27. Mexico

27.1. SMEs in the national economy

SMEs play a strategic role within the Mexican economy. According to the National Survey of Productivity and Competitiveness for Micro, Small and Medium Enterprises (ENAPROCE), conducted for the first time in 2015 by the National Institute of Statistics and Geography (INEGI), there are 4 million SMEs in Mexico, which account for 99.7% of all private enterprises and represent 62.6% of private-sector employment, as well as 35.2% of national total gross production.

Table 27.1. Distribution of firms in Mexico, 2014

(By firm size)

<table>
<thead>
<tr>
<th></th>
<th>Number of enterprises</th>
<th>% of total enterprises</th>
<th>% of private sector employment</th>
<th>% of national total gross production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro</td>
<td>3,952,422</td>
<td>97.3</td>
<td>47.2</td>
<td>12.4</td>
</tr>
<tr>
<td>Small</td>
<td>79,367</td>
<td>2</td>
<td>8.4</td>
<td>9.5</td>
</tr>
<tr>
<td>Medium</td>
<td>16,754</td>
<td>0.4</td>
<td>7</td>
<td>13.3</td>
</tr>
<tr>
<td>Large</td>
<td>10,917</td>
<td>0.3</td>
<td>37.4</td>
<td>64.8</td>
</tr>
<tr>
<td>Total</td>
<td>4,059,460</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: (OECD, 2017[1]).

27.2. National policy framework to support SMEs in public procurement

The National Development Plan for 2013-18 (Plan Nacional de Desarrollo 2013-18) includes Program for a Close and Modern Government (Programa para un Gobierno Cercano y Moderno, PGCM). The Law for the Development of the Competitiveness of the Micro, Small and Medium Enterprise, promotes national economic development through the creation of micro, small and medium enterprises and support for their viability, productivity, competitiveness and sustainability. Its objective is to increase SME participation in the markets, within a framework of increasing productive chains that generate greater national benefit. The law includes a provision specifically promoting SME participation in public procurement, as a tool to achieve the objective.

Public procurement policies are co-ordinated with other policies through the goals established in the National Development Plan, which contains the above-mentioned PGCM. This programme has strategies and lines of action to reach secondary objectives through public procurement, and those lines of action are linked with the objectives and provisions of other programmes. For example, the Production and Sustainable Consumption Program has an objective of increasing sustainable public procurement. To achieve this objective it incorporates the strategy of promoting economical instruments that will encourage green and inclusive growth; a line of action for this strategy is to promote procurement of sustainable goods and services from SMEs. The PGCM also has the
II. COUNTRY PROFILE: MEXICO

objective of improving government public management; one line of action to meet this objective is to promote adoption of sustainable criteria in public procurement. The Law of Acquisitions, Leases and Services of the Public Sector (LAASSP) includes a number of provisions to support SMEs:

- It places the Ministry of Economy (Secretaría de Economía) in charge of promoting SME participation in public procurements.
- The agencies will have to gradually increase the share of SME awarded contracts to reach 35% of the total volume.
- When the production process is up to 60 days, agencies can make 10% to 50% of the payment in advance when the procurement involves national SMEs.
- In cases of evaluation by points and percentage, the agencies have to give extra points to small and medium enterprises when they produce goods with innovation technology in accordance with the Mexican Institute of Industry Property (IMPI).
- In equal conditions, preference will be given to bidders that are affiliated with national SMEs.

27.3. Implementation mechanisms

The Ministry of Economy and Ministry of Public Administration (Secretaría de la Función Pública, SFP) work together to train public servants in order to support SMEs. Furthermore, training and workshops are carried out with a specific focus on supplier registration and use of the e-procurement platform, CompraNet.

27.4. Monitoring performance

The Ministry of Economy has developed statistics regarding the goal involving the share of contracts awarded to SMEs. This goal considers the total amount of the Federation’s Expenditure Budget and reviews the Annual Programs of Acquisitions, Leases and Services and of Public Works and Related Services.

Reference
