

Executive Board Consultation

Country Strategic Opportunities Programme (COSOP) 2026-2031 | Mexico

EB Consultation,
8 April 2026



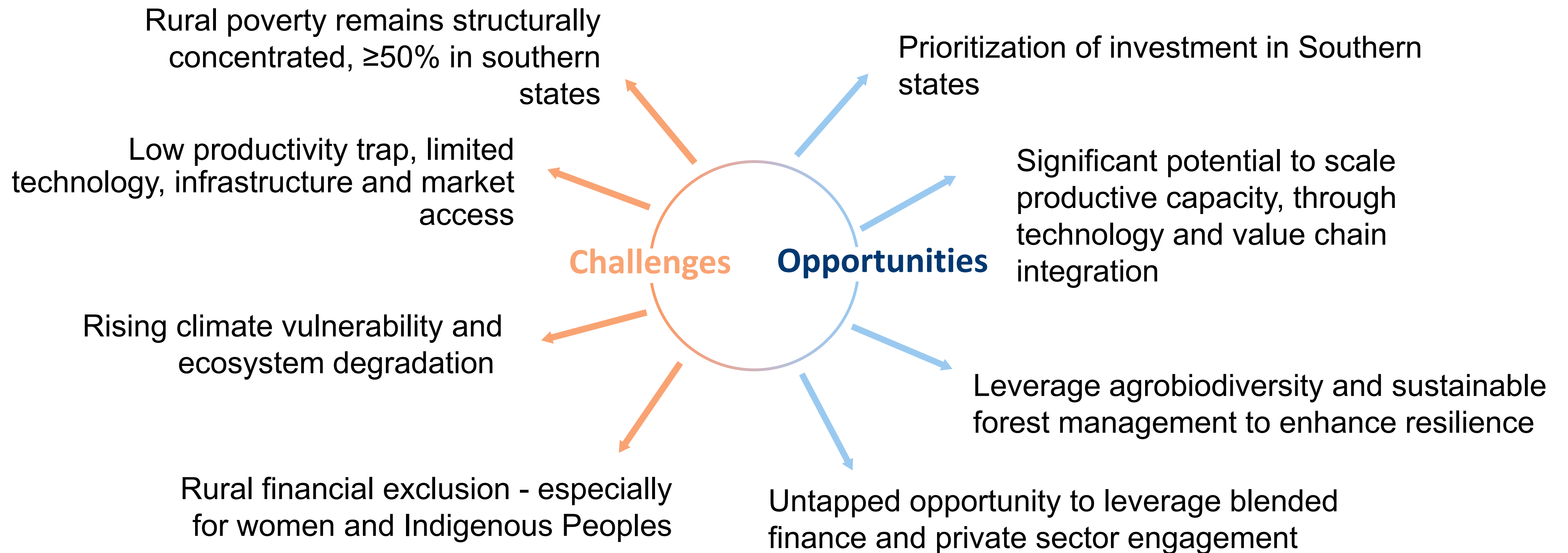
Table of contents

- **Country context: Challenges and Opportunities**
- **COSOP 2026-31**
 - ✓ Evolution of the COSOP: Integrating lessons from earlier COSOP and CSPE
 - ✓ Strategic Objectives
 - ✓ Financing resources and instruments
 - ✓ Transitional assessment framework: proxy indicators and targets
- **Conclusions and way forward**



I. Country Context: Challenges and opportunities

Rural poverty, climate vulnerability and financial exclusion converge in the South — but also create a clear entry point for scalable impact



II. COSOP 2026-2031: Integrating lessons from earlier COSOP & CSPE

	2020–2025 COSOP	CSPE Recommendations	2026–2031 COSOP: Key features of the UMIC tailored approach
Focus Areas	<ul style="list-style-type: none"> • Food and nutrition security • Smallholder farmers’ productivity and organizational capacities • Transition from social protection to productive inclusion • Climate change adaptation and mitigation 	<ul style="list-style-type: none"> ✓ Raise awareness about groups with difficulty accessing support from federal budget programmes ✓ Improve monitoring, evaluation and the systematization of evidence on project results, with special emphasis on environmental issues ✓ Strengthen IFAD’s catalytic role in the rural financial ecosystem by promoting financial innovations targeting small rural producers, women, youth and Indigenous Peoples ✓ Support the Government of Mexico in linking public policy priorities on rural innovation, environmental sustainability and inclusive financing ✓ Strengthen IFAD's collaboration with the private sector, focusing specifically on expanding the inclusion of small rural producers in value chains 	<ul style="list-style-type: none"> • Institutional strengthening: Capacity building for differentiated targeting and delivery strategies, strengthening the measurement and systematization of results and the generation of evidence • Innovation: Centred on ICTs, digital and behavioural solutions, financing frameworks and engagement with National Development Banks (NDBs), International Financial Institutions (IFIs) and fintechs • Public goods: Resilient producers and ecosystems. Greenhouse gas (GHG) emission reduction, restoration of degraded soils, safeguarding of agrobiodiversity • Scalability: Dual role of provider and recipient of South-South Triangular and Cooperation (SSTC) • Private sector: Access to markets and financing through technology and ecosystem readiness for private sector investment
Delivery Model	<ul style="list-style-type: none"> • Maximize impact and long-term sustainability by embedding successful approaches into the Government’s priority national programs 		<ul style="list-style-type: none"> • Assembler of finance: Sovereign Operations (SOs) and Non-Sovereign Operations (NSOs) using climate and environment funds, among others • Partnerships: government, national development banks, civil society, academia, and IFIs

II. COSOP 2026-2031: Strategic objectives



GOAL

Deepen and strengthen initiatives to foster food sovereignty, resilience, and social, economic, and financial inclusion of vulnerable rural communities in the southern states of Mexico

IFAD UMIC Tailored Approach

- Innovation
- Public Goods
- Strong institutions
- Scalability
- Private sector
- Assembler of finance

National Development Strategies



SO1

Improve the production capacities and market access of small- and medium-sized rural producers in priority value chains through digital solutions, technical assistance and targeted investments to enhance ecosystem readiness



SO2

Promote the resilience of rural producers and natural ecosystems by restoring degraded soils and adopting climate-smart technologies within strengthened territorial governance frameworks



SO3

Strengthen the social and economic inclusion of women and Indigenous Peoples and build their financial capabilities through differentiated financial products, financial education, innovative use of remittances, and recognition of the value of ancestral knowledge and the care economy



II. Financing instruments

Financing resources – Sovereign Operations

IFAD13 US\$45m + Cofinancing: Domestic and International

**Envelope IFAD14 US\$35m (TBC) – Borrowed Resource
Access Mechanism (BRAM)**

Ongoing portfolio:

Resilient Balsas Basin Project: US\$ 91.3m (IFAD US\$ 38.4m, Government of Mexico US\$ 13.4m, and Green Climate Fund US\$ 39.5m)

Other instruments

- Grants
- Supplementary Funds
- Private Sector (NSO)



II. Transitional assessment framework: Proxy indicators and targets

		At design	Mid Term Review	Completion
Criteria	Indicator	2025	2028	2031
Ability to access external capital for development				
	Credit rating (Moody's)	BBB	BBB	BBB
Institutions/policies for sustainable rural development				
	Overall RSPA Rating	4.2	4.4	4.7
Rural Sector Performance Assessment	Policies/Frameworks (1.1)	4.4	4.5	4.7
	National Climate Change Policies (3.2)	4.2	4.6	4.7
	Access/Use rural financial services (4.1)	4.1	4.4	4.6
	Progress toward SDG achievement			
• SDG 1 Poverty	Poverty headcount ratio (8.30 USD per day (Purchasing Power Parity) 2021)	27%	25%	24%
	Extreme poverty Southern region	19.1%	18.6%	18.2%
• SDG 2 Zero Hunger	Prevalence of undernourishment	17.2%	14.7%	13.3%
• SDG 5 Gender Equality	Women's participation in labour force	52%	54.8%	56.7%
• SDG 10 Inequality	Income share of the poorest 40%	18.6%	18.8%	19.2%

III. Conclusions and way forward



- **Climate & Environment Finance** to scale priority investments and provide budget additionality.
- **Private-Sector readiness** to unlock financing for priority agri-food value chains and accelerate investment flows.
- **Develop partnerships with NDBs and other IFIs** to scale access to finance.
- **Technical Assistance and SSTC** to advance key thematic areas aligned with Mexico's priority needs.
- **Monitor progress** on COSOP targets and projections: Annual, mid-term and completion

Contact

Rocío Medina Bolívar
Regional Director
LAC
IFAD
r.medinabolivar@ifad.org

Thank You



www.ifad.org