



Overall performance

Mexico is the highest ranked country for procurement in InfraCompass 2020. At a federal level, Mexico's public procurement processes are transparent and, as of 2017, there are new guidelines specifically for infrastructure and PPP projects. According to the World Bank, Mexico's processes for the procurement of PPPs and contract management of PPPs during delivery and operations are highly rated. Mexico also has favourable regulatory conditions for investing in infrastructure, supported by a stable financial sector. However, slow economic growth and small stock market capitalization are likely to present key challenges for Mexico's ability to attract capital and deliver future infrastructure projects. This is also likely to be exacerbated by the long-term impacts of the COVID-19 pandemic.

Drivers	Rank (/16)	Rank change (2017-20)	Score (/100)	Emerging	Aspiring	Contender	Top performer	Global leader
Governance	28	↓ 2	60					
Regulatory frameworks	31	↓ 2	63					
Permits	48	↓ 7	66					
Planning	31	↓ 3	77					
Procurement	1	↑ 23	95					
Activity	67	↑ 5	17					
Funding capacity	33	↑ 2	41					
Financial markets	48	↑ 3	28					

Mexico at a glance

\$10,118
GDP per capita
(USD, 2019)

125.9 million
Population
(2019)

1.5% of GDP
Infrastructure investment
(2019 estimate)

1.3% of GDP
Infrastructure gap
(2019 estimate)

72.4
Infrastructure quality
(0-100, 100 is best, 2019)

\$1,836 million
Private infrastructure investment
(5-year average, USD, 2019)

Top performing metrics



100/100

Transparency in public procurement

Mexico's public procurement notices are made available online and tender documents transparently detail procurement procedures. The transparency of the process encourages more participation and competition, which can drive value for money.



92/100

Financial stability

Mexico's financial markets have shown stability, driven by a commitment to fiscal prudence. However, a slowdown in economic growth, recent stagnation of investment and the effects of the COVID-19 pandemic may pose a risk to Mexico's financial stability.



84/100

PPP contract management

Mexico enacted PPP laws in 2012, supported by increased transparency measures. The Ministry of Finance and Public Credit is one of the principal authorities for PPPs in Mexico. Effective management of PPP projects are important to help projects stay on time and budget.

Opportunities to grow



No

Market sounding and/or assessment

According to the World Bank, there is an absence of market sounding process in Mexico. Adding one could allow the government to determine if there is interest from investors and lenders to provide commercial financing for projects.



20.5/100

Long term GDP growth trend

Mexico's long-term GDP growth was 2.2%. GDP growth may decrease following the impact of the COVID-19 pandemic.



7/100

Stocks traded

Mexico traded stocks worth 7.7% of GDP in 2019, below the Upper Middle Income Countries' average of 25.6% of GDP. As this indicator measures the liquidity of equities, it is important to infrastructure investors to know they can exit investments at appropriate points.

For guidance on how to improve these metrics, please see the [Mexico Country Page](#) on the InfraCompass website.



ECONOMY OVERVIEW

GDP (\$US billion, 2019)	1274.2	Population (million, 2019)	125.9	Unemployment rate (2019)	3.4%
GDP per capita (\$US, 2019)	10,118	Urbanisation ratio (2018)	80.0%	Inflation rate (2019)	3.8%
GDP growth rate (annual, 2019)	0.4%	Gross Government Debt (% of GDP, 2019)	54.0%	Digital Adoption Index (0-1 best, 2016)	0.6
GDP per capita growth rate (annual, 2019)	3.3%	Sovereign risk rating (2019)	63	Gini coefficient (0-100 worst, 2016)	48.3

METRIC SCORES

The below metrics are normalised so that they all range from 0 to 100. For original metrics and data sources, please see <https://infracompass.github.org/>

GOVERNANCE		REGULATORY FRAMEWORKS		PERMITS	
Post-completion reviews?	Yes -	Effect of taxation on incentives to invest	40.2 ↑	Cost to start a business	67.3 ↑
Infrastructure or PPP unit/agency?	Yes -	Prevalence of foreign ownership	72.1 ↑	Dealing with construction permits	75.9 -
Recovery rate	63.9 ↓	Product market regulation, network sectors	54.6 -	Quality of land administration	53.3 -
Rule of law	36.5 ↓	Regulatory (including competition) quality	53 ↓	Registering property	62.5 ↑
Shareholder governance	43.3 -	Strength of insolvency framework	71.9 -	Time required to start a business	81.2 -
Political stability and absence of violence	40.5 ↑	Investment promotion agency?	Yes -		
PLANNING		PROCUREMENT		ACTIVITY	
Published project pipeline?	Yes -	Average procurement duration – transaction RFP	65.8 ↓	Infrastructure investment	18.7 ↑
Published infrastructure plan?	Yes -	Degree of transparency in public procurement	100 ↑	Private infrastructure investment	14.9 ↑
Preparation of PPPs	81 ↓	Published procurement guidelines?	Yes -	Value of closed PPP infrastructure deals	13.7 ↑
Economic analysis assessment?	Yes -	Procurement of PPPs	82 -	Value of closed infrastructure deals with foreign equity sponsorship	20.7 ↑
Market sounding and/or assessment?	No -	PPP contract management	84 -		
Environmental impact analysis?	Yes -				
FUNDING CAPACITY		FINANCIAL MARKETS		Drawing on data from: International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, World Economic Forum, IJ Global, CEPPII, Oxford Economics, Trading Economics, and Deloitte.	
GDP per capita	12.9 ↑	Domestic credit to private sector	16.6 ↑		
Gross government debt	57.8 ↑	Financing through local equity market	44.5 ↑		
Long term GDP growth trend	20.5 ↓	Stocks traded	7 ↓		
Summary credit rating	65 ↑	Financial depth	35.8 ↑		
		Financial stability	92 ↑		

Metric key:

↑ Increase from InfraCompass 2017 ↓ Decrease from InfraCompass 2017 - No change from InfraCompass 2017

Note:

'Top performing metrics' are the metrics with the highest score out of 100.

'Opportunities to grow' are generally the metrics with the lowest weighted score out of 100.