constitution establishes that the National Minimum Wage Commission – *Comisión Nacional de Salarios Mínimos* – CONASAMI is the authority that sets minimum wages (general and professional). Conasami is a tripartite agency, with the participation of employers, unions and government, as governing board.

The Federal Labor Law regulates the operation of CONASAMI, its composition and establishes the annual periodicity for setting the minimum wages. For decades, CONASAMI has approved the new general and professional salaries in the first days of December, valid for the next year.

Between 1963 and 1986 SM were set by regional commissions. Starting in 1986, a single National Commission was created that established only 3 geographic areas, in 2012 were reduced to 2 geographic areas and in 2015 were merged and the whole country became a single geographic area with a unique SMG. As of 2019, two areas were created again: the border strip with 44 municipalities in 5 states and the "rest of the country" with more than 2,400 municipalities, in 31 states.

The general minimum wage (SMG) had its highest real value in 1976. From that moment on, it gradually lost 70% of its value until 1994. SMG remained stagnant without significant change between 1995 and 2015. In 2016 for the first time, it had an adjustment higher than inflation and began its gradual recovery. Starting in 2019, it begins a period of steady increase to recover value. In 2024, it accumulates more than 100% increase in real terms.

In 2024, the SMG is 250 pesos per day (248.93 in exact amount). In round numbers that is 7,500 pesos per month. The SM in the border is 375 pesos per day (374.89 in exact amount). In round numbers it is 11,250 pesos per month. A big difference without solid justification.

The current cost of the basic basket that sets the poverty line threshold is 4,530 pesos per month in urban areas. The SMG is 1,500 pesos per month short of covering the cost of two basic baskets, 9,060 pesos. The SM on the border has already exceeded that threshold since 2022.

Appendix 6 What does social security in Mexico include and how does it relate to labor?

Article 123 of the Constitution, referring to labor and labor rights, establishes in section XXIX, that the Social Security Law is of public utility and that it "shall include disability, old age, life, involuntary termination of employment, illness and accident insurance, childcare services and any other insurance aimed at the protection and welfare of workers, peasants, non-wage earners and other social sectors and their families".

Section XII of Article 123 of the Constitution also establishes the obligation of companies to provide housing for their workers. This obligation is fulfilled with contributions to a Housing Fund. For private sector workers, this is the Instituto del Fondo de Vivienda para los Trabajadores - INFONAVIT.

The Social Security Law establishes that all subordinate salaried workers are subject to insurance, regardless of the type of economic unit or its legal status or even without it (art. 12). It establishes the obligation of employers to register themselves (as employer, person or firm) and register their workers in the Mexican Social Security Institute – *Instituto Mexicano del Seguro Social* - IMSS and to pay social security contributions (art. 15).²⁴³

The Social Security mandatory regime consists of 5 insurances that establish services and benefits in cash and in kind (art. 11):²⁴⁴

- i) Occupational Risks. Offers two protections: a) Medical assistance with full coverage (preventive, surgical, pharmaceutical, rehabilitation and hospitalization) and b) 100% of the salary as long as the incapacity to work ("*incapacidad*") is maintained.
- ii) Illness and maternity: With two protections: a) Medical assistance with full coverage for the affiliated person and his/her direct family and b) payment of salary in case of illness of the working person, and for 3 months in case of maternity of the working woman.

²⁴³ Members of cooperative societies, domestic workers and others that the Government may determine by decree are also subject to insurance under the mandatory regime (Article 12). In the compulsory system, which includes the five insurance policies, the following may also be voluntarily affiliated: workers in "family industries" and independent workers and other non-salaried workers; ejidatarios, communal farmers, settlers and small landowners; employers who are individuals with insured workers; workers in the service of government entities (federal, state or municipal), who are not covered by other laws or decrees. Agreements are established for voluntary affiliation (Art. 13).

²⁴⁴ This is a summary without details, requirements and casuistry based on Annex A. Benefits and sources of financing of the IMSS insurance regimes, of the Report to the Federal Executive and the Congress of the Union on the financial situation and risks of the IMSS 2018-2019, Table A2. p. 358. Available at <https://www.imss.gob.mx/sites/all/statics/pdf/informes/20182019/22-Anexos.pdf>

- iii) Disability and life. There are also two protections: a) Medical assistance with full coverage and b) temporary or definitive pension, for an amount determined according to the Law and regulations. In case of death of the worker, the pension is given to the spouse or minor children (orphan). It also includes assistance for funeral expenses.
- iv) Retirement, severance, and old age. For persons retired or pensioned by the IMSS (covered before the 1997 reform), there are two protections: a) Medical assistance with full coverage and b) lifetime retirement pension, according to salary of the last 5 years, weeks contributed and age. For retirees or pensioners covered after the 1997 reform: Guaranteed minimum pension for those who do not reach the minimum contribution. And pension with funds from their Retirement Funds Administrator - Administradora de Fondos para el Retiro - AFORE, if they reach the minimum. Medical service is maintained only for retired persons with at least 1,250 weeks of contributions.
- v) Daycare centers and social benefits. Daycare services for children of working mothers, subject to availability of supply (see coverage in the section on IMSS in section I, paragraph 144).

IMSS owns also sports centers, theaters, vacation centers, training programs and others that are offered at a differentiated cost for affiliated persons.

Employer contributions paid by the employer to the IMSS represent between 25% and 30% of the employee's salary. They are paid monthly. IMSS inspection is one of the strictest and most opportune in the country.

In addition to the "social security" itself, the social contribution scheme also includes the contribution of 5% of the salary to the Workers' Housing Fund Institute - *Instituto del Fondo para la Vivienda de los Trabajadores* - Infonavit.

Conceptually, social security in Mexico for people with formal jobs includes:

- Access to health services at IMSS medical units
- Access to day care for children under 5 years of age of working mothers, if space is available (the option for fathers is about to be included as well).
- Compulsory retirement savings
- Retirement pensions for those who retire under the regime prior to the 1997 reform
- Pension (equivalent to salary) in case of maternity, illness, accident, disability or other factors that render the employee temporarily or permanently unable to work.
- Access to credits to remodel or buy a home (combines well with bank mortgages).

- Other economic benefits in case of death or maternity.

Voluntary insurance is available to the entire population and for a fee allows access to medical services in IMSS units.

The federal government covers the voluntary insurance fee for HSE and college / superior education students in public institutions, as well as for active trainees in the JCF program. This gives them access to medical services at IMSS health facilities.

Appendix 7. Labor informality. Definitions and categories for statistical measurement

Labor informality affects more than half of the employed population at the national level, consistently since there are comparable data (2005 - I).

In MCMA, the labor informality rate is 49.5%. And for young people 15-29 in MCMA it is 59%.

The definition of "labor informality" used by INEGI is based on international parameters agreed at ILO statistical committee. Informality refers to a diverse set of occupations without labor rights.

In statistics, "labor informality" has two main identification criteria. The first are workers in the informal sector. The informal sector is formed by economic units that produce goods or services for the market, from household resources and without keeping accounting records. All persons employed in these units are deemed informal.

The second set are economic units -registered or not- that do not comply with the basic labor rights, particularly mandatory social security affiliation. These are "informal jobs" because there is a employer (person or firm). These jobs include the peasant economy that sells part of its production to the market, paid work in households and other jobs without social security affiliation.

For labor informality statistics, INEGI applies the international standard known as the "Hussmans Matrix", derived from the ILO's Statistical Commission (CEIT). The "Matrix" presents the possible situations, considering both "economic units" in the informal sector and "informal jobs" in other economic units.

In Mexico, at the national level, both sets produce half of the informal work. Employment in the informal sector consistently accounts for half of all informal work.

For purposes of communication, we prefer to say "precarious labor", since "informality" is perceived only as people with street jobs ("changarros"). In business and economic analysis media "informality" is frequently perceived as "tax evaders".

Therefore we prefer to use the data referring to "population without social security affiliation", which is equivalent to the specific criteria of working without labor rights and specifically without social security. Precarious work is conceptually clearer. The results in statistics are very similar. It shows that 99.9% of those who are self-employed lack social security, and also more than 40% of those who have employment: subordinate and salaried work, also lack compulsory social security affiliation.

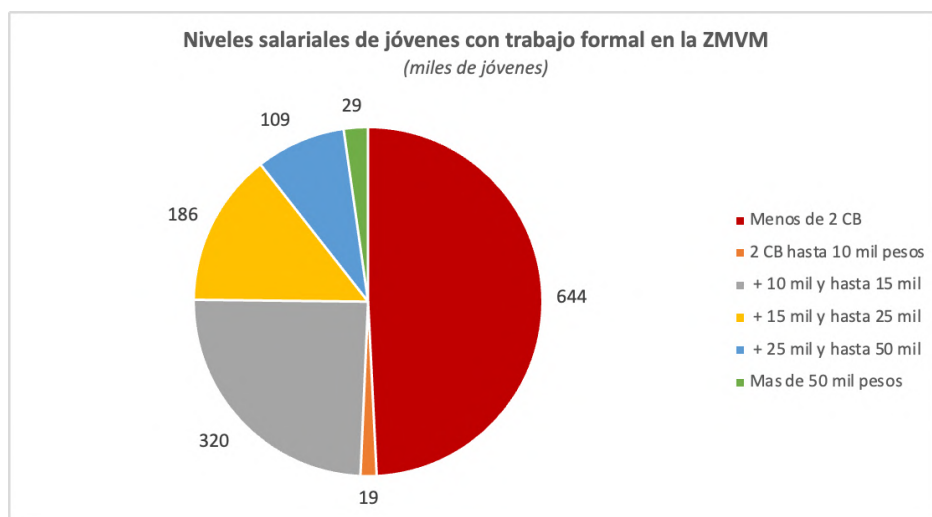
In any case, as the ILO rightly explains, the size of informal works shows the deficit of decent work.

Appendix 8. Wage Levels in Formal Jobs ²⁴⁵

IMSS data provide information on the wage levels of formal jobs, both by size of the EU and by the economic sector where most young people work in MCMA. ²⁴⁶

In MCMA, 644,000 young people, half of the 1.3 million young people with formal jobs registered in IMSS, do not have a sufficient salary (49%). ²⁴⁷ A quarter, 340,000 young people, earn more than enough for 2 basic baskets and up to 15,000 pesos per month. Less than a fifth, 220,000 young people, earn more than 15,000 and up to 30,000 pesos (17%). And only 1 in 12, 104,000 young people, earn more than 30,000 pesos (8%).

Figure F. Wage level for youth with formal work in MCMA



Source: Own elaboration with data from IMSS Open Data. Database of registered jobs in September 2023.
Note: CB = Basic basket

Contrary to popular belief, almost half who lack sufficient salary to overcome the wage poverty threshold, 283,000 work in big companies (44% of the total without sufficient salary).

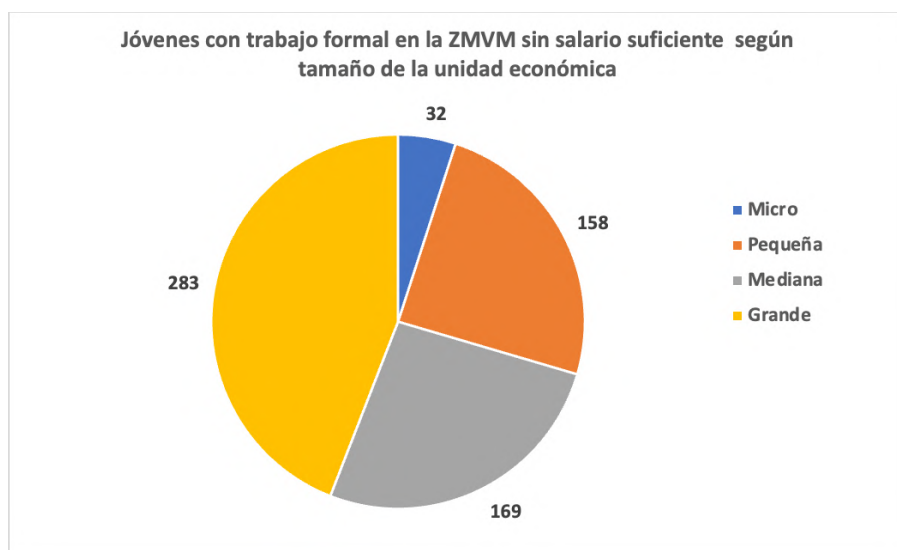
32,000 work without sufficient salary in micro economic units - UE (0 to 5 people), 158,000 (25% of the total without sufficient salary) work in small UE, and 169,000 (26% of the total without sufficient salary) in the medium-sized UE (see figure G)

²⁴⁵ The source of data in this section is IMSS. Open Data. Database of registered jobs as of September 30, 2023.

²⁴⁶ See data of youth in formal jobs by sector and size of economic unit (UE) in section Part I. Section 2: Structural barriers for opportunity youth. E. Working in precarious conditions. "Labor market composition".

²⁴⁷ See the explanation of the sufficient salary threshold in note 77.

Figure G. Youth with formal jobs without sufficient salary by size of economic unit (UE)



Source: Own elaboration with data from IMSS Open Data. Database of registered jobs in September 2023

By economic sector and only considering the 16 sectors that concentrate $\frac{3}{4}$ of young people with formal jobs, there are 3 sectors that have more than $\frac{2}{3}$ of their young personnel with poverty wages: preparation and service of food and beverages (80% of young personnel lack sufficient wages), personal services for the home and miscellaneous (80%), and work performed by specialized contractors (68%).

In terms of the number of young people in formal jobs without sufficient wages, "professional and technical services: 118,000 young people (48% of young people in these jobs do not have sufficient wages), food and services preparation: 66,000 young people (80%), self-service and specialized stores (department stores): 42,000 young people (58%), construction: 40,500 young people (47%).

Table A. Youth with formal employment without sufficient salary (16 economic branches with the highest number of young people)

Economic branches	% of youth workers without sufficient salary	Quantity without sufficient salary
Food and beverage preparation and service (Restaurants)	80%	65,739
Personal home and miscellaneous services	80%	29,722
Work performed by specialized contractors	68%	17,622

Commerce in self-service stores and specialized department stores (e.g. supermarkets and retail)	58%	42,366
Commerce of raw materials, materials and auxiliary materials	56%	14,334
Commerce of clothing and other personal use items	54%	36,722
Ground transportation	54%	15,226
Food manufacturing	54%	24,774
Commerce of food, beverages and tobacco products	51%	23,247
Services related to transportation in general	49%	29,908
Professional and technical services	48%	117,916
Construction	47%	40,537
Commerce of household goods	41%	13,510
Commerce of machinery, equipment, instruments, tools, spare parts, and accessories	39%	17,263
Medical, social assistance and veterinary services	38%	11,469
Financial and insurance services (banks, finance companies, insurance companies, etc.)	10%	6,502
Subtotal 16 branches	51%	506,857

As a guide to the branches with better conditions, by proportion and quantity, if we consider the bracket of salaries between 15,000 and 30,000 pesos: the financial sector (banks, insurance companies) has 39% of its young personnel in that range, almost 26,000 young people and "only" 10% without sufficient salary.

Construction has 27% of young people with this salary level, more than 23,000 young people, although it also has 47% without sufficient salary.

And the "purchase and sale of household goods" trade sector has 22% of its personnel in this salary range, more than 7,000 young people.

Appendix 9. Introduction to the federal budget - PEF

The Federal Expenditure Budget - *Presupuesto de Egresos de la Federación* - PEF is the legislative act that authorizes the Federal Public Administration to exercise the State's resources during the year. Its approval is the exclusive power of the Chamber of Representatives - *Diputados*. It has an annual validity, in a period equal to the calendar year: from January 1 to December 31.

The regulatory framework of the budget is the Budget and Fiscal Responsibility Law. Each year the PEF includes a Decree with regulatory articles²⁴⁸ and the amounts approved for each branch and budget program.²⁴⁹

The PEF approval cycle has deadlines established by law:

1. April 1. Government submits "Pre general economic policy criteria". It establishes the economic and budget framework forecasts of the PEF project for the following year.
2. June 30. Government submits "Programmatic Structure" for the next year's PEF project. It establishes the Funding Streams - *Programas Presupuestarios* - PP authorized for the next year budget
3. September 8. Government delivers the Economic Package - *Paquete Económico*. The Economic Package includes four documents: 1) General Criteria of Economic Policy. 2) Fiscal Miscellaneous Rules (Taxes and such). 3) Federal Revenue Law Initiative for the following year. 4) Federal Expenditure Budget Initiative (PPEF) for the following year.
4. October 20 and 31. Approval of the Federal Revenue Law in the Chambers of Representatives and Senators (respectively).
5. November 15. Approval of the Federal Expenditure Budget in the Chamber of Representatives.

²⁴⁸ The PEF 2024 Decree includes 39 articles (36 pages of text), 14 "transitional provisions" (3 pages of text) and 34 "Annexes" which are tables of budgetary and regulatory information (108 pages of text). Annex 23 alone, destined to define the limits of public servants' "remunerations", occupies more than 90 pages of tables.

²⁴⁹ The Ministry of Finance and Public Credit publishes each year a "site" to consult all the information on the PEF. The PEF 2024 is available at <https://www.pef.hacienda.gob.mx/es/PEF2024/home>. And access to all the documents of the Economic Packages from 2000 to date, including the General Criteria, the Federal Revenue Law and the PEF, for each year, can be accessed at <https://www.finanzaspublicas.hacienda.gob.mx/es/Finanzas Publicas/Paquete Economico y Presupuesto>.

The PEF is formally structured in volumes and branches ("*Ramos*"). The volumes "group" the information according to the provisions of the law. PEF 2024 includes 9 volumes.²⁵⁰

The PEF is subdivided into two large budget "pockets": Programmable Spending and Non-Programmable Spending. Programmable Spending supports the operation of activities carried out by the Federal Government. Non-Programmable Spending is destined to the fulfillment of obligations and expenditures determined by law, such as the payment of debt, contributions to states and municipalities or pending expenses from previous years.

Spending is allocated through Ramos and Budget Programs – Funding Streams (PP). Each Budget Program (PP) corresponds to a "Ramo" and is assigned to an Executing Unit, which is part of a Secretary or government agency. Each PP allocates a budget amount.

The Ramos are the organizational structure of PEF spending. There are Administrative, Autonomous and General *Ramos*.²⁵¹ There are currently 26 Administrative *Ramos*, identified by a number and a name. Each Secretary of the Federal Government constitutes an Administrative *Ramo*. For example: *Ramo* 14 Labor and Social Security corresponds to the STPS and *Ramo* 11 Public Education to SEP.

There are 8 Autonomous *Ramos*. Branch 01 is the Legislative Branch. Branch 03 is the Judicial Branch.²⁵²

There are 8 General Ramos, which constitute allocations and funds for transfers to the states, debt payment and provision funds. The PEF's participations and contributions to states and municipalities are channeled into Ramos 28 (Participaciones) and 33 (Aportaciones). Branch 25 allocates the education budget for CDMX (which is funded directly by the Federal Government).

In PEF 2024 there are 867 Budgetary Programs (PP). Of these, 571 correspond to the Administrative Ramos. The remaining ones are allocated in the Autonomous Ramos (88), General Ramos (112), Direct Control Entities (47) and State Productive Companies (49).

²⁵⁰ The 9 volumes of the PEF 2024 are I. Global and Specific Information. II. Autonomous Ramos. III. Administrative Ramos. IV. General Ramos. V. Direct Control Entities. VI. Indirect Control Entities. VII. State Productive Enterprises. VIII. Investment Programs and Projects. IX. Analytic of positions and remunerations.

²⁵¹ The PEF also includes budgetary provisions and amounts allocated to "Direct Control Entities" of the State: IMSS and ISSSTE. The PEF also includes budget provisions and amounts allocated to "Indirect Control Entities", which are more than 100, and to "State Productive Companies", which are two: CFE and PEMEX.

²⁵² The other Autonomous Ramos are: the National Electoral Institute – INE (Branch 22), the National Human Rights Commission – CNDH (Branch 35), the Federal Economic Competition Commission – COFECE (Branch 41), the Federal Telecommunications Institute – IFT (Branch 43), the National Institute of Transparency, Access to Public Governmental Information and Protection of Personal Data – INAI (Branch 44) and the Attorney General's Office (Branch 49).

The Performance Evaluation System defines which Budget Programs - PP are subject to evaluation. The PPs subject to performance evaluation assume an institutional "Mission" derived from the attributions and responsibilities assigned by the Organic Law to each agency and entity. An objective, which must be directly aligned with the National Development Plan (PND) and/or to Sector Programs. A quantitative goal, which defines the progress in the fulfillment of the objective. A set of performance indicators, derived from a Results Indicator Matrix (MIR), built with the Logical Framework methodology. And finally, an Executing Unit, which is an administrative unit attached to a government Secretary or agency.

Budget accounting divides spending into 3 major purposes: Governance, Social Development and Economic Development. These 3 purposes are subdivided into 24 functions and 101 sub-functions.

Purpose 1 Governance is subdivided into 8 functions and 29 subfunctions.

Purpose 2 Social Development is subdivided into 7 functions and 38 subfunctions – sf²⁵³ : 2.1 Environmental Protection (6 sf). 2.2 Housing and community services (7 sf). 2.3 Health (5 sf). 2.4 Recreation, culture and other social manifestations (4 sf). 2.5 Education (6 sf). 2.6 Social protection (9 sf). 2.7 Other social affairs (1 sf).

Purpose 3. Economic Development is subdivided into 9 functions and 33 subfunctions.

By their "object" of expenditure, budget is allocated in "chapters" and "concepts" of expenditure²⁵⁴.

The PEF documents allow information to be consulted by administrative classification: Branch and Executing Unit. By its functional classification (purpose, function and subfunction). And by economic classification (classification of spending by destination (current and investment spending) and by purpose (personnel, materials, subsidies, etc.). And it also allows to know different crossings of these classifications. All these available information in PDF versions.

The PPs also have different "modalities", the most relevant for the purpose of our analysis are the PPs modality "E" Public Services Provision (e.g. education or health services), modality "S"

²⁵³ sf refers to "subfunctions".

²⁵⁴ The expenditure chapters according to the "Classification by Object of Expenditure" are Chapter 1000 – Personnel (Salaries, benefits, social security contributions for government workers and such) . Chapter 2000 – Materials and Supplies. Chapter 3000 – General Services. Chapter 4000 – Transfers, Allocations, Subsidies and Other Aid. Chapter 5000 – Movable, Immovable and Intangible Goods. Chapter 6000 – Public Investment. Chapter 7000 – Financial Investments and Other Provisions. Chapter 8000 – Participations and Contributions. Chapter 9000 – Public Debt. Available at https://www.gob.mx/cms/uploads/attachment/file/344041/Clasificador_por_Objeto_del_Gasto_para_la_Administracion_Publica_Federal.pdf

Subsidies subject to operating rules (e.g. JCF or BBJ EMS grants) and modality "U" Other subsidies.

An overview of PEF 2024

The total amount of public spending in the PEF 2024 is 9.066 billion pesos (*530 billion USD*).²⁵⁵ And for the first time in the six-year term, it includes a debt deficit of 1.7 billion pesos (*99 billion USD*).²⁵⁶

Programmable Spending represents 71% of total spending, with an amount of 6.495 billion pesos (*380 billion USD*) and Non-programmable Spending is 29%, with an amount of 2.454 billion pesos (*143 billion USD*).

In Programmable Spending, by economic classification of spending, Current Spending amounts to 3.883 billion pesos (*227 billion USD*). Of which, 1.75 billion pesos are personnel expenses (*102 billion USD*). 1 billion pesos are subsidies (*59 billion USD*) and 1.1 billion pesos are other operating expenses (*66 billion USD*). Pensions, which are also current spending, total 1.5 billion pesos (*88 billion USD*). Investment budget is 1.1 billion pesos (*65 billion USD*).²⁵⁷

In Programmable Spending, by type of expenditure, federal public spending has a budget of 5.3 billion pesos (*313 billion USD*), which is 85% of the total. While budget decentralized directly to states and municipalities execution ("federalized" spending), has a budget of 980,000 million pesos (*57 billion USD*), the remaining 15%.

By group of modalities, the performance of functions (provision and delivery of services, planning and evaluation, investment, among others) have a budget of 2.5 billion pesos, which is 47% of the budget (*147 billion USD*). Retirement pensions and social security contributions have 1.5 billion pesos, 28%, of federal spending (*87 billion USD*). And subsidies account for 1 pesos, 19% of the budget (*61 billion USD*). The remaining administrative modalities and commitments total 312,000 million pesos, the remaining 6% of federal spending (*18 billion USD*).

²⁵⁵ In 2024 budget data, all amounts are rounded to billions of pesos and an exchange rate of 17.10 pesos per dollar is used, according to the "Main indicators of the 2023 - 2024 macroeconomic framework" of the General Economic Policy Criteria. Important note, in English "*billions*" refers to 9 zeros, while in Spanish, billions refers to millions of millions (12 zeros). We use billion pesos por 12 zeros, and 1,000 million pesos for 9 zeros.

²⁵⁶ Art. 1 of the PEF 2024 Decree. Note: USD refers to "*US dollars*".

²⁵⁷ PEF 2024. Administrative Economic Analysis of Programmable Expenditures. Available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/tomo_1/tomo_1_i09.pdf

By classification, the Administrative Ramos are allocated 2.2 billion pesos (*129 billion USD*), the General Ramos have 2.7 billion pesos (*156 billion USD*), and the Autonomous Ramos have 170,000 million pesos (*10 billion USD*).²⁵⁸

By purpose, the budget for Governance is 541,000 million pesos (*32 billion USD*), for Social Development it is 4.4 billion pesos (*257 billion USD*) and for Economic Development it is 1.6 billion pesos (*92 billion USD*).²⁵⁹

In Governance purpose, the functions with the largest budget are:

- Homeland Security, with 150,000 million pesos, 28% of the governance budget (*8.8 billion USD*).
- Justice, with 132,000 million pesos, represents 24% (*7.7 billion USD*).
- Public Order and Internal Security Affairs, with 86,000 million pesos, is 16% (*5 billion USD*).
- Finance and Fiscal Affairs with 80,000 million pesos, is 15% (*4.7 billion USD*).
- Four other functions (Government Policy Coordination, Legislation, Other General Services and External Relations) together account for 93,000 million pesos, the remaining 17% (*5.4 billion USD*).

In Social Development (SD), the functions with the largest budgets are:

- Social Protection, with 2.06 billion pesos, takes 47%, almost half, of Social Development (SD) budget (*120.6 billion USD*).
- Education, with 995,000 million pesos represents 23% of SD budget (*58.2 billion USD*)
- Health, with US\$962,000 million, accounts for 22% (*US\$56.3 billion*).
- Housing, with 333,000 million pesos, occupies 8% (*19.5 billion USD*)

²⁵⁸ The remainder is allocated to directly controlled entities and productive enterprises. The overall amounts and these two large itHSE require netting for subsidies and ISSSTE payments. Source: PEF 2024. Economic Administrative Analysis of Programmable Expenditure by Destination of Expenditure. Available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/tomo_1/tomo_1_i10.pdf

²⁵⁹ PEF 2024. Administrative Analysis of Programmable Expenditures by Functional Group. Available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/tomo_1/tomo_1_i11.pdf

- Three other functions ("Recreation, Culture and Other Social Events", Environmental Protection, and Other Social Affairs), together account for 43,000 million pesos, less than 1% (2.5 billion USD).

In Economic Development, the functions with the largest budgets are:

- Fuels and Energies, with 1.1 billion pesos, which represents 71% of total spending for Economic Development (64.4 billion USD).
- Transportation, with 212,000 million pesos is 14% (13.6 billion USD)
- Agriculture, with 90,000 million pesos, which is 6% (5.3 billion USD)
- Six other functions (Trade and Labor Affairs, Science, Technology and Innovation, Other Industries and other economic affairs, Communications, Tourism, and Mining, Manufacturing and Construction) together account for 154,000 million pesos, which is the remaining 9% (9 billion USD).²⁶⁰

To finalize this overview of the budget, we focus on the function with the largest budget: Social Protection.

In the Social Protection function, with 2.06 billion pesos, which represents 42% of the Social Development purpose, the biggest budget is for pensions and retirement, with 1.4 billion pesos, which is 69% of the function's budget (83 billion USD).²⁶¹ The other relevant item in size, are subsidies in the Welfare Secretary with 534,000 million pesos (31 billion USD), of which PP S176: Pension for the Welfare of the Elderly, takes 465,000 million pesos (27 billion USD), 87% of the total "welfare" subsidies.²⁶²

Therefore, the current administration budget is biased to senior citizens: 1.9 billion pesos are allocated for contributory pensions plus non-contributory pensions. Budget for "senior citizens" is equivalent to 91% of the Social Protection function, 43% of the Social Development purpose and 29% of total Programmable Expenditure. It is almost double the amount allocated to education.

²⁶⁰ The source of the budget by function is PEF 2024. Análisis Funcional Económico del Gasto Programable, available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/tomo_1/tomo_1_i12.pdf.

²⁶¹ Source: PEF 2024. Analysis of the functions and sub-functions of Programmable Expenditure by economic distribution, available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/tomo_1/tomo_1_i15.pdf.

²⁶² Source PEF 2024. Summary in economic classification by: Responsible Unit, Functional and PP. Ramo 20 Secretaría de Bienestar, available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/20/r20_reurgfpp.pdf.

Appendix 10. Education in PEF 2024

The budget for Education is 995,000 million pesos. It represents 23% of Social Development Purpose and 15% of Programmable Expenditure.

By executor, the budget of the Education function has an important part of decentralized spending, through Ramo 33: Almost half 502,000 million pesos are allocated to basic education services in the 31 states (*29.4 billion USD*). SEP has 405,000 pesos allocated to Education (*23.6 billion USD*). 12,000 billion pesos are executed in other Federal Secretaries: Agriculture, Army, Navy (*0.7 billion USD*).²⁶³ And in Ramo 25, 77,000 million pesos are allocated to education services in CDMX (*4.5 billion USD*).

By sub-functions, the Basic Education (primary and secondary) sub-function has 623,000 million pesos, 63% of the Education function (*36 billion USD*). High school Education has 141,000 million pesos, 14% of the function (*8 billion USD*). And College / Superior Education have 173,000 million pesos, 17% of the Education function (*10 billion USD*). Adult Education (literacy plus basic education), has 5,000 million pesos, which represents half a percentage point of the total function (0.5%). The rest corresponds to "Other educational services and inherent activities", with 54,000 million pesos, the remaining 5% of the budget for Education function (*3 billion USD*).²⁶⁴

By administrative and economic classification, Ramo 11 - SEP has a budget of 439,000 million pesos (*25.7 billion USD*). Of which 437,000 million pesos are Current Expense (*25.5 billion USD*) and 2,000 million pesos are Investment. In current spending, 138,500 million pesos correspond to Personnel Services (*8.1 billion USD*), 32,100 million pesos to Operating Expenses (*1.9 billion USD*), 260,100 million pesos to cash transfers (*15.2 billion USD*) and 6,200 million pesos to "other current spending" (*0.4 billion USD*).²⁶⁵

Ramo 25, which channels resources to the Federal Administration of Educational Services in CDMX has a budget of 82,500 million pesos, all of which is allocated for Current Expenses (*4.8 billion USD*). Of which, 80,800 million pesos are for Personnel (*4.7 billion USD*), 1,700 million

²⁶³ It was: PEF 2024. Analysis of the functions of Programmable Expenditure by Budgetary Branch or entity and by economic distribution. Available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/tomo_1/tomo_1_i17.pdf Note: The Military College, the Navy College and the Chapingo University are assigned to the Education function in these Ministries. On the other hand, the training of medical and health personnel is not classified in the Education function, but in the Health function.

²⁶⁴ Source: PEF 2024. Analysis of the functions and sub-functions of Programmable Expenditure by economic distribution.

²⁶⁵ Source: PEF 2024. Public Education. Análisis Funcional Programático Económico - AFPE, available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/11/r11_afpe.pdf.

pesos are operating expenses. In Branch 25, 199 million pesos are approved for "cash transfers" administered by the "Educational Services of the Federal Government" in CDMX.²⁶⁶

Branch 25 channels resources to educational services in CDMX for basic education, regular, technological, and adult education. Branch 25 does not include funds for HSE in CDMX.

Branch 33 allocates 526,000 million pesos to the Fund of Contributions for Education Payroll and Operating Expenses (FONE) for basic education services in the 31 states (*30.8 billion USD*). Of these, 506,000 million pesos are Current Expenditure (*29.6 billion USD*) and 20,000 million pesos are Investment (*1.2 billion USD*). In Current Spending, 462,000 million pesos are allocated to Personnel (*27 billion USD*) and 44,000 pesos to Operating Expenses (*2.6 billion USD*).

In the FONE, the State of Mexico has been allocated 49,000 million pesos (*2.9 billion USD*). Of which, 37 billion pesos correspond to Payroll (*2.1 billion USD*), 7,600 million pesos are a compensatory fund that only 7 entities receive and can also be used for personnel (*0.4 billion USD*), 3,600 million pesos are operating expenses (*0.2 billion USD*) and other current expenses are 768 million pesos.

Ramo 33 allocates other funds for Education. Funding for infrastructure and the Fund for Technological and Adult Education (FAETA). Infrastructure funds are allocated in the Multiple Contributions Fund (FAM), in two "sub-funds": Basic Education Infrastructure, with 12,800 million pesos (*0.7 billion USD*) and Infrastructure for HSE and college / superior Education, with 7,200 million pesos (*0.4 billion USD*). In these two sub-funds, the PEF does not define the distribution to the states.

The Fund for Technological Education has 5,800 million pesos (*300 million USD*) and the Fund for Adult Education has 3,600 million pesos (*200 million USD*). For the FAETA, the PEF does define the distribution to the states.²⁶⁷

Mexico State receives 997 million pesos for Technological Education (*58 million USD*) and 204 million pesos for Adult Education (*12 million USD*).

²⁶⁶ Source: PEF 2024. Provisions and Contributions for the Basic, Normal, Technological and Adult Education SystHSE (in the CDMX). Economic Summary Analysis by Expenditure Destination, available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/25/r25_redg.pdf and Functional Programmatic Economic Analysis available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/25/r25_afpe25.pdf.

²⁶⁷ Source: PEF 2024. Federal Contributions for Federal Entities and Municipalities. Functional Programmatic Economic Analysis - AFPE. Available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/33/r33_afpe33.pdf and Ramo 33. Summary by Subfund and Federal Entity, available at https://www.pef.hacienda.gob.mx/work/models/btrnZkyc/PEF2024/rpdngkxq/docs/33/r33_rsfef.pdf.

Appendix 11. Annex 17 of DPEF 2024

ANEXO 17. EROGACIONES PARA EL DESARROLLO DE LOS JÓVENES (pesos)

Ramo	Denominación	Monto
Total		575,455,230,718
07 Defensa Nacional		2,666,290,698
	Sistema educativo militar	2,666,290,698
08 Agricultura y Desarrollo Rural		2,867,279,733
	Desarrollo, aplicación de programas educativos e investigación en materia agroalimentaria	1,575,207,793
	Precios de Garantía a Productos Alimentarios Básicos	752,051,996
	Producción para el Bienestar	540,019,944
11 Educación Pública		320,337,313,464
	Educación Básica	26,278,875,436
	Producción y distribución de libros y materiales educativos	1,191,136,735
	Producción y transmisión de materiales educativos	404,880,220
	Programa de mantenimiento e infraestructura física educativa	68,002,573
	Educación para Adultos (INEA)	302,309,814
	Educación Inicial y Básica Comunitaria	583,657,057
	Programa de Becas de Educación Básica para el Bienestar Benito Juárez	17,454,415,512
	Programa para el Desarrollo Profesional Docente	27,897,173
	Programa Nacional de Inglés	429,833,953
	La Escuela es Nuestra	5,580,922,308
	Fortalecimiento de los Servicios de Educación Especial (PFSEE)	235,820,091
	Educación Media Superior	131,664,471,508
	Servicios de Educación Media Superior	56,503,648,303
	Investigación Científica y Desarrollo Tecnológico	2,978,782
	Normalización y certificación en competencias laborales	2,450,847,455
	Programa de mantenimiento e infraestructura física educativa	45,699,161
	Educación Física de Excelencia	488,958,900
	Programa de Becas Elisa Acuña	150,578,184
	Programa para el Desarrollo Profesional Docente	23,715,265
	Atención de Planteles Públicos de Educación Media Superior con estudiantes con discapacidad (PAPPEMS)	29,879,397
	Beca Universal para Estudiantes de Educación Media Superior Benito Juárez	38,185,589,148
	Subsidios para organismos descentralizados estatales	33,712,440,142
	Apoyos a centros y organizaciones de educación	70,136,772

Educación Superior	154,624,949,133
Servicios de Educación Superior y Posgrado	57,507,754,712
Investigación Científica y Desarrollo Tecnológico	6,523,125,524
Programa de Becas Elisa Acuña	1,704,920,149
Programa para el Desarrollo Profesional Docente	151,690,617
Programa de Cultura Física y Deporte	1,455,739,619
Jóvenes Escribiendo el Futuro	9,945,913,313
Fortalecimiento a la Excelencia Educativa	798,426,337
Subsidios para organismos descentralizados estatales	75,193,149,567
Expansión de la Educación Media Superior y Superior	833,473,628
Apoyos a centros y organizaciones de educación ^{1,2,3}	510,755,666
Posgrado	7,769,017,387
Servicios de Educación Superior y Posgrado	6,192,485,296
Programa de Becas Elisa Acuña	147,038,778
Subsidios para organismos descentralizados estatales	1,429,493,313
12 Salud	1,283,850,389
Prevención y atención contra las adicciones	907,857,706
Prevención y atención de VIH/SIDA y otras ITS	375,992,684
13 Marina	639,541,505
Sistema Educativo naval y programa de becas	639,541,505
14 Trabajo y Previsión Social	23,535,917,052
Instituto Mexicano de la Juventud ^{3,4}	129,103,968
Jóvenes Construyendo el Futuro	23,406,813,084
16 Medio Ambiente y Recursos Naturales	280,820
Planeación, Seguimiento y Evaluación de la Política Ambiental y de Recursos Naturales	280,820
19 Aportaciones a Seguridad Social	7,682,478,392
Seguro de Enfermedad y Maternidad ^{4,5}	7,682,478,392
25 Previsiones y Aportaciones para los Sistemas de Educación Básica, Normal, Tecnológica y de Adultos	17,119,370,043
Servicios de educación básica en la Ciudad de México	15,671,896,132
Servicios de educación normal en la Ciudad de México	1,378,366,007
Becas para la población atendida por el sector educativo	69,107,904
33 Aportaciones Federales para Entidades Federativas y Municipios	132,639,492,140
Educación Básica	125,593,231,369
FAM Infraestructura Educativa Básica	3,354,322,866
FAETA Educación de Adultos	524,690,474
FONE Servicios Personales	111,275,811,797
FONE Otros de Gasto Corriente	2,896,726,781
FONE Gasto de Operación	4,385,955,047
FONE Fondo de Compensación	3,155,724,404
Educación Media Superior	769,747,368
FAM Infraestructura Educativa Media Superior y Superior	94,709,537
FAETA Educación Tecnológica	675,037,831
Educación Superior	6,276,513,403

FAM Infraestructura Educativa Media Superior y Superior	6,276,513,403
38 Humanidades, Ciencias, Tecnologías e Innovación	44,285,011
Investigación científica, desarrollo e innovación	44,285,011
47 Entidades no Sectorizadas ^{5./}	211,667,505
Programa de Apoyo a la Educación Indígena	211,667,505
48 Cultura	13,982,434
Programa Nacional de Becas Artísticas y Culturales	13,982,434
Instituto Mexicano del Seguro Social	53,631,459,645
Prevención y control de enfermedades	407,195,931
Atención a la Salud	53,224,263,714
Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado	12,782,021,888
Prevención y Control de Enfermedades	3,699,870,610
Atención a la Salud	9,082,151,278

1./ Incluye 150 millones de pesos para la Universidad Autónoma de la Ciudad de México.

2./ Incluye subsidios para operación de la Academia Mexicana de la Historia.

3./ El Instituto Mexicano de la Juventud se reporta en el Ramo 14 "Trabajo y Previsión Social", como resultado del cambio en la Coordinación Sectorial al pasar de la Secretaría de Bienestar a la Secretaría del Trabajo y Previsión Social.

4./ Considera los recursos asignados al componente del Seguro de Salud para Estudiantes.

5./ Programa operado por el Instituto Nacional de los Pueblos Indígenas.