



Hacienda

Secretaría de Hacienda y Crédito Público

Sovereign Sustainable Finance Framework

Mexico's Ministry of Finance and
Public Credit

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01 Introduction

As one of the world's largest economies and one of the most culturally rich and biodiverse countries, the United Mexican States ("Mexico") plays a critical role in global sustainability efforts. Mexico is an active contributor to international frameworks, including the Paris Agreement on climate change and the United Nations ("UN") Sustainable Development Goals ("SDGs"), as part of the 2030 Agenda for Sustainable Development ("2030 Agenda"). Mexico was the first developing country – and one of the earliest in the Americas – to submit its Nationally Determined Contribution ("NDC") under the Paris Agreement, demonstrating its proactive role in global climate initiatives and its commitment to enhancing climate resilience. Mexico has also implemented programs addressing climate change through adaptation and mitigation strategies, biodiversity protection, and social inclusion. Sustainable finance remains a critical tool for achieving Mexico's sustainability objectives.

Since 2017, when a presidential decree established the National Council for the 2030 Agenda in Mexico, the Mexican federal government has taken significant steps to align its national planning processes with the 2030 Agenda. Mexico's National Development Plan (*Plan Nacional de Desarrollo*, or "NDP") 2019-2024 and NDP 2025-2030 explicitly integrate the 2030 Agenda, while the Federal Budget (*Presupuesto de Egresos*, or "PEF") has been linked to the SDGs since 2018. In addition, Mexico has incorporated necessary components for implementing long-term strategic planning towards achieving the 2030 Agenda, as well as for monitoring and reporting its results and impacts.

In 2020, Mexico issued the world's first SDG sovereign bond, marking an important precedent for establishing sustainable yield curves, leveraging sustainable finance to promote development, and strengthening public and the private sectors to scale up the implementation of the UN SDGs nationwide. In this new edition, the Sovereign Sustainable Finance Framework (the "Framework") showcases the latest initiatives, commitments, and progress made from the original 2020 SDG Sovereign Bond Framework, reflecting a broader and more ambitious strategy for mobilizing financing toward sustainable development. It incorporates new strategic tools and instruments, and includes coverage of new activities, expanding the possibilities for sustainable financing and enhancing the capacity to address environmental and social priorities more effectively, while strengthening transparency, accountability, and alignment with both national priorities and international commitments.



1.1 Mexico's Strategic Commitment to Sustainable, Just, and Inclusive Development

Mexico prioritizes sustainable development as part of its national strategy, seeking balanced progress in economic growth, welfare, environmental sustainability – through environmental restoration, conservation and protection – and social equity. The nation's development strategies remain aligned with international frameworks such as the UN SDGs, the Paris Agreement, commitments under the Organization for Economic Cooperation and Development ("OECD") and the Group of Twenty ("G20"), as well as other international agreements and protocols.

Mexico's National Development Plan: Establishing Environmental and Social Investment for the Future

The NDP strongly emphasizes sustainable development as an indispensable component of the national well-being strategy. During each administration, Mexico promotes specific public spending goals to direct resources to programs that generate well-being for the most disadvantaged populations.

In 2019, Mexico published its NDP 2019-2024¹ which prioritized social justice, reduced inequality, and promoted sustainable economic development through strategic reforms focused on public welfare, institutional strengthening, and combating corruption. The plan also established a strong environmental agenda with a focus on renewable energy, climate change mitigation, and resource management.

The NDP 2025-2030² builds upon the previous plan by deepening Mexico's commitment to social inclusion and development, while prioritizing energy sovereignty, increasing clean-energy production, and transitioning from fossil fuels to renewable energy. The NDP 2025-2030 is structured around four general pillars:



The Sustainable Development pillar aims to achieve economic and social progress, while safeguarding the environment, protecting and restoring natural capital and ecosystems, and avoiding irreversible damage. It also seeks to prevent the depletion of natural resources, ensuring that future generations can thrive. As such, the NDP 2025-2030 supports climate change mitigation and adaptation by encouraging resilient and modern infrastructure, and biodiversity conservation across both marine and land ecosystems, and by promoting waste management and pollution reduction.

Additionally, the guiding principles for public policy in the NDP 2025-2030 focus on achieving substantive equality and improving the quality of government services to safeguard wellbeing. In particular, the NDP 2025-2030 identifies gender and indigenous population inclusion, protection of human rights, and cultural preservation as cross-cutting priorities that shape policy design and program implementation across all sectors.

¹ [Plan Nacional de Desarrollo 2019 - 2024](#)

² [Plan Nacional de Desarrollo 2025 - 2030](#) | [Presidencia de la República](#) | [Gobierno](#) | [gob.mx](#)

Mexico's 2030 Agenda for Sustainable Development ("Agenda 2030")

To fulfill its 2030 Agenda commitments, Mexico developed a structured action plan that integrates the intersecting objectives of the SDGs and sustainable development into its development plans, public policies, and federal budgets. Mexico's 2030 Agenda³ serves as an overarching framework to guide national initiatives and commitments, and promotes environmental, social, and governance ("ESG") priorities across the different levels and sectors of government.

Mexico adopted the 2030 Agenda in 2015 as a state commitment and a long-term guidepost for the whole country, a framework that will transcend the different branches of government and unite all agencies toward a common goal. The current Mexican 2030 Agenda national strategy presents a forward-looking, multi-sectoral, and multi-actor vision that will steer the country toward full compliance with the SDGs, in accordance with the principles of the 2030 Agenda.⁴

Working for a Low-carbon Economy and Leaving No One Behind

In 2015, Mexico was the first developing country to submit its NDC under the Paris Agreement. Mexico's NDC was updated in 2022 with a commitment to reduce greenhouse gas ("GHG") emissions by 35% compared to the business-as-usual ("BAU") scenario by 2030. Mexico also ratified its commitments to reduce its black carbon emissions by 51% compared to a BAU unconditional scenario and by 70% in a conditional scenario. Mexico, like all signatory parties to the Paris Agreement, submitted an updated NDC in 2025 as part of the third global review cycle (Edition 3.0), and demonstrated a higher level of ambition, taking into account the progress achieved and latest scientific evidence. The 2030 mitigation target (NDC 2.0) was strengthened with updated sectoral measures, aiming for a reduction of approximately 140 million tons of CO₂e. In contrast, the 2035 target (NDC 3.0) has been formulated in absolute terms and defined in response to Mexico's commitment to reach net-zero emissions by mid-century. This evolution reflects the commitment to rigorous accountability and science-based policymaking. The target continues to have full economy-wide coverage and considers all GHG emissions, as well as black carbon. In addition, Mexico strengthened the adaptation component of its NDC by adding a sixth action line that focuses on the connections between climate change and national security. This addition will help guide the development of a National Adaptation Plan. Mexico has also incorporated components on loss and damage, on cross-cutting issues such as gender equality and human rights, and on means of implementation and enabling environment.

Moreover, Mexico joined the Global Renewables and Energy Efficiency Pledge during COP28, seeking to triple global installed renewable energy generation capacity by 2030, and double energy efficiency improvements every year within the same timeframe.⁵



³ Additional information on Mexico's Agenda 2030, commitments, relevant progress, and programming here: [Agenda 2030 | Gobierno | gob.mx](#).

⁴ Please refer to **Appendix 2** for additional information on the 2030 Agenda governance and legal framework.

⁵ [COP28: Global Renewables And Energy Efficiency Pledge](#)

Commitment to Biodiversity and Natural Resource Restoration and Conservation

Along with its commitment to address climate change, Mexico is determined to ensure the restoration and conservation of biodiversity to promote collaboration with local communities, to foster the participation of women and youth in the sustainable use of ecosystems, and to guarantee the fair and equitable sharing of the benefits derived from that use. As a signatory to the Kunming-Montreal Global Biodiversity Framework (“GBF”) in 2022, and aligned with the Convention on Biological Diversity, in 2024, Mexico established 48 national targets and 367 milestones as part of the National Biodiversity Strategy and Action Plan (*Estrategia Nacional sobre Biodiversidad de México*, or “ENBioMex”).⁶ These targets are grouped into four categories: preserve, avoid, safeguard, and act. Under these categories, Mexico aims to protect terrestrial, inland-water, as well as coastal and marine ecosystems, restore degraded ecosystems, and promote community-based conservation and the sustainable use of its natural resources.

Additionally, to further support Target 3: Conserve 30% of Land, Waters and Seas by 2030, as set out in the GBF, Mexico established the project MEx30x30 during COP16.^{7,8} This initiative focuses on strengthening the management of protected areas, supporting Indigenous People, local communities and Afro-Mexicans, and scaling sustainable financing efforts for existing national protected areas. In alignment with these efforts, the Ministry of Finance (*Secretaría de Hacienda y Crédito Público*, or “SHCP”) is continuously working on the incorporation of biodiversity objectives into the Mexico’s Sustainable Taxonomy (“MST”), as well as the mobilization of international funding sources, like the Global Biodiversity Framework Fund (“GBFF”). Additionally, the financial sector is promoting several initiatives to integrate biodiversity considerations, including the adoption of international frameworks such as the Taskforce on Nature-related Disclosures (“TNFD”), along with other guidelines to strengthen ESG regulation within the national market.

A significant portion of Mexico’s environmental commitments is expressed in the recently published National Environmental Restoration Program, which was designed through a broad participatory process and seeks to reverse the loss and deterioration of biological diversity and natural resources. The Program identifies priority sites for restoration in three timeframes: 50 sites that will begin restoration by 2025; 25 sites that will begin restoration by 2026; and 250 sites that require restoration by 2050. One of the Program’s main focuses is productive restoration, based on the firm belief that ecological restoration is only possible if the livelihoods of local communities are restored and improved - particularly those of the most vulnerable groups, such as Indigenous and Afro-Mexican populations.⁹

Additionally, Mexico is working on the incorporation of “Other Effective Area-Based Conservation Measures” that offer a key opportunity for biodiversity conservation, and incorporate local communities as an integral part of site governance.

Finally, addressing water scarcity is a national priority for Mexico. Scaling actions to protect the country’s aquatic ecosystems are a critical focus. Mexico’s National Water Program 2024-2030 promotes integrated water resource management, mitigating impacts of hydrological events, and protecting critical water resources and ecosystems.¹⁰

6 *Estrategia Nacional sobre Biodiversidad de México* | Biodiversidad Mexicana

7 *Celebra México en COP16 el inicio de MEx30x30 proyecto clave para la conservación de la biodiversidad* | Secretaría de Medio Ambiente y Recursos Naturales | Gobierno | gov.mx

8 *MEx30x30* | FMNC

9 *Programa Nacional de Restauración Ambiental 2025-2030* | Biodiversidad Mexicana

10 *Acuerdo Nacional por el Derecho Humano al Agua y la Sustentabilidad* | Comisión Nacional del Agua | Gobierno | gov.mx

Advancing Gender Equality and Women’s Rights in All Aspects of Society and the Economy



Mexico’s efforts to ensure equitable participation in policy, society, and the economy have been formally overseen by the National Institute of Women (*Instituto Nacional de la Mujeres*, or “INMUJERES”), operating under the Ministry of the Interior (*Secretaría de Gobernación*, or “SEGOB”). On November 28th 2024, INMUJERES transitioned to a cabinet-level ministry designated as the Ministry of Women,¹¹ underscoring the country’s commitment to enact policies for achieving gender equality and equity. These policies have been built into the NDP 2025-2030 to reinforce the commitment to drive equality within the economy and society. The financial sector, through SHCP and other institutions, has implemented various public policy actions to promote gender equality. One of these efforts is the creation of the Interinstitutional Committee for Gender Equality in Financial Institutions (*Comité Interinstitucional para la Igualdad de Género en las Entidades Financieras*, or “CIIGEF”) in 2022. Additionally, gender-focused public financial policy instruments have been developed, such as the inclusion of the Gender Equality Index (*Índice de Igualdad de Género*, or “IIG”) in the MST, the creation of financial instruments aiming to support projects with a gender equality impact, and the implementation of policies and action plans with a gender perspective.

Strengthening Indigenous People’s Rights and Development



Mexico acknowledges the historical role of Indigenous People in maintaining a balanced relationship with the environment. In 2018, Mexico established the National Institute of Indigenous People (*Instituto Nacional de los Pueblos Indígenas*, or “INPI”) and the Federal Law for the Protection of Cultural Heritage of Indigenous and Afro-Mexican Peoples and Communities to promote indigenous cultural preservation and empowerment. INPI oversees the coordination and implementation of policies aimed at guaranteeing the rights and sustainable development of indigenous communities. In addition, the National Council of Indigenous People (*Consejo Nacional de Pueblos Indígenas*, or “NCIP”) was created on February 28, 2024, to foster better participation, consultation, and connection between Indigenous People and the Mexican State.

1.2 Sustainable Finance

Sustainable finance has emerged as a pivotal lever for advancing Mexico’s NDP and its commitment to the 2030 Agenda. The country has made significant strides in aligning its financial architecture with the SDGs, including the integration of SDG-linked federal budgeting and the issuance of SDG sovereign bonds to actively build sustainable yield curves in both domestic and international markets, and contribute to the mobilization of finance for sustainable activities. To further complement existing initiatives, the government has introduced a classification system that identifies sustainable economic activities, channels investments toward development priorities, strengthens transparency, curbs greenwashing and socialwashing, and catalyzes productive investments across the country. These actions, among others, laid the foundation for the Sustainable Finance Mobilization Strategy (*Estrategia de Movilización de Financiamiento Sostenible*, or “EMFS”)¹² which serves as a guide to transform the Mexican financial system toward sustainability and to mobilize resources for activities and projects that generate positive impacts on the environment and society. This strategy acknowledges that, although public resources play a central role in closing the SDG gap, they alone are insufficient to establish permanent change. To address this, the EMFS incorporates a range of tools and measures designed to channel additional resources from various sources and actors, including the private sector, to finance sustainable projects.

¹¹ [Secretaría de las Mujeres | Gobierno | gob.mx](https://www.gob.mx/secretaria-de-gobernacion)

¹² [Estrategia de Movilización de Financiamiento Sostenible | Gobierno | gob.mx](https://www.gob.mx/estrategia-de-movilizacion-de-financiamiento-sostenible)

The EMFS specific goals are:



I Create an enabling environment that mobilizes and reorients finance toward sustainable activities and projects, while facilitating access to low-cost financing.



II Disclose strategic information on sustainable financing through public policy and financial regulation to facilitate investment decision-making and rechanneling capital.



III Enable financing mechanisms through innovative financing instruments to diversify sustainable financing sources and reduce investment risks.

The financing gap to achieve these goals and support the SDGs in Mexico is estimated at MXN 13.6 trillion from 2023 to 2030, requiring an annual mobilization of MXN 1.7 trillion. To deliver on the objectives of the EMFS, the strategy is divided into three pillars, each with its own line of work and strategic activities, such as the alignment of the federal budget to the SDGs, the consolidation of the sustainable debt market, and the implementation of sustainable finance, among others.¹³ The three pillars are:

- **Sustainable Public Financial Management:** Focus on aligning public investments, practices, and risk management with the SDGs through a sustainability-aligned budget coupled with climate and social safeguards;
- **Mobilization of Sustainable Financing:** Promote financial policies that integrate ESG factors and engage with innovative and sustainable financing instruments to facilitate access and democratization of resources. It is important to note that to achieve the latter, the EMFS emphasizes the inclusion and engagement of the economy's social sector, and;
- **Transversal Actions:** Ensure inclusiveness through gender perspectives, capacity-building initiatives, and actions centered on strengthening financing to restore, protect and conserve ecosystems through nature-based actions.

Mexico's Sustainable Taxonomy (Taxonomía Sostenible de México, or "MST")

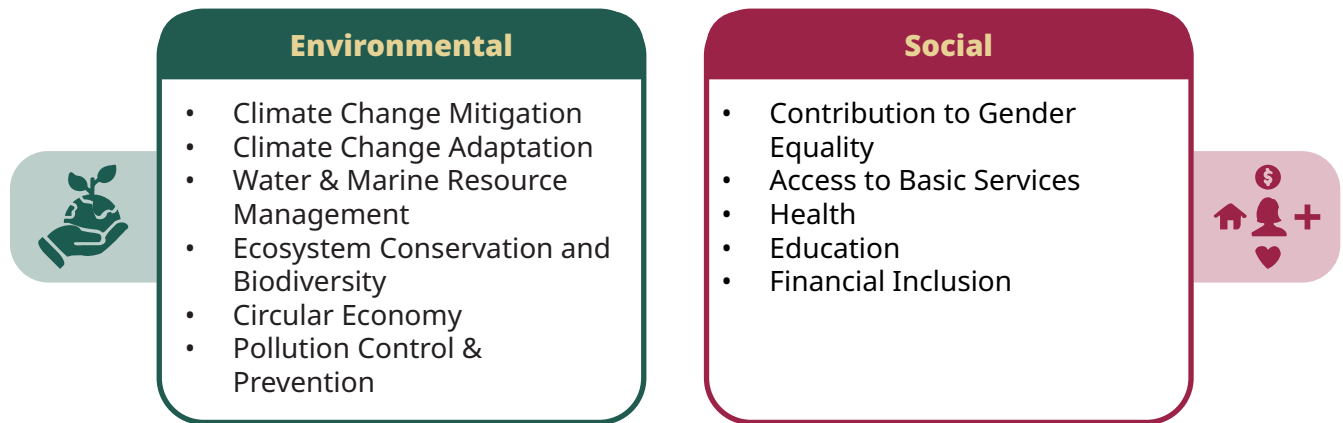
The MST, incorporated into the EMFS's second pillar, "Mobilization of Sustainable Financing", was launched in March 2023 by SHCP in collaboration with technical experts from local governments, environmental authorities, the private sector, international cooperation agencies, civil society, and academia. The MST¹⁴ defines criteria for identifying sustainable economic activities and guiding investments across sectors, including energy, transportation, agriculture, and other priority areas. The MST has been designed to boost green and social finance, increase transparency and certainty, mitigate the risk of green and social washing, and to further support Mexico's sustainable development goals. It represents a joint effort to build a common language around sustainability, enabling all actors to align metrics and generate comparable data, thus facilitating real progress towards national and international objectives.

The MST is the world's first taxonomy to incorporate social objectives, such as gender equality, as a core and cross-sectoral goal, reinforcing Mexico's commitment to equal economic opportunities and positioning the country as a pioneer in advancing sustainable finance from an inclusive, rights-based, and gender-focused perspective.

¹³ [Sustainable Finance Strategy in Mexico, March 2025 | Gobierno | gob.mx](#)

¹⁴ [Taxonomía Sostenible de México](#)

The MST defines six core environmental objectives in addition to the five central social objectives:



These objectives are assessed in relation to their contribution to sustainability and demonstrated impact, further facilitating the categorization of listed activities in the MST. The first phase of the MST includes guides for climate change mitigation and adaptation objectives, as well as for gender equality, it contemplates 124 activities within six main economic sectors: 1) agriculture and forestry, 2) energy and water, 3) manufacturing, 4) transport, 5) construction, and 6) waste management, as demonstrated in **Figure 1**. Moreover, the objective of gender equality is cross-cutting to all sectors of the economy and will direct funding toward projects that help close gender gaps.

Figure 1: Elements of MST



Own elaboration with information from SHCP (2023)

Since the MST's publication, SHCP has initiated a series of actions related to information dissemination, capacity building, and regulatory mechanisms to promote its implementation. As part of these efforts, a pilot program included ten participating institutions from across the financial sector (commercial banks, development banks, pension funds, insurance companies, investment funds, and issuers) whose industry groups collectively represent 94% of total assets in the financial system. The objective of the pilot program was to carry out MST application exercises and identify key barriers and opportunities for a proper adoption in the Mexican financial system. The pilot's key takeaways highlighted limited compliance among respondents and information gaps that are crucial to guarantee sufficient data to assessing alignment with MST criteria. The results of this pilot remain useful as a starting point to further establish strategies and consider new efforts. Since this program concluded, Mexico has been working to strengthen sustainability strategies within institutions, build internal capacity, and improve data collection processes to assess impact.

Additionally, a comparison study between the MST and the European Union ("EU") Taxonomy was published in March 2025 to analyze the two taxonomies and enhance clarity for global investors and other stakeholders regarding definitions of green and/or sustainable economic activities across each jurisdiction. A main observation was that both taxonomies employ an identical methodological framework for setting technical criteria, given that the MST was designed to mirror the approach used by the EU. As for key differences, there are important distinctions in legal status and compliance requirements across the respective jurisdictions. Additionally, the MST has a central focus on social objectives, notably gender equality, an area of importance for the country and markets.¹⁵

Recognizing the evolving landscape of taxonomy reporting both in Mexico and globally, SHCP will continue to work with other ministries to build mapping tools and supporting resources for the analysis of Eligible Sustainable Expenditures ("ESEs"). Insights and outcomes of workshops will inform MST alignment reports and lay the groundwork for continued implementation.

Mexico's Sustainable Finance Track Record




Since the 2020 publication of the original SDG Sovereign Bond Framework, Mexico has become a frequent issuer and a leader in the domestic, regional, and global sustainable finance capital markets, building a solid portfolio of debt instruments with both fixed and floating yields in multiple hard currencies (USD, EUR, JPY, and MXN).

National Development Banks have been key drivers of sustainable finance activity in Mexico. In addition to sovereign issuances, local development banks have played a pivotal role in deepening the thematic bond market since 2015, becoming the second-most active participants in terms of issuance volume. Their contribution has helped diversify instruments, broaden the investor bases, and strengthen the overall architecture of sustainable finance in Mexico.

Furthermore, **Mexico is actively strengthening sustainable regulation.** In 2022, the National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores*, or "CNBV"), launched a self-assessment tool for ESG and climate-related risks, with a significant update implemented in 2024. New regulations that have been incorporated include key amendments that are applicable to securities issuers effective as of 2026. The new ruling requires the integration of sustainability information into regulatory frameworks and mandatory disclosures of periodic, measurable, and comparable sustainability information, aligned with the International Sustainability Standards Board ("ISSB") or other recognized frameworks.

¹⁵ Results of the comparison exercise can be found: [Taxonomías para Inversiones Sostenibles](#) | Hacienda | Gobierno | [gob.mx](#)

Meanwhile, the National Commission for the Pension System (*Comisión Nacional del Sistema de Ahorro para el Retiro*, or “CONSAR”) has mandated that pension funds incorporate the following, effective as of 2026:

-  **I** A Sustainable Information Disclosure Framework;
-  **II** The adoption of recognized taxonomies; and
-  **III** The establishment of alignment metrics.

The National Insurance and Surety Commission (*Comisión Nacional de Seguros y Fianzas*, or “CNSF”) has set forth an order for insurance and surety companies to incorporate ESG criteria and application of the MST, effective as of 2025.

Recognizing that transparency and disclosure in sustainability are key to accelerating sustainable financing activity, in 2024, Mexico endorsed its support for the International Financial Reporting Standards (“IFRS”) Sustainability Disclosures Standards (IFRS S1 and S2) issued by the ISSB. Additionally, at the national level, the Mexican Council for Financial and Sustainability Information Standards (*Consejo Mexicano de Normas de Información Financiera y de Sostenibilidad*, or “CINIF”) published the Sustainability Information Standards (NIS A1 and B1) to strengthen market resilience and improve strategic decision-making within the country’s financial system. CINIF has expressed its commitment to consider both the NIS and the IFRS Sustainability Disclosure Standards issued by the ISSB in forthcoming regulations and standards.

1.3 Rationale for Mexico’s Sovereign Sustainable Finance Framework

To advance the 2030 Agenda, Mexico established an SDG Sovereign Bond Framework in 2020 to align its sovereign financing program with impactful sustainability-focused budgetary expenditures. Since then, Mexico has deepened its sustainable finance agenda and built robust institutional foundations to support it.

To continue its leadership in the global market, as well as respond to national efforts, Mexico has established a new edition of the framework now referred to as the **Sovereign Sustainable Finance Framework** (“Framework”). This Framework has been designed to enable a broader range of financing strategies and instruments, reflecting Mexico’s commitment to expanding sustainable finance activities across its funding programs. The update has been driven by three underlying factors:

1. 2025 marks the halfway point between the first framework and 2030, and sets the priorities of the new administration through the new NDP 2025-2030, which focuses on strategic government programming. The halfway point is an opportunity for Mexico to renew the Framework with sharpened priorities and strengthened alignment to recent government developments, particularly regarding sustainability, welfare, and equity activities.
2. Since the 2020 SDG Sovereign Bond Framework publication, Mexico has significantly strengthened its sustainable finance architecture with the development of sustainable yield curves, the MST, and the EMFS, and thus has established a robust foundation to further scale sustainable financing activities.
3. Sustainable finance markets continue to evolve, including the development of new guidelines and best practices. The development of the updated Framework is a key component to facilitate the incorporation of additional financing products and thematic areas that are relevant components to the innovative EMFS.







The Framework supports measurable progress toward Mexico’s climate, environmental and social commitments and allows for the country to translate the ambition of the 2030 Agenda into meaningful action.

02 Sovereign Sustainable Finance Framework

2.1 Use of Proceeds

This Framework is designed to align with the latest Green Bond Principles, 2025 (“GBP”), Social Bond Principles, 2025 (“SBP”), Sustainability Bond Guidelines, 2021 (“SBG”), published by the International Capital Market Association (“ICMA”), and the Green Loan Principles, 2025 (“GLP”) and Social Loan Principles, 2025 (“SLP”), published by the Loan Market Association (“LMA”), Loan Syndications and Trading Association (“LSTA”) and Asia Pacific Loan Market Association (“APLMA”).

Under this Framework, Mexico can issue a variety of labelled Sustainable Finance Instruments (“SFIs”), such as but not limited to bonds and loans under the following labels:

-  **SDG¹⁶**
-  **Green**
-  **Blue¹⁷**
-  **Social**
-  **Sustainability**
-  **Other thematic labels, including Transition, Nature, Biodiversity,¹⁸ and Climate Adaptation & Resiliency¹⁹**

All of these SFIs will be linked to ESEs that are part of the Federal Budget for the relevant fiscal year, as described further below. ESEs in the Federal Budget will be permitted for allocation towards an SFI during the corresponding fiscal year.

The ESEs may originate from, or be generated by state agencies, local authorities, companies, and households. They may relate to, but are not limited to, real assets such as land, energy-efficient buildings, infrastructure, and hospitals, or intangible assets such as education, health services, human capital, and organizations, as well as applied research and innovation.

To remove ambiguity, payments of principal and interest, as stated in the prospectus or similar document of the issuances, will not be conditional upon the selection or performance of the ESEs described below. Therefore, SFI financing parties (including lenders and investors), whose Use of Proceeds is related to this Framework, do not bear any project-related risks.

16 SDG bonds will finance any combination of Green or Social projects as defined in this Framework.
17 Blue bonds and loans eligibility criteria will be aligned with the ICMA’s [Bonds to Finance the Sustainable Blue Economy: A Practitioner’s Guide, 2023](#), and the IFC’s [Blue Finance Guidelines Version 2.0, 2025](#).
18 Nature and Biodiversity bonds and loans eligibility criteria will be aligned with [ICMA Sustainable Bonds for Nature: A Practitioner’s Guide 2025](#).
19 The eligibility criteria for thematic labels will be determined on a case-by-case basis



Eligible Sustainable Expenditures (“ESEs”)

ESEs are expenditures within Mexico’s budgetary programs included in the PEF and approved annually by the Lower House of Congress, which are also aligned with the relevant SDGs.²⁰

Certain ESEs, specifically those classified as social expenditures, will be subject to geospatial eligibility criterion to ensure they are directed towards regions where Mexico’s SDG gaps are the greatest. Furthermore, efforts are being made to strengthen the alignment of ESEs with the most current version of the MST and its technical criteria. This approach aims to enhance the environmental and social impact of expenditures by ensuring that projects are aligned with activities that contribute meaningfully to the sustainability objectives defined in the MST.

The tables below set out the ESEs that may be linked to an SFI. Not all SDGs have been targeted within the Framework, as per legal considerations within Mexican laws and regulations. The selected SDGs are those where tangible SDG contributions have been identified against budgetary expenditures (as per **Section 2**). The structure of the tables presents the SDG description, categories of the respective ICMA Principles used for the alignment of the Framework, eligibility criteria, as well as target population.

Application of Mexico’s Sustainable Taxonomy

As a guiding document to mobilize greater public and private financial resources toward activities that support Mexico’s sustainability objectives, this Framework establishes SHCP’s intention to annually report on the alignment of ESEs with MST.

SHCP will adopt a multi-layered reporting approach in close collaboration with relevant ministries and institutions involved in the ESE review process, as outlined in **Figure 2**. The goal is to assess and define whether the ESE is considered qualified under the MST (i.e. the ESE can be associated with at least one economic activity), partially aligned (i.e. the ESE complies with at least one Technical Evaluation Criteria) or aligned (i.e. the ESE meets all the Technical Evaluation Criteria) with the MST, and publish results annually as noted under **Section 2.4**, based on the following criteria and the gender equality index as feasible:

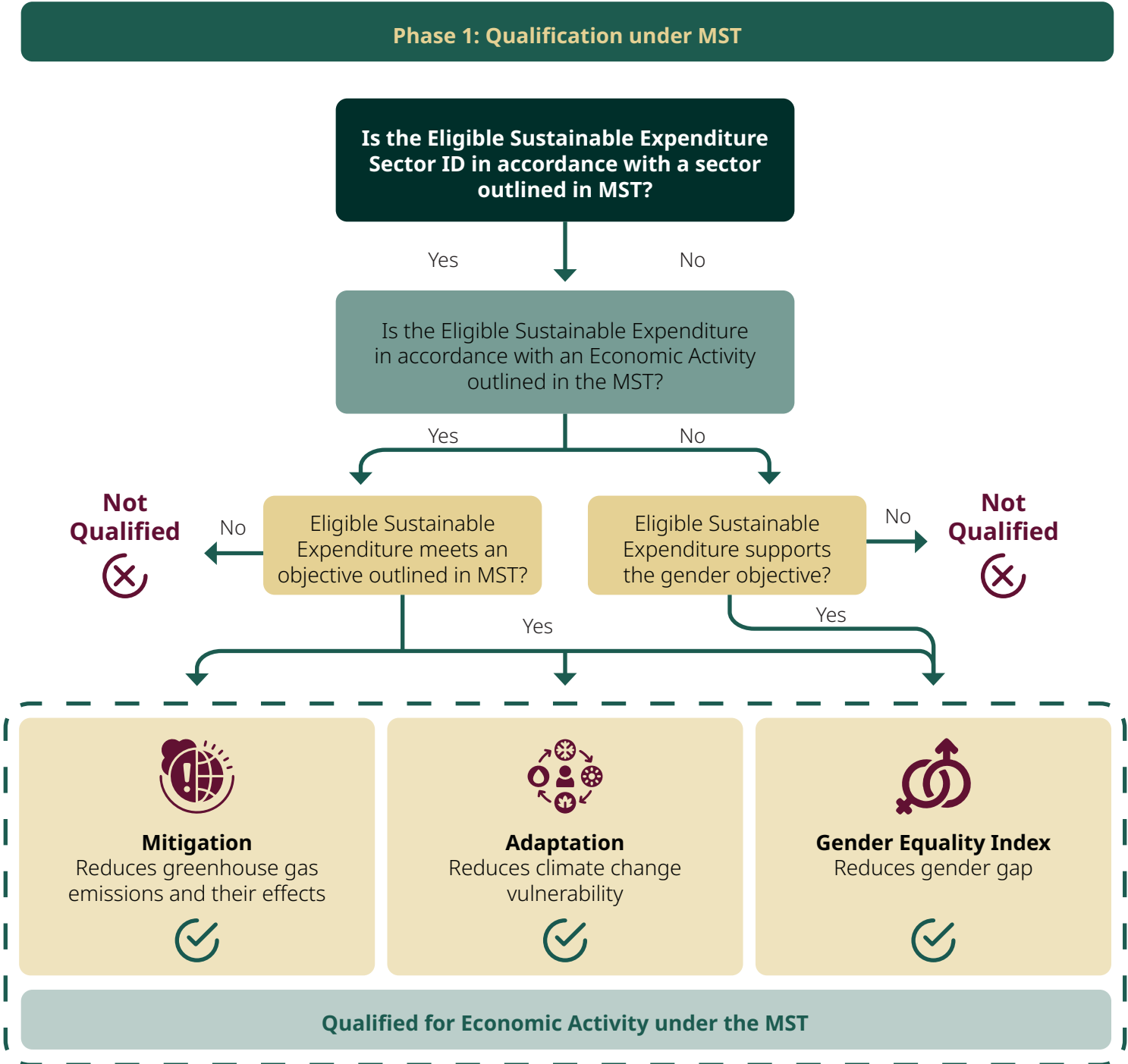


To enhance interoperability and reporting transparency, a mapping of the SDGs to MST Activities can be found in the **Appendix 5. MST Mapping Exercise**. This mapping provides an indicative example of MST alignment, noting that detailed reporting, information, and relevant case studies will be highlighted through annual reporting,²¹ on a best-efforts basis. In the same sense, as more MST objectives are developed, such as the biodiversity objectives, the alignment and reporting exercises will follow the same rationale.

²⁰ In 2025, Mexico developed an updated methodology for linking budget programs with the 2030 Agenda and their targets. The methodology is available here https://www.gob.mx/cms/uploads/attachment/file/1001436/Anexo_2_Vinculacion_de_los_Pp_con_los_Objetivos_de Desarrallo_Sostenible.pdf

²¹ For avoidance of doubt, qualification or alignment with the MST is not a requirement for financing under this Framework. Detailed mapping to be reflected in annual reporting.

Figure 2: Illustrative MST Mapping Process



Summary of Selected Main SDGs Linked to the ESEs and Its Relation with the NDP 2025-2030:

SDGs linked to the ESEs	General and Cross-Cutting Axes of the NDP 2025-2030
	<p>General Axis 2: Development with Well-being Humanism</p>
	<p>General Axis 3: Moral Economy and Work</p>
	<p>General Axis 4: Sustainable Development</p>
	<p>Cross-cutting Axis 1: Substantive Equality and Women's Rights</p>
	<p>Cross-cutting Axis 2: Public Innovation and Technology</p>
	<p>Cross-cutting Axis 3: Rights of Indigenous People and Afro-Mexican Communities</p>

Target Population

The SBP require clear identification of a target population that each ESE is intended to serve. As such, SHCP has outlined the following list of possible beneficiaries for each project. By targeting these populations, SHCP intends to promote diversity, equity and inclusion for the vulnerable, underserved, and marginalized groups. One or more target populations may be attributed to each project, in conjunction with the application of the Geospatial Criteria.

The target population encompasses various groups:

Target Population	Definition	Illustrative Target Population
<p>1. Vulnerable Populations</p>	<p>Individuals who experience elevated vulnerability due to factors such as their age bracket, health conditions, disability status, gender identity, financial situation, or various social determinants that potentially limit their ability to foresee, manage, or bounce back from negative consequences associated with development initiatives or broader societal difficulties.</p>	<p>Age and Gender-based Vulnerability:</p> <ul style="list-style-type: none"> • Infants, children and teenagers • Young people (18 to 29 years old) not currently employed or enrolled in educational programs • Elderly • Women <p>Health & Ability-based Vulnerability:</p> <ul style="list-style-type: none"> • People with disabilities including students • Population affected by illness <p>Socioeconomic Vulnerability:</p> <ul style="list-style-type: none"> • Unemployed people • Population in extreme poverty • Low-income working families • Students from low-income families and/or from disadvantaged backgrounds
<p>2. Underserved Populations</p>	<p>Communities experiencing restricted or insufficient availability of fundamental services, basic infrastructure, or key opportunities. This encompasses underserved populations in isolated or countryside locations, native communities, ethnic minority groups, and residents of areas characterized by deficient infrastructure or significant exposure to environmental hazards.</p>	<p>Ethnic & Cultural Groups:</p> <ul style="list-style-type: none"> • Indigenous People²² • Afro-Mexicans²³ <p>Geographic Underserved:</p> <ul style="list-style-type: none"> • Rural population • Farmers • Inhabitants in marginalized areas lacking health services • Population living in irregular settlements • Coastal state residents • Rural regions with greater exposure to extreme hydrometeorological events • Urban regions and peripheries • Key transport routes <p>Educational Underserved:</p> <ul style="list-style-type: none"> • Adults lacking basic education

²² Indigenous People according to INEGI terminology: [La población indígena en México | INEGI](#)

²³ Afro-Mexicans according to INEGI terminology: [Afrodescendientes | México, un país multicultural | INEGI](#)



Target Population	Definition	Illustrative Target Population
3. SMEs and Climate-sensitive Sectors	Business entities that fall below certain thresholds in terms of revenue, assets, or number of employees as defined by national standards. This category includes small-holder farmers and enterprises in various sectors that often face challenges in accessing capital, markets, and growth opportunities despite their significant contribution to economic development and job creation.	SMEs: Small and medium producers (≤ 20 ha) Small, medium or microenterprise (SME) Climate-sensitive Sectors: Agricultural, industrial, energy and tourism sectors


Eligibility Criteria and Use of Proceeds Categories



Denotes that geospatial eligibility criteria are applied








Denotes that geospatial eligibility criteria are not applied




SDG 2			
SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied? ²⁴	Eligibility Criteria
 <p>Ensure food security and access to essential services</p>	Food security and sustainable food systems	✔	Agricultural Risk Management & Resilience <ul style="list-style-type: none"> Protection for small farmers against losses due to climate-related events (e.g. droughts, floods, etc.), plagues, earthquakes, and other agricultural risks, ensuring sector stability and resilience. Prevent food loss, enhance productivity, and improve market access for farmers, including warehouses for better food conservation and supply chain connectivity.
		-	Food Security & Access <ul style="list-style-type: none"> Healthy and nutritious food-service programs aimed at improving children's nutrition. Support staple food product affordability, including measures to strengthen local production chains, cooperativism and increased prosperity to local farmers and reduce reliance on imports.
		✔	Support for Small and Medium Farmers (≤20ha) <ul style="list-style-type: none"> Assistance and subsidies to small and medium farmers for staple food production, improving sustainable agricultural output. Programs and support for the development of goods which are fair-trade certified. Capacity building and research in the agri-food sector to improve production yields, enhance agricultural efficiency, and/or strengthen capacity to increase nutritional quality, improve health and safety, and mitigate environmental footprint of agricultural products.
		-	Sustainable Agriculture and Aquaculture <ul style="list-style-type: none"> Sustainable crop cultivation techniques, including hydro-agriculture, to optimize yields while preserving natural resources. Sustainable agroforestry and aquaculture production. Best practice breeding and farming methods. Climate-smart agriculture, including regenerative farming practices and reducing synthetic fertilizer (e.g. diammonium phosphate (and urea) and pesticide use that prevent or minimize the degradation of soil, ecosystems or habitat loss, or that promote soil carbon sequestration; while promoting the use of organic biofertilizers and / or biopesticides.

²⁴ See Section 2.2 Process for Expenditure Evaluation and Selection for detailed information.


SDG 3

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria
 <p>Ensure effective access to quality healthcare services, eliminate discriminatory barriers, close service gaps between different social groups and regions and ensure the generation and effective use of healthcare resources</p>	Access to essential services (healthcare)		<p>Healthcare Infrastructure and Services</p> <ul style="list-style-type: none"> • Construction, rehabilitation and improvement of hospitals, clinics, urgent care centers, specialized medical centers, rehabilitation centers, laboratories and other healthcare infrastructure to provide public, free, or subsidized health services. • Disease detection and prevention in public health system, through advanced technologies, vaccines and medicines. • Infrastructure and equipment for public emergency medical response and disease control. • Provision and distribution of public healthcare equipment and essential medical services, including but not limited to (i) primary care, (ii) emergency care, (iii) specialized care, (iv) hospital care, (v) mental health services, (vi) rehabilitation services, (vii) preventive care, and (viii) palliative care. • Public health related research and technological development funding.
			<p>Support for Public Health Professionals</p> <ul style="list-style-type: none"> • Educational, vocational training and research centers for medical, public health, and emergency response professionals. • Public health worker support with materials, and mobility and training programs.
			<p>Targeted Public Health Initiatives</p> <ul style="list-style-type: none"> • Addiction prevention and care. • Sexual, maternal, and women's health improvement, through public services and specialized equipment. • Sexually transmitted infections prevention and treatment. • Programs to ensure regulation of sanitary services and oversight of medical facilities.
	Socioeconomic advancement and empowerment		<p>Sports Engagement Initiatives</p> <ul style="list-style-type: none"> • Sports engagement initiatives, including community programs, athlete training, grants, and promotional campaigns.


SDG 4

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria
 <p>Improve education infrastructure and provide school with basic furniture</p> <p>Ensure inclusive and quality education for all and promote lifelong learning</p>	<p>Access to essential services (education)</p> <p>Socioeconomic advancement and empowerment</p>		<p>Educational Infrastructure and Resources</p> <ul style="list-style-type: none"> • Educational materials such as but not limited to digital learning tools, laboratory equipment, library resources, training equipment, communications and IT infrastructure, and classroom essentials. • Public schools, campuses, student housing, learning centers, laboratories and libraries, technical and vocational training institutes, community centers, and student recreational facilities. • Sports, arts and cultural programs, along with supporting infrastructure for physical education in public schools, including after-school programs. • Educational programs that support scientific research and innovation that support the development of a low-carbon economy.
			<p>Financial Aid, Training, and Educational Support</p> <ul style="list-style-type: none"> • Design and dissemination of educational evaluations, policy guidelines, monitoring frameworks, and data systems that guide national decision-making and local implementation: <ul style="list-style-type: none"> » development and updating of indicators for educational monitoring, » production of studies and evaluations, » issuance of policy recommendations and materials to strengthen educational improvement, and » coordination mechanisms among federal and state education authorities. • Financial aid for basic education, high school, undergraduate, and postgraduate studies, including needs-based assistance for students and support for universities to improve accessibility. • Financial aid for creative, performing and cultural arts education, ensuring access to resources for artistic and cultural development. • Programs for educational professionals in the public system, postgraduate development, technical training for unemployed youth, and foreign language and local dialect education to enhance global opportunities.




SDG 6

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria
 <p>Access to clean water and sanitation</p> <p>Water supply and management for productive sectors</p> <p>Water related hazards (resilience/ climate change adaptation)</p>	<p>Sustainable water and wastewater management</p> <p>Affordable basic infrastructure (clean drinking water, sewers, sanitation)</p>	<p>—</p>	<p>Public Sanitation and Affordability Measures</p> <ul style="list-style-type: none"> • Financial support to ensure affordability and equitable access to water and sanitation resources. • Sanitation infrastructure and initiatives to strengthen sewer function and operations.
	<p>Sustainable water and wastewater management</p>	<p>—</p>	<p>Water Infrastructure Development and Maintenance</p> <ul style="list-style-type: none"> • Water treatment plants, water distribution networks, desalination plants, public hydraulic infrastructure including dams and head structures, hydro-agricultural infrastructure (e.g., irrigation systems). • Implementation of nature-based solutions to improve water management, ensure water quality, and strengthen the resilience of aquatic ecosystems.
	<p>Sustainable water and wastewater management</p> <p>Climate adaptation</p>	<p>—</p>	<p>Water Resource Management and Emergency Preparedness</p> <ul style="list-style-type: none"> • Rainwater capturing systems, storage facilities, wastewater treatment plants, desalination plants, and water recycling systems. • Research and development of technologies, plans, procedures and infrastructure that improve water distribution efficiency and disaster preparedness (pumping stations, well surveillance systems, and meteorological and hydrological forecasting platforms (early warning systems)).






SDG 7

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria
 <p>Access to affordable, reliable modern energy</p> <p>Increasing the share of renewable energy and improving energy efficiency</p>	Energy efficiency	—	<p>Energy Efficiency Initiatives</p> <ul style="list-style-type: none"> Public buildings achieving at least 20% energy savings. Energy efficiency improvements. Sustainable energy practices.
	Renewable energy	—	<p>Energy Generation Development and maintenance of:</p> <ul style="list-style-type: none"> Renewable energy projects, including wind, solar PV, concentrated solar, ocean energy, geothermal (below 100gCO₂/kWh), bioenergy (including municipal or industrial waste) and hydropower. Nuclear power projects. Low-carbon hydrogen projects, including green hydrogen (e.g. produced via electrolysis from renewable energy), and blue hydrogen (e.g. produced through steam reforming or autothermal reforming with carbon capture and storage).
	Energy efficiency Renewable energy	—	<p>Renewable Energy Infrastructure and Grid Modernization</p> <ul style="list-style-type: none"> Energy storage solutions integrated with renewable energy, including: <ul style="list-style-type: none"> Mechanical technologies (pumped hydroelectric energy storage, compressed air energy storage). Thermal and thermochemical technologies (sensible heat, latent heat, energy by sorption). Chemical technologies (oxygen or hydrogen gas storage). Smart grid technologies and training programs to support the efficient integration of renewable energy and energy efficiency initiatives. Transmission and distribution lines.
		—	<p>Transition Activity: Support for Transitioning Power Generation</p> <ul style="list-style-type: none"> Biofuel production. Efficient cogeneration or co-firing electricity generation. Carbon Capture & Sequestration.



SDG 8

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria
 <p>Ensure full, productive and decent employment for all</p>	<p>Socioeconomic advancement and empowerment</p> <p>Employment generation</p>		<p>Employment, Social Welfare, and Cultural Preservation</p> <ul style="list-style-type: none"> • Job creation and access, employment training programs, scholarships and promotion of small entrepreneurs. • Preservation of cultural, educational, and natural heritage, alongside exchange networks for indigenous and ancient knowledge. • Social welfare programs, pensions, housing assistance, daycare services and labor rights protections. • Sustainable and inclusive employment initiatives in tourism, food production and productive infrastructure. • Fostering decent and green jobs linked to restoration and conservation actions.
	<p>Socioeconomic advancement and empowerment</p> <p>Access to essential services (financing and financial services)</p>		<p>Financial Inclusion and Economic Access</p> <ul style="list-style-type: none"> • Expansion of financial services and digital payment systems, including welfare payments to the vulnerable and disadvantaged groups. • Financial services infrastructure development, including bank branches in isolated and rural areas. • Strengthening financial literacy and inclusion, consumer and financial system users protection, and welfare payment distribution.


SDG 9

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria	
 <p>A lack of access to regional infrastructure and services</p>	<p>Access to essential services (telecommunications)</p> <p>Affordable basic infrastructure (telecommunications)</p> <p>Affordable basic infrastructure (telecommunications)</p>		<p>Broadband and Telecommunications Development</p> <ul style="list-style-type: none"> High-speed internet access through the expansion of fiber-optic networks and enhanced telecommunication services. 	
	<p>Climate change adaptation</p>			<p>Disaster Recovery and Infrastructure Resilience</p> <ul style="list-style-type: none"> Strengthen infrastructure against climate change and extreme weather events, including hurricanes, droughts, floods, storms, wildfires, and similar events. Vulnerability assessments and adaptation plans will be integrated, where necessary. Nature-based solutions will be considered. Enhancements to recovery measures for non-climate-related natural disasters, including earthquakes, volcanic eruptions, tsunamis, landslides, sinkholes, and biological hazards.
	<p>Affordable basic infrastructure (transport)</p>			<p>Rural Connectivity</p> <ul style="list-style-type: none"> Rural and feeder roads and transport networks to enhance transportation access, particularly those with limited connectivity or lacking key social infrastructure.
	<p>Circular economy</p> <p>Energy efficiency</p>		<p>Transition Activity: Decarbonization in Manufacturing</p> <ul style="list-style-type: none"> Decarbonization of data processing and semiconductor industries, including (i) data processing and hosting and (ii) semiconductor manufacturing. Transition to low-carbon production through the modernization, retrofitting, and construction of sustainable manufacturing infrastructure, including: <ul style="list-style-type: none"> Cement, iron, steel, and aluminum industries. Inorganic and organic basic chemical production. Industrial gas processing. Primary plastics derived from chemical recycling. 	


SDG 10

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria
 <p>Reduce inequality within and among countries</p>	Socioeconomic advancement and empowerment		<p>Advancing Inclusion, Equality, and Social Protection</p> <ul style="list-style-type: none"> • Accessibility infrastructure and financial support to ensure equitable access to physical, digital environments, and welfare. • Conservation, restoration and effective management of protected areas, ensuring sustainable stewardship and community participation. • Emergency response programs to enhance resilience against crises. • Institutional initiatives to integrate gender mainstreaming, including but not limited to gender policies, parity strategies, financial tracking systems, and gender-based analyses in program and policy development. • Uphold rights and foster inclusion and equality for vulnerable groups.




SDG 11

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria
 <p>Increasing the usage of mass transit and rail use for freight</p> <p>Make cities and human settlements inclusive, safe, resilient and sustainable</p>	<p>Affordable housing</p> <p>Affordable basic infrastructure</p> <p>Socioeconomic advancement and empowerment</p>	<p>—</p> <p>—</p>	<p>Affordable Housing</p> <ul style="list-style-type: none"> • Affordable housing construction, refurbishment, and maintenance, including multi-family rentals, ensuring priority access. <p>Sports and Cultural Preservation</p> <ul style="list-style-type: none"> • Cultural education and artistic spaces to foster inclusion. Initiatives for cross-sectoral reading circles, historic building renovations and strengthening heritage foundations to enhance historical site management.


SDG 11 (Continued)

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria
 <p>Increasing the usage of mass transit and rail use for freight</p> <p>Make cities and human settlements inclusive, safe, resilient and sustainable</p>	<p>Clean transportation</p> <p>Affordable basic infrastructure (transport)</p>	<p>—</p>	<p>Sustainable Transportation</p> <ul style="list-style-type: none"> Active mobility infrastructure such as walking and cycling in public spaces. Bus-Rapid-Transit (“BRT”) systems meeting international BRT Standards (Bronze, Silver or Gold). Electric and hybrid vehicle charging infrastructure and incentives for hybrid and electric vehicle adoption. Electrified rail for freight and passenger transport, along with modernized rolling stock. Intermodal and multimodal transport hubs to integrate clean mobility options (e.g., electric bus corridors, train stations, and train and port infrastructure). Initiatives supporting affordable public transport, including discounts and reimbursement programs.
	<p>Pollution prevention and control</p> <p>Energy efficiency</p>	<p>—</p>	<p>Pollution Control</p> <ul style="list-style-type: none"> Reduce short-lived climate pollutants, including air pollution control systems. Implementation of programs to replace high-impact refrigerants in alignment with Mexico’s Kigali amendment commitment. Expansion of clean energy solutions tailored to regional needs. Promotion of fuel-efficient and electrified cook stoves to reduce emissions and enhance energy efficiency. Attention on remediation of oil spills.
	<p>Clean transportation</p> <p>Pollution prevention and control</p> <p>Circular economy</p>	<p>—</p>	<p>Green Port Infrastructure</p> <ul style="list-style-type: none"> Shore power connection infrastructure and bunkering infrastructure (including bunker barges) in conjunction with a source of low carbon energy. Solid waste receiver facilities and waste-to-energy plants to produce energy from non-recyclable waste and promote the circular economy. Replacement of fossil-fuel vessels, cranes, and equipment with low-carbon or electrified alternatives.
	<p>Clean transportation</p> <p>Affordable basic infrastructure (transport)</p> <p>Green buildings</p>	<p>—</p>	<p>Transition Activity: Advancing Sustainable Infrastructure and Transportation</p> <ul style="list-style-type: none"> Hybrid and bimodal freight/passenger rail and road systems designed to reduce emissions. Specialized transportation networks and modernization of port and coastal infrastructure to support greener mobility solutions. Sustainable development and retrofitting of single-family and multi-family housing, commercial and service buildings, as well as industrial facilities, ensuring energy efficiency and reduced environmental impact.

SDG 12, 13 & 14

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria
 <p>Ensure sustainable consumption and production patterns</p>	<p>Circular economy</p> <p>Pollution prevention and control</p>	—	<p>Sustainable Waste Management and Recycling Initiatives</p> <ul style="list-style-type: none"> • Biogas capture systems in sanitary landfills. • Efficient waste processing, including centers dedicated to organic waste, paper, cardboard, plastic recovery, forestry waste, composting, and recyclable material processing. Specialized systems for electrical waste and electronic equipment recycling to enhance sustainability and promote the circular economy. • Mass communication campaigns promoting effective waste separation at the source, increasing material recovery rates, and minimizing landfill waste through education and outreach efforts.
 <p>Take urgent action to combat climate change and its impacts</p>	<p>Climate change adaptation</p>	—	<p>Climate Resilience and Disaster Preparedness</p> <p>Actions and infrastructure to reduce the vulnerability and impacts of extreme weather events:</p> <ul style="list-style-type: none"> • Early warning systems for extreme weather events and climate-change impacts. • Fire prevention measures, including electrical grid upgrades, firefighter training, and equipment. • Flood defense and water flow control systems to mitigate risks. • Technologies to enhance soil protection and drought resilience in agricultural production.
	<p>Renewable energy</p> <p>Energy efficiency</p>	—	<p>Transition Activity: Support for Transitioning to Low-Carbon Technologies</p> <ul style="list-style-type: none"> • Programs that support scientific research and innovation focused on the development of technologies that drive or accelerate the transition to a low-carbon economy.
 <p>Aquatic biodiversity and resources</p>	<p>Terrestrial and aquatic biodiversity</p> <p>Environmentally sustainable management of living natural resources</p>	—	<p>Environmental Restoration, Conservation and Sustainable Management</p> <ul style="list-style-type: none"> • Auditing and enforcement of environmental regulations, including the implementation of remote monitoring technologies for enhanced oversight. • Conservation, restoration, and sustainable management of watersheds and aquatic ecosystems, including sustainable fisheries and aquaculture projects, to preserve water quality, biodiversity, and ecosystem resilience. • Restoration of inland aquatic, marine-coastal, and island ecosystems, applying a watershed-based management approach, implementing nature-based solutions, and ensuring active community engagement. • Recovery and rehabilitation programs for native, exotic, and endangered aquatic species, ensuring ecosystem balance and biodiversity conservation. • Tourism services that adhere to best practices, support marine habitat conservation and restoration, and prevent habitat encroachment.

SDG 15

SDG Description	ICMA Eligible Category	Geospatial Eligibility Criteria Applied?	Eligibility Criteria
 <p>Conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems</p>	<p>Terrestrial and aquatic biodiversity</p> <p>Environmentally sustainable management of living natural resources</p>	<p>—</p>	<p>Conservation, Restoration and Biodiversity Protection</p> <ul style="list-style-type: none"> • Conservation and recovery programs for endangered species alongside native species habitat restoration and rehabilitation. • Productive restoration through the establishment of agro-silvopastoral systems to restore and strengthen community livelihoods. • Restoration of terrestrial ecosystems implementing nature-based solutions, and ensuring active community engagement. • Ecotourism projects that promote best practices, restore terrestrial habitats, and minimize environmental impact. • Land conservation and restoration measures, such as forest buffers, agricultural filter strips, and the responsible use of treated wastewater sludge as a bio-stabilizer. • Rewilding initiatives, biodiversity corridors, and cultivation of climate-resilient species to support ecosystem sustainability. • Strengthen forestry practices, wildlife conservation, and the protection and rehabilitation of ecosystems, including native ecosystems and others with high socioecological value. • Promotion of community-based forest use and sustainable forest management practices. • Support for Wildlife Management Units that protect species and provide benefits for local communities.
		<p>—</p>	<p>Oversight and Environmental Governance</p> <ul style="list-style-type: none"> • Sustainable management and preservation of national parks and conservation areas. • Advanced tracking technologies for deforestation prevention and biodiversity impact assessments. • Compliance auditing and remote monitoring systems to enforce environmental legislation.
		<p>—</p>	<p>Public-Private Partnerships for Sustainability</p> <ul style="list-style-type: none"> • Conservation easements dedicated to long-term land protection. • Incentives for private landowners to establish and manage privately protected areas.

Exclusions and Screening

Any projects or assets related to the following budgetary activities will not be eligible under this Framework as ESEs:

- Exploration, production, or transportation of fossil fuels; and,
- Alcohol, weapons, tobacco, palm oil, cattle/beef production, conflict minerals, or adult entertainment industries.

In addition, all expenditures will be screened to ensure that they do not involve any of the following activities:

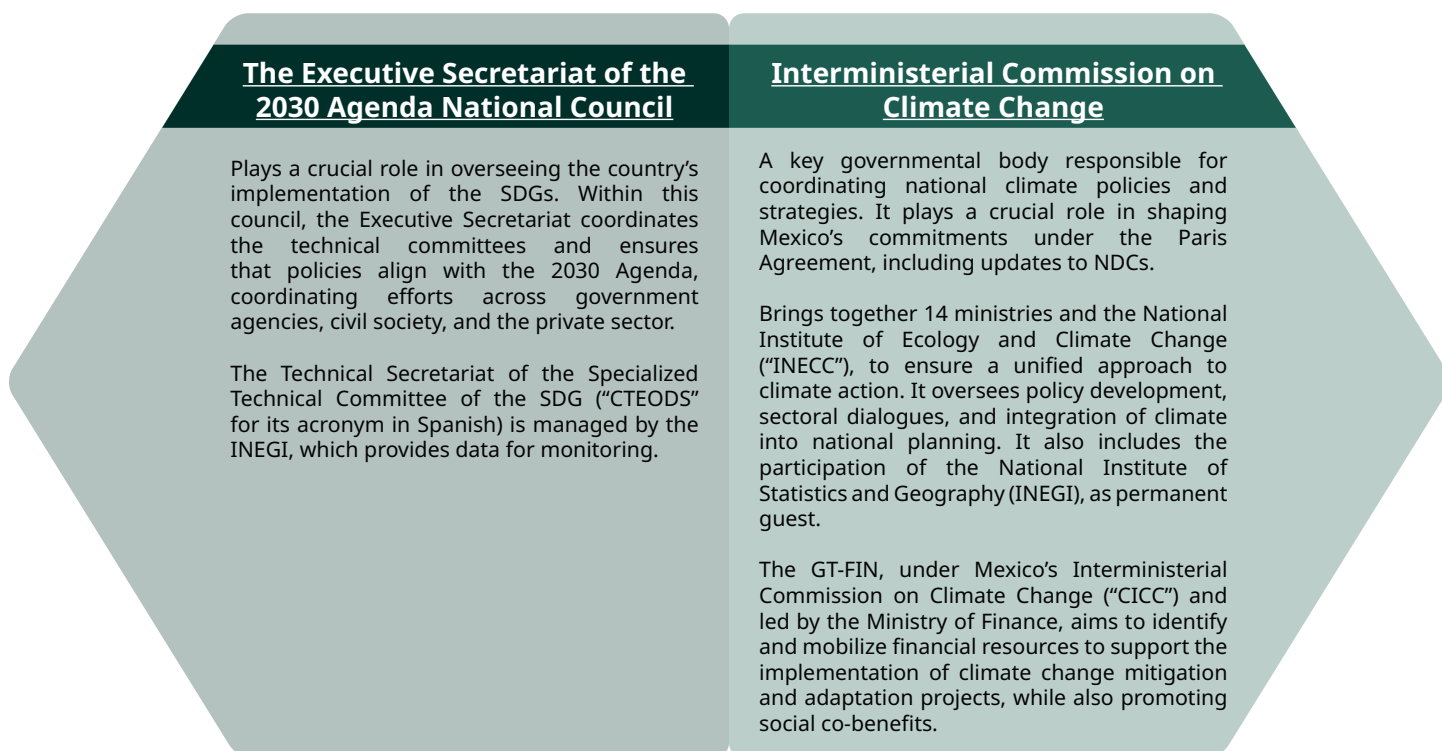
- Deforestation or degradation of biodiversity;
- Child labor or forced labor; and,
- Breach of Mexico's anti-corruption laws, and all environmental, social, and governance laws, policies, and procedures.

2.2 Process for Expenditure Evaluation and Selection

The Evaluation and Selection Process ensures that proceeds from SFIs are notionally allocated to ESEs (i.e. allocated proportionally by an equivalent amount issued per SFI), following budgetary and public debt laws, policies, and procedures. SHCP oversees the evaluation and selection process of the ESEs, which are budgetary programs within the PEF, after the annual Lower House of Congress's approval. The ESEs are presented to the responsible ministries for their review, in coordination either with the Executive Secretariat of the 2030 Agenda National Council²⁵ or the Finance Working Group (*Grupo de Trabajo de Financiamiento*, or "GT-FIN") within the Interministerial Commission on Climate Change,²⁶ as outlined in **Figure 3** and **Figure 4**.

The mapping review of ESEs with the MST follows a coordinated process between SHCP and the corresponding ministries. The ESEs' qualification or alignment with the MST is assessed and evaluated to strengthen their environmental and social integrity, to ensure consistency with national sustainability priorities, and to guarantee adherence to established guidelines. Please refer to **Section 2.1 Use of Proceeds** for more details.

Figure 3: Responsible Parties for the Review of Eligible Sustainable Expenditures



²⁵ [El Consejo Nacional | Economía | Gobierno | gob.mx](#)

²⁶ [Comisión Intersecretarial de Cambio Climático | Gobierno | gob.mx](#)

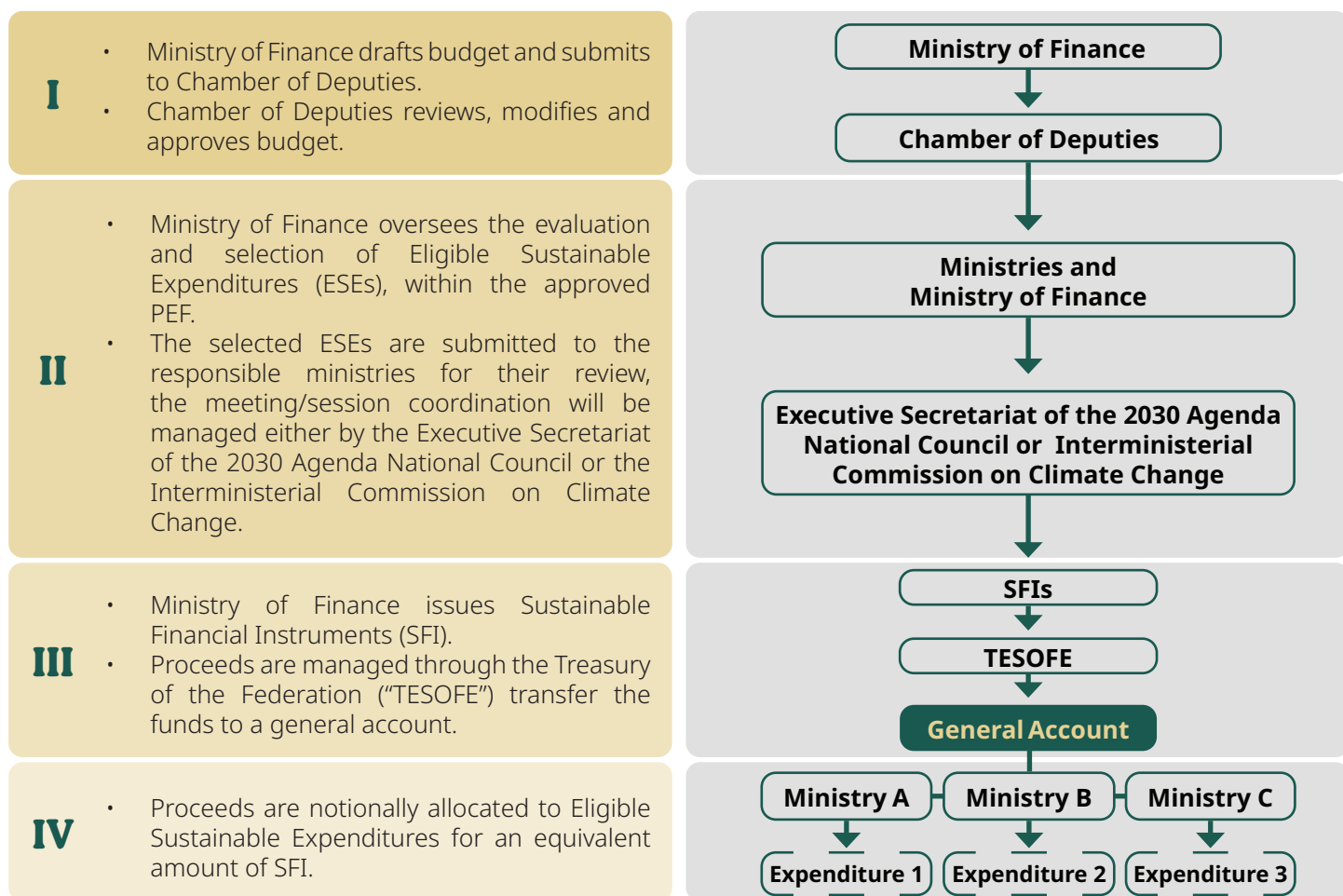
SHCP is responsible for overseeing the implementation and governance of the Framework through the following mechanisms:

- Reviewing the selection of ESEs
- Mapping of ESEs with the MST
- Supervising the notional allocation of proceeds to designated ESE
- Ensuring compliance with reporting and external review requirements
- Managing future Framework updates to remain in line with market practices and regulatory requirements

Mexico has established environmental, social, and governance policies and procedures, which are monitored and enforced by relevant entities²⁷ during the execution of public investment projects and productive activities. This includes items such as, but not limited to MIAs, compliance with the 169th agreement of the International Labor Organization, and citizen participation laws.

²⁷ Includes but is not limited to Secretariat of Environment and Natural Resources ("SEMARNAT"), National Water Commission ("CONAGUA"), Ministry of Agriculture and Rural Development ("SADER"), Federal Attorney for Environmental Protection ("PROFEPA"), National Institute of Ecology and Climate Change ("INECC"), Secretariat of Wellbeing ("BIENESTAR"), Mexican Institute of Social Security ("IMSS"), National Institute of Indigenous People ("INPI"), Secretariat of Labor and Social Welfare ("STPS").

Figure 4: Evaluation and Selection Process for Eligible Sustainable Expenditures

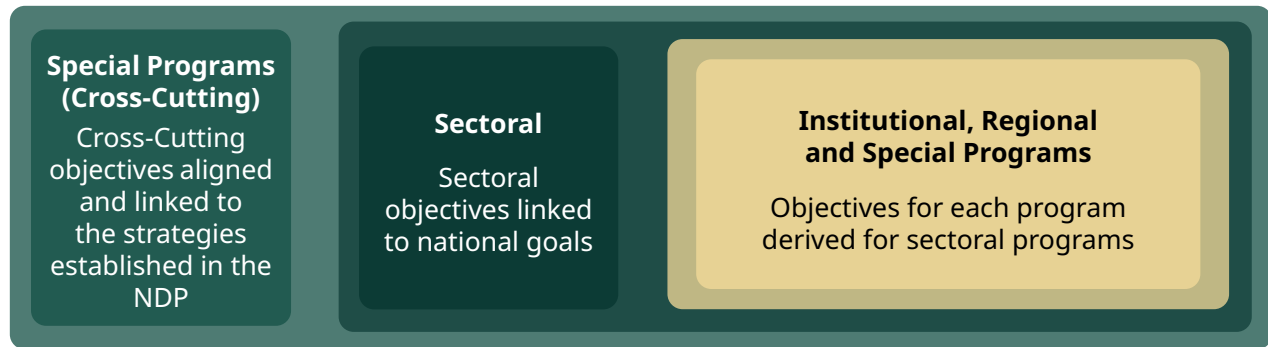


Budgetary Laws

Mexico’s budgetary law is primarily governed by the Constitution, the Federal Law of Public Debt, and the Federal Law on Budget and Fiscal Responsibility. The Chamber of Deputies annually approves the PEF proposed by SHCP, and where the funds are allocated on a yearly basis, ensuring alignment with the current NDP and the 2030 Agenda. Proceeds from SFIs finance an equivalent budgetary amount of ESEs within the PEF for the corresponding fiscal year. Since budget assent occurs annually, all programs conclude within the fiscal year, and their continuity depends on subsequent PEF approvals. The annual budgetary assent process takes into consideration the National Development Planning System, the Programmatic Structured based on Budgetary Programs, and the Performance Evaluation System.

Incorporation of National Development Planning System: Mexico’s National Development Planning System is a framework that guides the country’s long-term economic, social, and environmental strategies. It is anchored in the NDP and operates at three key levels—planning, programming, and budgeting—which are updated every six years to align with the administration’s priorities. Only projects at the budgeting level are included in the Executive Branch’s proposal for budgetary approval by the Chamber of Deputies. This mechanism promotes a democratic process, fostering collaboration between federal entities and sub-national authorities. The programs are organized as depicted in **Figure 5**.

Figure 5: Programs Organization and Objectives



Programmatic Structure Based on Budgetary Programs: This system, overseen by SHCP, organizes public spending into budgetary programs, ensuring that financial resources are allocated efficiently. Each program is designed to achieve specific policy objectives, linking expenditures to measurable outcomes. SHCP oversees this structure, ensuring that budget allocations align with national priorities and the 2030 Agenda.

Performance Evaluation System: Mexico's Performance Evaluation System is a results-based framework that assesses the effectiveness of government programs, based on indicators structured in a Matrix of Indicators for Results ("MIR"). It monitors public spending, evaluates policy impacts, and ensures accountability. The system uses indicators and independent evaluations to measure progress, helping policymakers refine strategies and improve resource allocation. The MIR is a planning tool developed using the Logical Framework Methodology, which connects the instruments used in the design, organization, execution, monitoring, evaluation, and improvement of budgetary programs. A detailed methodology for mapping annual budgets to the SDGs is published each year in the PEF.²⁸

Geospatial Criteria

The Framework incorporates a geospatial filter to map funds' notional allocation toward the most vulnerable regions and populations as outlined in the Social Gap Index (with classifications of very high, high, and medium social lag). This approach prioritizes territorial eligibility for social-related expenditures, focusing on disadvantaged areas rather than applying a broad national average. As green-related expenditures are intended to benefit society as a whole, rather than a specific demographic, and in some cases are geographically located within targeted areas across the country, they are excluded from the geospatial criteria.

The criterion builds on priority area zoning policies and refines target populations using the Social Gap Index as originally developed by the National Council for the Evaluation of Social Development Policy (*Consejo Nacional de Evaluación de la Política de Desarrollo Social* or "CONEVAL"), which includes eleven sub-indicators. The index data is collected every five years from information provided by INEGI's Population and Housing Censuses and the Intercensal Survey, with the latest results systematically integrated into Annual SFI Reports.²⁹

By prioritizing the geographic distribution of public resources, this mechanism seeks to reduce the territorial gaps that hinder progress toward the country's sustainability objectives. In doing so, it supports a more inclusive and spatially balanced development model that strengthens long-term resilience.

SHCP intends to continue using the Social Gap Index as its geospatial tool. Any modifications to the geospatial criterion will be disclosed in Annual SFI Reports. Following a reform published in the Official Gazette in May 2025,³⁰ INEGI, as an independent and autonomous institution, will absorb CONEVAL's function as a poverty measurement and social policy evaluator. Nevertheless, SHCP will seek continuity in the geospatial criterion in coordination with the institution responsible for monitoring the social gap in Mexico, on a best-efforts basis.

²⁸ Current methodology is found here: [Anexo Vinculación del Presupuesto con la Agenda 2030 para el Desarrollo Sostenible | Hacienda | Gobierno | gob.mx](#)
Revised methodology to be reflected in the 2026 PEF: [Anexo 2 de los Lineamientos Aplicables a las Etapas de Programación y Presupuestación del Ciclo Presupuestario 2026 | Hacienda | Gobierno | gob.mx](#)

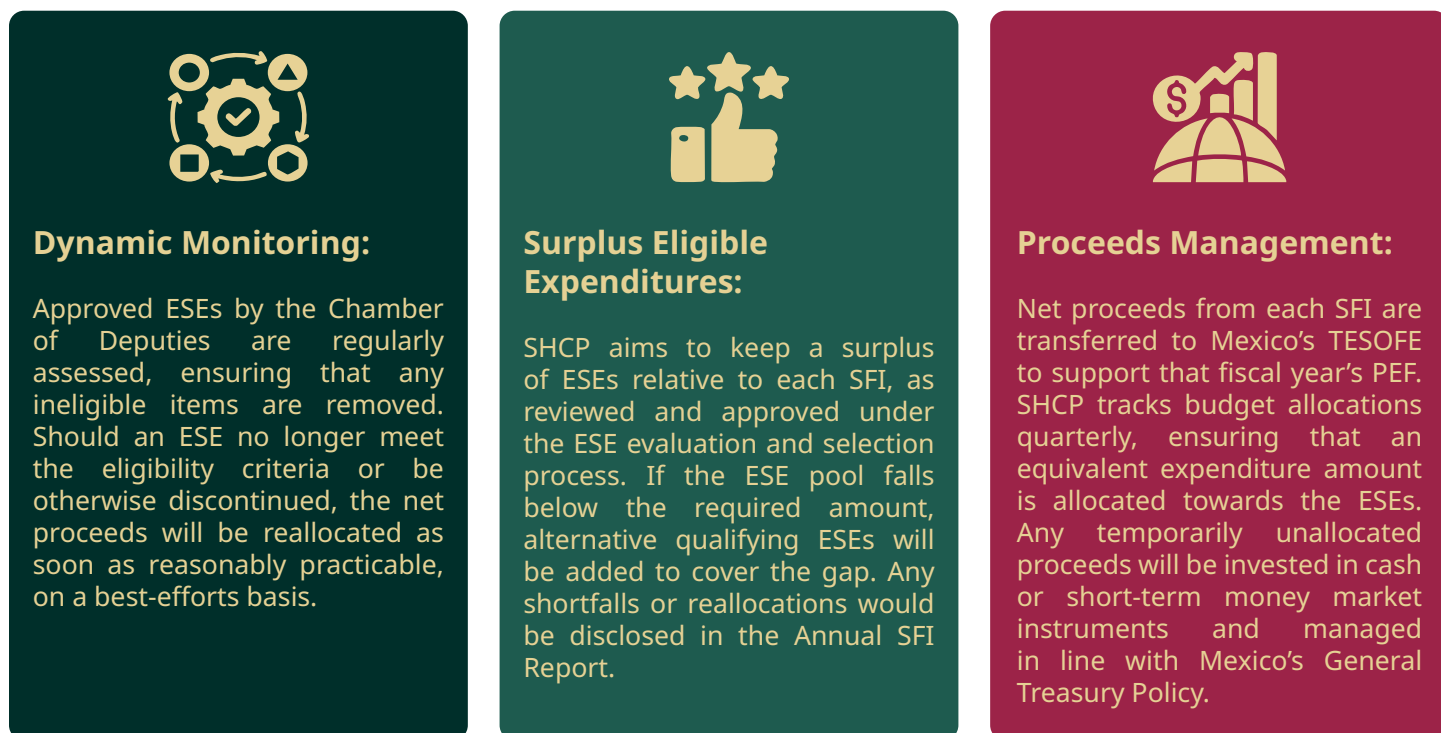
²⁹ On July 23rd, 2025 INEGI published a press release regarding new attributions for poverty measurement and comprehensive evaluation of social development policy. [Censos Económicos 2024 | INEGI](#)

³⁰ [Reglamento Interior Del Instituto Nacional De Estadística y Geografía | INEGI](#)

2.3 Management of Proceeds

The proceeds from SFIs under the Framework support Mexico's NDP, broader sustainability strategy, and initiatives. Each SFI under the scope of this Framework will be designated to a set of ESEs identified within the PEF, in line with the process defined in **Figure 6**.

Figure 6: Process for the Management of Proceeds



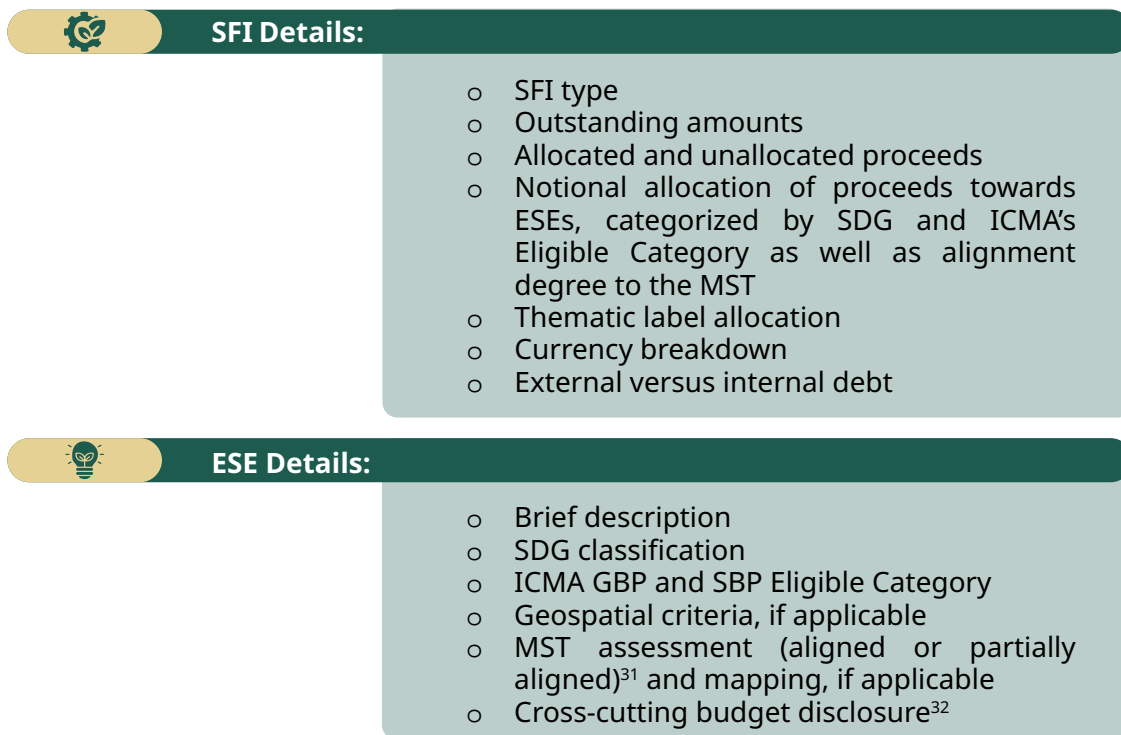
2.4 Reporting

Mexico is committed to ensuring transparency and accountability for investors and financial institutions regarding the allocation, as well as the expected environmental and social impact on the ESEs. Through robust coordination and collaboration with relevant ministries, SHCP oversees the publication of an Annual SFI Report for as long as any SFI under the Framework remains outstanding. Annual reporting will be published in the ESG Engagement section of SHCP website, found [here](#).

SHCP reinforces its commitment to aligning elements of its PEF, SFIs, impact metrics, and relevant disclosures with the MST, where feasible. Comprehensive alignment disclosures will be provided annually through the Annual SFI Report. The Annual SFI Report is essential for ensuring transparency, accountability, and credibility across SFIs. It verifies that funds are used as intended, demonstrating measurable environmental or social outcomes, and helping prevent greenwashing. These annual reports build stakeholder trust, support compliance with global standards, enable performance tracking, and inform strategic decision-making, ultimately strengthening the integrity and effectiveness of the sustainable finance market.

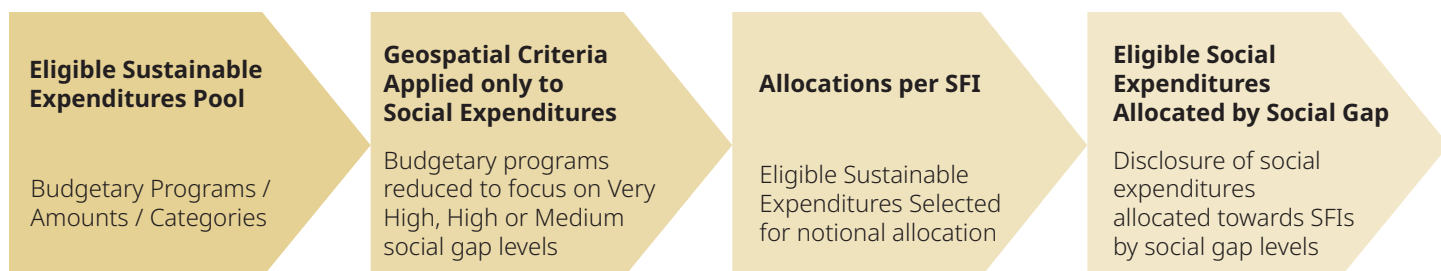
Allocation Reporting

The Annual SFI Report will provide a detailed breakdown of the composition and amounts of the SFIs for each fiscal year, as well as the notional allocation to ESEs. On a best-efforts basis, Mexico will disclose the following information through its allocation reporting:



When confidentiality agreements, competitive factors, or the scale of underlying projects restrict the level of detail disclosed, Mexico will provide information in general terms or as an aggregate portfolio. In a general sense, allocation reporting under the Annual SFI Report will pursue the following process as defined in **Figure 7**, and is expected to be notionally allocated.

Figure 7: Process for SFI Allocation Reporting



³¹ Aligned considers complete adherence with all elements of the Technical Evaluation Criteria, whereas partially aligned relates to an ESEs that meets at least one of the Technical Evaluation Criteria. When applicable and feasible, Gender Index disclosure information will be made available through annual Allocation and Impact SFI Reporting. For more detail, please refer to **Appendix 5**.

³² The Cross-Cutting Annexes in Mexico's Federal Budget allocate resources to key national priorities like gender equality, child and youth welfare, sustainable rural development, and climate change. They serve as tools to categorize and quantify budgetary programs that require inter-ministerial collaboration and a comprehensive policy design.

Impact Reporting

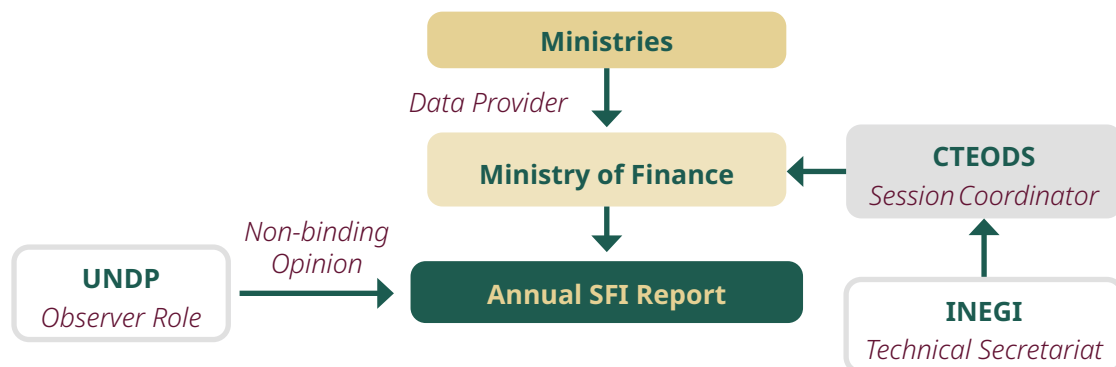
The Annual SFI Report will align with ICMA's Harmonized Frameworks for Impact Reporting for Green³³ and Social³⁴ Bonds, additional current and future internationally recognized sources³⁵ and indicators contemplated in the MST, on a best-efforts basis. Subject to data availability, Mexico will disclose the following information through its impact reporting:

- Sustainable qualitative and quantitative impact indicators, per ESE and/or SDG classification:
 - **Output/Outcome Indicators:** Provides tangible results from ESEs (e.g., number of schools built, energy consumption savings, or healthcare services provided);
 - **Beneficiary Indicators:** Assesses the direct impact on individuals, communities, or institutions (e.g., number of individuals gaining access to clean water, students benefiting from educational programs, or households / farmers receiving financial support); and,
 - **State of Affairs Indicators:** Provides macro-level assessment of the country's overall sustainability progress and national trends, largely stemming from the SDG National Platform (e.g., poverty reduction, climate action, and social inclusion).
- Methodology and assumptions used to prepare impact indicators.
- Selected case studies of exemplary green and social ESEs.

Examples of the potential green and social impact indicators are provided in **Appendix 4**. This list is non-exhaustive, and Mexico may update or add additional metrics in the future.

Alongside the ministries' comprehensive monitoring metrics, Mexico will leverage its SDG National Platform, overseen by INEGI, to enhance data accessibility and track sustainable development progress more effectively. In the Annual SFI Report, the State of Affairs Indicators, included in impact reporting, will be selected by SHCP and reviewed annually with the responsible ministries. SHCP will coordinate the sessions for indicator revisions, with INEGI as the Technical Secretariat and the Executive Secretariat of the 2030 Agenda National Council, acting as session coordinators. These sessions will be conducted through the CTEODS, or via other revision mechanisms, on a best-efforts basis as outlined in **Figure 8**. The CTEODS plays a vital role in coordinating efforts related to the SDGs by ensuring the generation and regular updating of data³⁶ that is essential for monitoring and evaluating public policies aligned with the 2030 Agenda. In addition to this rigorous revision, the Annual SFIs Reports will be reviewed by external parties to verify their consistency and alignment with the principles of its methodology.

Figure 8: Impact Reporting Process



³³ [Harmonised Framework for Impact Reporting Handbook | ICMA | 2024](#)

³⁴ [Harmonised Framework for Impact Reporting for Social Bonds Handbook | ICMA | 2024](#)

³⁵ Examples include but are not limited to the Sustainability Accounting Standards Board, Global Reporting Initiative, and International Financial Corporation (Guidelines for Blue Finance, Biodiversity Finance Reference Guide, Biodiversity Finance Metrics for Impact Reporting).

³⁶ See the Information System of Sustainable Development Goals ("SIODS") tool developed jointly by the National Digital Strategy Coordination of the Presidency of the Republic and INEGI. This system is designed to provide geo-referencing of the indicators, as well as its visualization in dynamic graphs.

External Review

Second Party Opinion

Mexico engaged Moody's to conduct an independent Second Party Opinion ("SPO") on this updated Framework. The SPO offers investors and financial institutions an independent evaluation of the anticipated environmental and social benefits of the ESEs, as well as the Framework's alignment with standards such as the GBP, SBP, SBG, GLP, SLP, ICMA Bonds to Finance the Sustainable Blue Economy, and the IFC Blue Finance Guidelines Version 2.0.

Additionally, Mexico intends to obtain an annual SPO or annual review verifying the alignment of the corresponding ESEs within the PEF with the Framework. Where feasible, annual SPO assessments will also include an alignment review of the corresponding PEF ESEs with the MST.

Non-Binding Opinion

The UN Development Programme ("UNDP") continues to serve as an observer of Mexico's best efforts in sustainable financing, issuing an annual non-binding opinions on this Framework and on the alignment of Annual SFIs Reports with the criteria established in the Framework and the core elements of UNDP's SDG Impact Standards for Bond Issuers.

External Revision on the Reports

The Superior Audit Office of the Federation, the independent external auditor of the Chamber of Deputies, will conduct an annual independent external review on the SFIs Reports to verify that ESEs comply with the eligibility criteria and processes outlined in the Framework, in addition to assuring that notionally allocated amounts are equivalent to the SFIs issued during the fiscal year.³⁷

Amendments

Mexico will regularly review this Framework to ensure its continued alignment with the Principles. Updates may be made to reflect evolving standards, scientific advancements, revisions to the Principles, or other necessary adjustments. Any amendments will undergo review by an SPO provider to ensure alignment with market expectations and the latest international climate, environmental, and social standards. However, minor amendments—such as those required by law, regulatory changes, or housekeeping updates (e.g., corrections of ambiguities, clerical errors, or typographical mistakes)—will not require an external review. Any update to the Framework will be published on the SHCP website.

Appendix

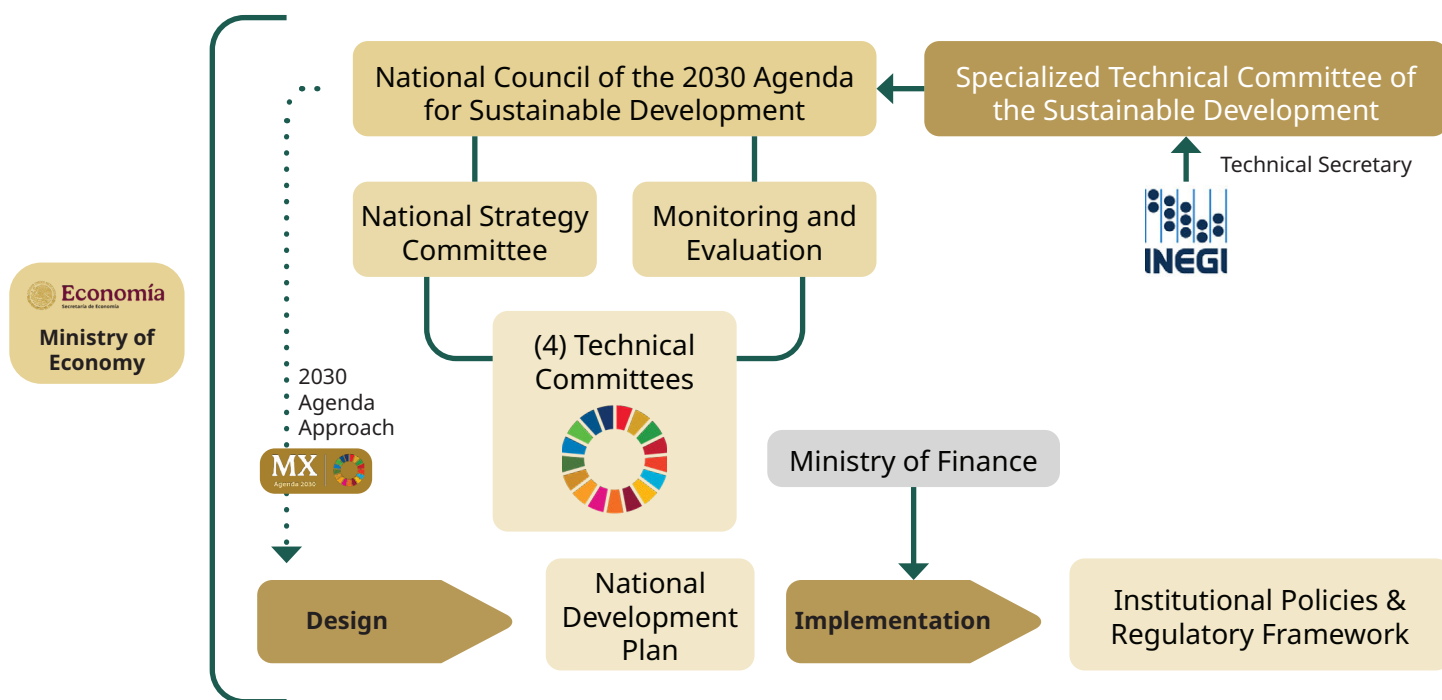
1. Glossary

Agenda 2030	2030 Agenda for Sustainable Development
ASF	Superior Audit Office of the Federation
BAU	Business-As-Usual
BIENESTAR	Secretariat of Wellbeing
CCUS	Carbon Capture & Sequestration
CICC	Interministerial Commission on Climate Change
CIIGEF	Interinstitutional Committee for Gender Equality in Financial Institutions
CINIF	Mexican Council for Financial and Sustainability Information Standards
CNBV	National Banking and Securities Commission
CNSF	National Insurance and Surety Commission
CONAGUA	National Water Commission
CONEVAL	National Council for the Evaluation of Social Development Policy
CON SAR	National Commission for the Pension System
COP	Conference of Parties
CTEODS	Technical Secretariat of the Specialized Technical Committee of the SDG
EMFS	Sustainable Finance Mobilization Strategy
ENBioMex	National Biodiversity Strategy and Action Plan
ESE	Eligible Sustainable Expenditure
ESG	Environmental Social and Governance
EU	European Union
G20	Group of Twenty
GBF	Kunming-Montreal Global Biodiversity Framework
GBFF	Global Biodiversity Framework Fund
GBP	Green Bond Principles
GHG	Greenhouse Gas
GLP	Green Loan Principles
GT-FIN	Finance Working Group
ICMA	International Capital Market Association
IFRS	International Financial Reporting Standards
IIG	Gender Equality Index
IMSS	Mexican Institute of Social Security
INECC	National Institute of Ecology and Climate Change
INEGI	National Institute of Statistics and Geography
INMUJERES	Instituto Nacional de la Mujeres
INPI	National Institute of Indigenous People
ISSB	International Sustainability Standards Board
LMA	Loan Market Association
MIA	Environmental Impact Manifest
MIR	Matrix of Indicator Results
MST	Mexico's Sustainable Taxonomy
NCIP	National Council of Indigenous People
NDC	Nationally Determined Contribution

NDP	National Development Plan
OECD	Organization for Economic Cooperation and Development
PEF	Federal Budget
PROFEPA	Federal Attorney for Environmental Protection
PPP	Public Private Partnership
SADER	Ministry of Agriculture and Rural Development
SBG	Sustainability Bond Guidelines
SBP	Social Bond Principles
SDG	Sustainable Development Goals
SEGOB	Ministry of Interior
SEMARNAT	Secretariat of Environment and Natural Resources
SEMUJERES	Ministry of Women
SFI	Sustainable Finance Instrument
SHCP	Ministry of Finance
SIODS	Information System of Sustainable Development Goals
SLP	Social Loan Principles
SME	Small Medium or Microenterprise
SPO	Second Party Opinion
STPS	Secretariat of Labor and Social Welfare
TESOFE	Treasury of the Federation
TNFD	Taskforce on Nature-related Disclosures
UN	United Nations
UNDP	UN Development Programme



2. Schematic Overview of the Architecture for the Implementation and Monitoring of the 2030 Agenda



3. Types of Budgetary Expenses

The table below provides an overview of the types of budgetary expenses that may be linked with proceeds from a SFI.

Main Budgetary Expenses

1 Investment expenditures: Capital investments, including facilities, structures, networks, systems, plants, property, equipment or physical assets that provide essential social or environmental services.

2 Subsidies, grants, loans: Financial incentives in the form of grants or lower interest loans to guarantee basic services or to shift behaviors (“nudge policies”); there may also include a guaranteed tariff.

3 Tax expenditures: Tax forfeitures and any exceptions to normal taxation policies (including rates, fiscal base) to pursue or encourage environmental or social objectives. This falls within nudge or behavioral change policies. These expenditures could target either individual households or businesses and have by design and/or purpose conditions related to specific situations (for companies, turnover or number of employees; for households, level of income or family composition).

4 Operating expenditures: Expenditures from the central government to run public services and provide public goods (according to the UN System of National Accounts 2008, these have been implemented by all OECD countries and fall within the production cost category). These expenditures are restricted to “pure play” administrations or entities (entities with schools or hospitals) that serve financial or in-kind benefits to citizens or companies.

5 Intervention expenditures: Financial transfers or contributions from the central government to public entities with their own legal status (i.e. not Ministries). For example: state-owned enterprises and Public Private Partnership (“PPP”) availability payments.


4. Impact Reporting

SDG	Illustrative Output / Direct Beneficiaries	Illustrative State of Affairs ³⁸
<p>2–Zero Hunger</p> 	<ul style="list-style-type: none"> • Small and medium farmers benefited • Small and medium-scale producers supported • Rural farmers who received economic support • Agricultural practices or projects that reduce CO2e emissions or implement carbon capture and storage systems. 	<ul style="list-style-type: none"> • Population living with food insecurity • Population with deprivation due to food access • Anemia prevalence in pregnant women
<p>3–Good Health & Well-being</p> 	<ul style="list-style-type: none"> • Examination tests applied to youth • Medical centers provided to combat addiction • Individuals receiving treatment / medical examinations • Sanitary risk verifications • Women using modern contraceptive methods • Health professionals enrolled in education programs 	<ul style="list-style-type: none"> • Maternal mortality ratio • Mortality rate of children under 5 years of age • New HIV infections • Total mortality attributed to cardiovascular disease, cancer, diabetes, or chronic respiratory diseases • Number of individuals from 6 to 11 & above 18 years who receive prevention actions at Juvenile Integration Centers • Unsatisfied need for contraceptive methods • Population lacking access to health services • Number of individuals between 12 and 17 years who participate in activities aimed at addiction prevention • Resources allocated towards research and development • Health worker density and distribution • Public policies focused on health risks
<p>4–Quality Education</p> 	<ul style="list-style-type: none"> • Public schools built or enhanced • Students living in marginalized areas • Vulnerable municipalities impacted by earthquakes • Students who are provided with educational materials • Children registered in care centers • Scholarships awarded • Educators enrolled in continuing education programs 	<ul style="list-style-type: none"> • School dropouts at the secondary level • Education completion rate • Children participating in organized learning • Gender parity index (organized learning, enrollment, literacy, teachers) • Youth and adults who participate in formal and informal education and training, or with information and communication technology skills • Youth who have achieved or exceeded a given level of literacy and numeracy proficiency • Schools' access to essential services (drinking water, electricity, sanitation, internet, disability infrastructure)

³⁸ Full suite of State of Affairs indicators can be found at [Indicators by goal and target | Agenda 2030 Mexico](#)

SDG	Illustrative Output / Direct Beneficiaries	Illustrative State of Affairs
<p>6 – Clean Water & Sanitation</p> 	<ul style="list-style-type: none"> • Inhabitants benefited from water delivery • Field visits to guarantee sustainable water management • Individuals benefiting from water infrastructure • Clean water flows provided by public infrastructure • Wastewater treatment plants constructed • Dams and head structures rehabilitated or modernized 	<ul style="list-style-type: none"> • Population with safely managed drinking water • Population using safely managed sanitation services • Wastewater safely treated • Change in water use efficiency (including irrigation) • Degree of integrated water management resources • Change in water stress levels • Change in aquatic biodiversity levels (lakes, rivers, mangroves, reservoirs, wetlands)
<p>7 – Affordable and Clean Energy</p> 	<ul style="list-style-type: none"> • Energy consumption savings through the use of clean energy mechanisms • Individuals who received training related to clean energy • Number of buildings or structures with energy saving improvements • Energy efficiency measures implemented to reduce emissions (kgCO₂e/MWh). 	<ul style="list-style-type: none"> • Population using clean fuels and technologies • Renewable energy consumption • Installed capacity by distributed generation sources • Energy intensity measured as a function of primary energy and GDP • Strategic indicators of the national energy plan
<p>8 – Decent Work and Economic Growth</p> 	<ul style="list-style-type: none"> • Bank branches under the Bancos de Bienestar network • Minority communities that receive medical care • Minority communities that receive housing services 	<ul style="list-style-type: none"> • GDP growth rates (per capita, employed individuals, tourism) • Domestic material consumption (per capita, GDP) • Hourly income (gender, age, occupation residence) • New bank branches from development banks • Number of commercial bank branches • Population with a bank account
<p>9 – Industry, Innovation and Infrastructure</p> 	<ul style="list-style-type: none"> • Construction and modernization of highways • Road Construction Project programs • Rural / feeder roads constructed in marginalized states • Preservation and reconstruction activities • Communities benefited from rural roads and ways 	<ul style="list-style-type: none"> • Marginalized states with low or very low access to paved roads • Total rural dwellers who live within two kilometers of an all-season road • Passenger volume using transport • Population covered by a mobile network • Population with internet access

SDG	Illustrative Output / Direct Beneficiaries	Illustrative State of Affairs
<p>10 – Reduced Inequalities</p> 	<ul style="list-style-type: none"> • Policies and programs implemented to promote inclusion • Individuals accessing victim services 	<ul style="list-style-type: none"> • Household expenditure / income growth rates (per capita) • People living below 50% median income • Household income growth by deciles • Gini index with / without transfers
<p>11 – Sustainable Cities and Communities</p> 	<ul style="list-style-type: none"> • Project progress update • Benefited individuals/communities • Freight and passenger transport systems operating with lower emissions (gCO₂e/tkm; gCO₂e/pkm) 	<ul style="list-style-type: none"> • Population living in subsidized housing • Population that has access to public transportation • Average commute time (gender, language, age) • Natural heritage protection per capita expenditure • Average annual levels of suspended particles • Green areas (per capita)
<p>12 – Responsible Consumption and Production</p> 	<ul style="list-style-type: none"> • Collection and recycling capacity • Waste recycled • Waste sorting community campaigns • Number of pollution prevention campaigns • Solid waste managed through sustainable, low-emission processes 	<ul style="list-style-type: none"> • Proportion of urban solid waste collected / recyclable • Percentage of municipalities with urban solid waste disposal • Material consumption (absolute, per capita, GDP) • Number of circular economy projects
<p>13 – Climate Action</p> 	<ul style="list-style-type: none"> • Reduction of material physical climatic risks • Support for system adaptation • Adaptation Results Monitoring • Support the adaptation of other economic activities 	<ul style="list-style-type: none"> • Number of dead, missing and affected people directly attributed to disasters • Occurrence of extreme natural events and disasters, broken down by type • Strengthening the adaptive capacities of municipalities to respond to climate change
<p>14 – Life Below Water</p> 	<ul style="list-style-type: none"> • Basins and regulated aquifers • Operating erosion control systems • Hydrological restoration sites • Aquatic animal species recovered or rehabilitated • Ocean cleaning zones • Fishing refugee areas 	<ul style="list-style-type: none"> • Mangrove area • Protected marine areas • Marine prosperity zones

SDG	Illustrative Output / Direct Beneficiaries	Illustrative State of Affairs
<p data-bbox="138 443 358 470">15 – Life on Land</p> 	<ul data-bbox="467 222 781 793" style="list-style-type: none"> • National Park areas with sustainable practices • Individuals who receive financial support • Forest surface certified • Forest area incorporated into a protection scheme • Forest area or other ecosystems incorporated into a restoration process • Priority species recovery programs • Forest fires prevention initiatives • Forest restored, reforested, or conserved to increase forest carbon stocks (gCO₂e). 	<ul data-bbox="841 222 1479 363" style="list-style-type: none"> • Forest area as a proportion of total land • Total land area classified as protected • Annual rate of gross deforestation at the national level • Mountain biodiversity protected area • Mountain Green Cover and Red List Indices

5. MST Mapping Exercise

To ensure transparency and alignment with sustainable finance goals, budgetary expenditures will be reviewed annually against both the MST and the established Framework as defined in **Section 2.4**. ESEs that are aligned with an economic activity included in the MST and meet all Technical Evaluation Criteria (i.e., Substantial Contribution, Do No Significant Harm, and Minimum Safeguards) will be considered “aligned”. In the case that the ESEs comply with at least one Technical Evaluation Criteria, these will be considered “partially aligned”, and are considered “qualified” if the ESEs only align at an economic activity level. See **Figure 2** for more details.

This classification system allows for a nuanced understanding of how public spending supports sustainability objectives under SHCP’s Sustainable Finance program. ESEs will be monitored each year to assess progress, as well as capture new ESEs that are either qualified, partially aligned or aligned to the MST, with the ultimate goal of tracking and reporting details under the Annual SFI Report.

Acknowledging the dynamic landscape of taxonomy reporting both in Mexico and globally, SHCP convened a workshop in June 2025 to deepen collaboration with federal ministries. The session aimed to align ministry operations and performance metrics with the MST, fostering a shared understanding of sustainable finance objectives. As part of the workshop, ministries received targeted training on a suite of alignment tools designed to support the identification and analysis of ESEs. The insights and feedback gathered during the workshop will directly inform the annual MST alignment reporting process and lay the groundwork for continuous improvement in sustainable budgeting practices, as depicted in the table below. Processes and practices to access ESE alignment with the MST will be monitored at the ministerial level, and, if needed, additional workshops will be convened to further align ESE expenditures with the MST.

Alignment of 2024 Eligible Expenditures with the Criteria of Mexico's Sustainable Taxonomy

This table presents the results of the analysis of the 46 eligible expenditures (ESEs) for the 2024 SDG Bonds, of which 16 were aligned at the level of economic activity considered in the Sustainable Taxonomy of Mexico (TSM). For each of these expenditures, compliance with the criteria for Substantial Contribution, Do No Significant Harm, and Minimum Safeguards was also assessed.

✓ = Aligned

X = Not aligned

* = Refers to a budgetary program (PP) that includes two or more projects, not all of which achieve alignment

** = Refers to activities with potential contribution to climate change adaptation, which must also incorporate climate change mitigation aspects in the DNS (Do No Significant Harm) section.

Ministry	Framework Use of Proceeds	Budgetary Program	TSM Objective	Activity	Substantial Contribution	Do No Significant Harm					Minimum Safeguards	Level of Alignment
						Water	Adaptation	Biodiversity	Pollution	Circular Economy		
Wellbeing	Production subsidies to subsistence farmers for basic food products (staple food programs)	Sowing Life	Mitigation	✓	X	✓	X	X	✓	X	✓	Partially Aligned
Agriculture and Rural Development	Consumption subsidies for basic food products	Wellbeing Production	Adaptation	✓	✓	X**					✓	Partially Aligned
Infrastructure, Communications, and Transportation	Infrastructure, Communications, and Transportation	Road Construction Projects	Mitigation	✓	✓*	X	X	X	X	X	✓	Partially Aligned
Infrastructure, Communications, and Transportation	Development of rural and feeder roads in areas that lack connectivity, or in areas lacking access to key social infrastructure	Construction projects for feeder roads and rural roads	Adaptation	✓	✓*	X**					X	Partially Aligned
Infrastructure, Communications, and Transportation	Development of rural and feeder roads in areas that lack connectivity, or in areas lacking access to key social infrastructure	Conservation of rural roads and feeder roads infrastructure	Mitigation	✓	X	X	X	X	X	X	X	Qualified
Infrastructure, Communications, and Transportation	Rail transport infrastructure for freight and/or passenger transport & acquisition of new electric rolling stock	Railway Projects for Freight and Passenger Transportation	Mitigation	✓	✓	✓	✓	✓	✓	✓	✓	Aligned

Alignment of 2024 Eligible Expenditures with the Criteria of Mexico's Sustainable Taxonomy (Continued)

This table presents the results of the analysis of the 46 eligible expenditures (ESEs) for the 2024 SDG Bonds, of which 16 were aligned at the level of economic activity considered in the Sustainable Taxonomy of Mexico (TSM). For each of these expenditures, compliance with the criteria for Substantial Contribution, Do No Significant Harm, and Minimum Safeguards was also assessed.

✓ = Aligned

X = Not aligned

* = Refers to a budgetary program (PP) that includes two or more projects, not all of which achieve alignment

** = Refers to activities with potential contribution to climate change adaptation, which must also incorporate climate change mitigation aspects in the DNS (Do No Significant Harm) section.

Ministry	Framework Use of Proceeds	Budgetary Program	TSM Objective	Activity	Substantial Contribution	Do No Significant Harm					Minimum Safeguards	Level of Alignment
						Water	Adaptation	Biodiversity	Pollution	Circular Economy		
Education	Construction and improvement of public schools, campus, student housing; Purchase of hardware equipment for public education purposes	Maintenance program and educational physical infrastructure	Mitigation	✓	X	X	X	X	X	X	X	Qualified
Education	Construction and improvement of public schools, campus, student housing; Purchase of hardware equipment for public education purposes	The School is Ours	Mitigation	✓	X	X	X	X	X	X	✓	Partially Aligned
Education	Construction and improvement of schools, campus, student housing	Universities for Well-being Benito Juárez García	Mitigation	✓	X	X	X	X	X	X	X	Qualified
Energy	Dedicated smart grid investments or training programs to facilitate the efficient integration of renewable energy and energy efficiency programs	Resources allocated to energy transition and research	Mitigation	✓	X	X	X	X	X	X	✓	Partially Aligned
			Adaptation	✓	✓	✓**					✓	Aligned
Environment and Natural Resources	Construction and improvement of public water treatment infrastructure; Construction and improvement of public water treatment infrastructure	Operation and maintenance of water infrastructure	Mitigation	✓	X	✓	✓	✓	X	✓	✓	Partially Aligned

Alignment of 2024 Eligible Expenditures with the Criteria of Mexico's Sustainable Taxonomy (Continued)

This table presents the results of the analysis of the 46 eligible expenditures (ESEs) for the 2024 SDG Bonds, of which 16 were aligned at the level of economic activity considered in the Sustainable Taxonomy of Mexico (TSM). For each of these expenditures, compliance with the criteria for Substantial Contribution, Do No Significant Harm, and Minimum Safeguards was also assessed.

✓ = Aligned

X = Not aligned

* = Refers to a budgetary program (PP) that includes two or more projects, not all of which achieve alignment

** = Refers to activities with potential contribution to climate change adaptation, which must also incorporate climate change mitigation aspects in the DNS (Do No Significant Harm) section.


Ministry	Framework Use of Proceeds	Budgetary Program	TSM Objective	Activity	Substantial Contribution	Do No Significant Harm					Minimum Safeguards	Level of Alignment
						Water	Adaptation	Biodiversity	Pollution	Circular Economy		
Environment and Natural Resources	Support for sustainable forestry development; Management and maintenance of National Parks and Conservation Areas	Forest protection	Adaptation	✓	✓			✓**			✓	Aligned
Environment and Natural Resources	Construction and improvement of water treatment infrastructure; Construction of Water distribution network or maintenance; Sanitation projects	Infrastructure for drinking water, sewerage and sanitation	Mitigation	✓	X	✓	✓	✓	X	✓	✓	Partially Aligned
Environment and Natural Resources	Expenditures in public hydraulic infrastructure assets and rehabilitation and conservation of dams and head structures	Rehabilitation and modernization of heads and head structures	Mitigation	✓	X	✓	✓	✓	X	✓	✓	Partially Aligned
Environment and Natural Resources	Construction and improvement of water treatment infrastructure; Rehabilitation of treatment plants	Drinkable water, drainage and treatment	Mitigation	✓	X	✓	✓	✓	X	✓	✓	Partially Aligned
Environment and Natural Resources	Support for sustainable forestry development	Support for Sustainable Forest Development	Mitigation	✓	✓	✓	✓	✓	✓	✓	✓	Aligned







Budgetary Programs Added as Eligible Expenditures in 2025



The following table presents the analysis solely of the new eligible expenditures added in the 2025 fiscal year.




Ministry	Framework Use of Proceeds	Budgetary Program	TSM Objective	Activity	Substantial Contribution	Do No Significant Harm					Minimum Safeguards	Level of Alignment
						Water	Adaptation	Biodiversity	Pollution	Circular Economy		
Infrastructure, Communications, and Transportation	Rail transport infrastructure for freight and/or passenger transport & acquisition of new electric rolling stock	Passenger Mass Transit Projects	Mitigation	✓	✓	✓	✓	✓	✓	✓	✓	Aligned

The following table presents MST economic activities organized by SDG categories, outlining the related objectives and performance metrics used to support ESE alignment with the MST.

SDG	Objective	Activities			Metrics
	<p>Climate change mitigation</p> <p>Gender equality</p>	<p>111110 Soybean farming 111120 Safflower farming 111122 Sunflower farming 111129 Other oilseed annual farming 111131 Bean farming 111132 Chickpea grain farming 111139 Other legumes farming 111140 Wheat farming (Not Perennial) 111151 Corn grain farming 111152 Forage corn farming 111160 Rice farming 111191 Grain sorghum farming 111192 Oat grain farming 111193 Barley grain farming 111194 Forager sorghum farming 111195 Forage oat farming 111199 Other cereals farming 11211 Tomato or red tomato farming 11212 Chili farming 11213 Onion farming 11214 Melon farming 11215 Green tomato farming (not perennial) 11216 Potato farming (Not perennial) 11217 Pumpkin farming 11218 Watermelon farming</p>	<p>11219 Other vegetables farming (not perennial) 11310 Orange farming 11321 Lemon farming 11329 Other citric farming 11331 Coffee farming 11332 Banana farming 11333 Mango farming 11334 Avocado farming 11335 Grape farming 11336 Apple farming 11337 Cacao farming 11339 Other non-citrus fruit trees and nuts farming 11411 Tomato farming in greenhouses and other protected agricultural structures 11412 Strawberry farming in greenhouses and other protected agricultural structures 11413 Berries farming in greenhouses and other protected agricultural structures, except strawberries 11414 Chili farming in greenhouses and other protected agricultural structures 11415 Apple farming in greenhouses and other protected agricultural structures 11416 Cucumber farming</p>	<p>in greenhouses and other protected agricultural structures 11419 Other food products farming in greenhouses and other protected agricultural structures 11429 Other non-food farming in greenhouses and other sheltered agricultures 11910 Tobacco farming 11920 Cotton farming 11930 Sugar cane farming 11941 Alfalfa farming 11942 Pasture farming 11991 Alcoholic Agave farming 11992 Peanut farming 11999 Other farming 12110 Beef Cattle Ranching and Farming, Including Feedlots 12120 Dairy Cattle and Milk Production 12131 Dual-Purpose Bovine Cattle Ranching and Farming 12139 Cattle Farming for Other Purposes 12410 Sheep Farming 12420 Goat Farming 15210 Support Activities for Animal Production</p>	<p>Reduction of CO₂e emissions (gCO₂e)</p> <p>Carbon capture and storage</p>
	<p>Climate change adaptation</p>	<p>A1. Reduction of material physical climatic risks. A2. Support for system adaptation. A3. Adaptation Results Monitoring. B1. Support the adaptation of other economic activities</p>			

SDG	Objective	Activities	Metrics
	Climate change adaptation Gender equality	236221 Commercial and Service Building Construction, except construction supervision (building renovation)	Primary energy demand expressed in kWh/m ² per year
	Climate change mitigation Gender equality	236221 Commercial and Service Building Construction, except construction supervision (building renovation)	Primary energy demand expressed in kWh/m ² per year
	Climate change mitigation Gender equality	221312 Water collection, treatment, and supply carried out by the public sector (construction, expansion, and operation of (i) water collection, purification, and distribution systems, (ii) centralized wastewater systems, (iii) renovation of centralized wastewater systems)	kWh per inhabitant equivalent per year
	Climate change adaptation	A1. Reduction of material physical climatic risks. A2. Support for system adaptation. A3. Adaptation Results Monitoring. B1. Support the adaptation of other economic activities	
 	Climate change mitigation Gender equality	221112 Hydroelectric Power Generation 221113 Solar Electric Power Generation (photovoltaic systems) 221113 Solar Electric Power Generation (solar concentrators) 221114 Wind Electric Power Generation 221119 Other Electric Power Generation (geothermal energy) 221119 Other Electric Power Generation (bioenergy) 221119 Other Electric Power Generation (efficient cogeneration) 221119 Other Electric Power Generation (cogeneration from biomass) 221119 Other Electric Power Generation (ocean energy) 221121 Electric Power Transmission 221122 Electric Power Distribution	Emissions from energy generation: kgCO ₂ e/MWh
		485311 (2) Light vehicles	CO2 emissions per vehicle-kilometer (gCO ₂ e/km)
	Climate change adaptation	A2. Support for system adaptation. B1. Support the adaptation of other economic activities	
	Gender equality	NA	NA

SDG	Objective	Activities	Metrics
	Climate change mitigation Gender equality	237312 Highway, Bridge and Similar Structures Construction 484231 Construction Materials Trucking, long distance 484232 Hazardous Material and Waste Trucking, long distance 484233 Refrigerated Trucking, long distance 484234 Wood Trucking, long distance 484239 Other Specialized Freight Trucking, long distance	Direct emissions defined by the corresponding activity in ton-kilometer (gCO ₂ e/ tkm) or CO ₂ e emissions per passenger-kilometer (gCO ₂ e/ pkm) CO ₂ emissions per vehicle-kilometer (gCO ₂ e/km)
	Climate change adaptation	A1. Reduction of material physical climatic risks. A2. Support for system adaptation. A3. Adaptation Results Monitoring. B1. Support the adaptation of other economic activities	
	Gender equality	NA	NA
	Climate change mitigation Gender equality	236111 Single-family Housing Construction (new building) 236111 Single-family Housing Construction (building renovation) 236112 Multifamily Housing Construction (new building) 236112 Multifamily Housing Construction (building renovation) 236211 Industrial Plants and Buildings Construction, except construction supervision 236221 Industrial Plants and Buildings Construction, except construction supervision (new building) 236221 Commercial and Service Building Construction, except construction supervision (building renovation) 238222 Central Air Conditioning and Heating System Installations 237312 Highway, Bridge and Similar Structures Construction 237993 Railway and Electrical Transportation Construction Works	Primary Energy Demand (PED) expressed in kWh/m ² per year Efficiencies expressed in: (Wt/ We) or BTU/Wh Direct emissions defined by the corresponding activity in ton-kilometer (gCO ₂ e/ tkm) or CO ₂ e emissions per passenger-kilometer (gCO ₂ e/ pkm)
	Climate change adaptation	A1. Reduction of material physical climatic risks. A2. Support for system adaptation. A3. Adaptation Results Monitoring. B1. Support the adaptation of other economic activities	Direct emissions per ton-kilometer (gCO ₂ e/ tkm) CO ₂ e emissions per passenger-kilometer (gCO ₂ e/ pkm)
	Gender equality	482110 Rail Transportation (passengers) 482110 Rail Transportation (freights) 485111 Urban and Suburban Collective Passenger Transportation by Fixed Route Buses 485112 Urban and Suburban Collective Passenger Transportation by Fixed Route Automobiles 485113 Urban and Suburban Collective Passenger Transportation by Trolleybus and Light Rail 485114 Urban and Suburban Collective Passenger Transportation by Subway 485115 Urban and Suburban Collective Transportation of Passengers in Buses with Exclusive Bus Lanes (BRT) 485210 Long-distance Collective Passenger Transportation, fixed route	

SDG	Objective	Activities	Metrics
	Climate change mitigation	562122 Nonhazardous Waste Collection by the public sector 562222 Nonhazardous Waste Treatment and Final Disposal by the public sector (anaerobic digestion) 562912 Waste Remediation Services by the public sector 562922 Waste Recovery by the public sector	Quantity of MSW and other managed solid waste – CO ₃ emissions Quantity of MSW and other managed solid waste – CO ₂ emissions Net reduction of GHG emissions
	Gender equality		
	Climate change mitigation	562912 Waste Remediation Services by the public sector	Quantity of MSW and other managed solid waste – CO ₂ emissions Net reduction of GHG emissions
	Gender equality		
	Climate change adaptation	A1. Reduction of material physical climatic risks. A2. Support for system adaptation. A3. Adaptation Results Monitoring. B1. Support the adaptation of other economic activities	
	Climate change mitigation	113110 Forestry 113212 Use of non-timber forest resources (Collection of forest products sensu NAICS) 113310 Use of timber forest resources (Tree logging sensu NAICS) 113211 Forestry nurseries	Increase in forest carbon stocks (gCO ₂ e)
	Gender equality		
		Climate change adaptation	562912 Waste Remediation Services by the public sector
	Climate change adaptation	A1. Reduction of material physical climatic risks. A2. Support for system adaptation. A3. Adaptation Results Monitoring. B1. Support the adaptation of other economic activities	

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USE OF THE SDG LOGO: VERSION 2, THE SDG COLOUR WHEEL, AND THE 17 SDG ICONS BY ENTITIES OUTSIDE OF THE UN SYSTEM.³⁹

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