



Government Funding of Local Police Corporations in Mexico: 2016-2019

I. Objective

To evaluate public funding of local police corporations in Mexico between 2016 and 2019, through its two main funds: the Federal Public Security Contributions Fund for states (FASP, for its acronym in Spanish), and the Federal Public Security Contributions Fund for Municipal Governments (FORTASEG, for its acronym in Spanish).

The assessment considers five points:

1. Regulations
2. Recipients
3. Allocation by program
4. Expenditure
5. Irregularities or potential corruption

II. Context

FASP and FORTASEG are the main public funds to address crime and violence, at the local level. Federal Government provides 75%, and the other 25% is provided by states or municipalities. These resources are used in training, police equipment (transportation, weaponry, etc.), and other activities and programs considered as priorities. Despite their relevance, security expenditure has historically faced problems, the most important being under-funding, under-spending, and corruption.

III. Main findings

- *Regulations:* FASP and FORTASEG formulas to allocate public resources contain different elements (population, crime incidence, perception of violence, among others), with an unclear methodology, and sometimes with outdated data.
- *Recipients:* FASP and FORTASEG resources usually decrease, in real terms, every year. Additionally, these resources do not always attend cities or regions with the highest rates of crime and violence.
- *Allocation by program:* FASP and FORTASEG budgets are mainly allocated to infrastructure, training and police equipment; however, there are fewer resources to conduct essential programs, like searching for missing people, or violence prevention (e.g. domestic violence and intervention programs).
- *Expenditure:* Despite the fact that both funds are insufficient, there is also a problem of under-expenditure, sometimes related to:
 - The Executive Secretary of the National Public Security System (SESNSP, for its acronym in Spanish), is known to delay the provision of resources, the issue of yearly



guidelines that must be established for each state and municipality, and the acceptance of budget modifications.

- The Ministry of Defense (SEDENA, for its acronym in Spanish), is known to delay the distribution of weaponry which, in turn, explains delays in their payments.
- *Irregularities and potential corruption:* FASP and FORTASEG may suffer from corruption. For example, local governments can buy low quality items, sometimes do not receive the goods, or they can fail to pay contractors.

IV. **Some priorities and proposals**

In general terms, the design of local security programs and different income sources, apart from federal government funds, should be promoted. The streamlining of administrative procedures at the federal and local levels, should also be a priority. Once these reforms are enacted, the resources allocated to FORTASEG and FASP, should be substantially increased. Additionally:

- Regulations
 - To generate a formula based on updated and clear data
 - The formula should state that the resources be given to municipalities and states that:
 - a) use the money properly, and
 - b) have the most serious security problems.
- Recipients: those states and municipalities, which make the most of these resources, should be rewarded with increasing funds.
- Allocation by program: the priority programs should be discussed, in order to make sure that national priorities, such as the programs to search for missing people and for the prevention of violence, are not abandoned.
- Expenditure
 - The guidelines for states and municipalities should be issued on time.
 - FASP and FORTASEG funds should be allocated to states and municipalities on time.
 - The validation of budget modifications should be made more efficiently.
 - There should be sanctions for delays, which obstruct the expenditure of security funds.
- Irregularities and potential corruption
 - To increase supervision by auditing institutions, NGOs and citizens.
 - To effectively sanction those responsible for irregularities and corruption.