

Economic Research

The debate and approval of the 2022 Budget has finalized

- On Sunday, the Lower House approved the 2022 Spending Budget. With this, the approval process of <u>next year's Budget</u> has finalized
- This was done in accordance with the deadline set by the Fiscal Responsibility Law, on November 15th
- On October 27th, Congress finalized the approval process of the Revenue Law, tax code and Federal Rights Law. Regarding the former, the total amount of resources stood at \$7,088.3 billion, in line with the proposal made by the Ministry of Finance
- Out of the 1,994 reservations presented, all of them were rejected, with the proposal being unchanged relative to the budget outlined by the MoF
- Specifically, some of the reservations included to provide more resources to health and education, create unemployment insurance and implement measures against climate change, among many more issues. In turn, they proposed cutting some operational expenses as well as resources for some key infrastructure projects
- As a result, lower resources —relative to the previous year— were assigned to the National Election Institute (\$4,913 million less), the Supreme Court (\$65 million less), and the Federal Judiciary Council (\$2,935 million less), among others
- Meanwhile, total resources for infrastructure projects will near almost \$640 billion, with a large portion of this amount in key projects such as the Mayan Train, the Dos Bocas Refinery, and works related to the Santa Lucía Airport
- After this, the proposal is sent to the Executive branch for final approval and publication in the Official Gazette (Diario Oficial de la Federación)

November 16, 2021

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Main fiscal variables - 2022

 % of GDP

 Variable
 % of GDP

 Public balance¹
 -3.5

 Budget revenues
 22.5

 Total revenues²
 25.2

 Total expenditures
 25.2

 Public debt³
 51.0

Notes: 1. Measured with the Public Sector Borrowing Requirements (PSBR): 2. Takes into account revenue from additional debt; 3. Measured with the Historical Balance of the PSBR Source: Lower House. MoF

Deadlines for the 2022 Budget

Date	Concept	
Sep-8	2021 Budget Proposal	✓
Oct-20	Lower House approval of the Revenue Law	✓
Oct-31	Senate approves the Revenue Law	✓
Nov-15	Lower House approval of the Spending Budget	✓

Source: MoE

Document for distribution among the general public



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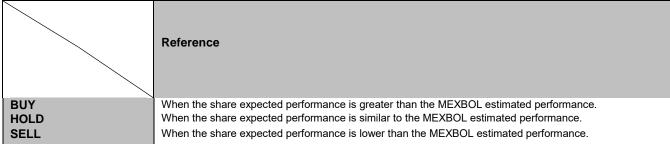
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