

Regions and Cities at a Glance 2020 provides a comprehensive assessment of how regions and cities across the OECD are progressing in a number of aspects connected to economic development, health, well-being and net zero-carbon transition. In the light of the health crisis caused by the COVID-19 pandemic, the report analyses outcomes and drivers of social, economic and environmental resilience. Consult the full publication [here](#).

OECD REGIONS AND CITIES AT A GLANCE - COUNTRY NOTE

MEXICO

- A. Resilient regional societies
- B. Regional economic disparities and trends in productivity
- C. Well-being in regions
- D. Industrial transition in regions
- E. Transitioning to clean energy in regions
- F. Metropolitan trends in growth and sustainability

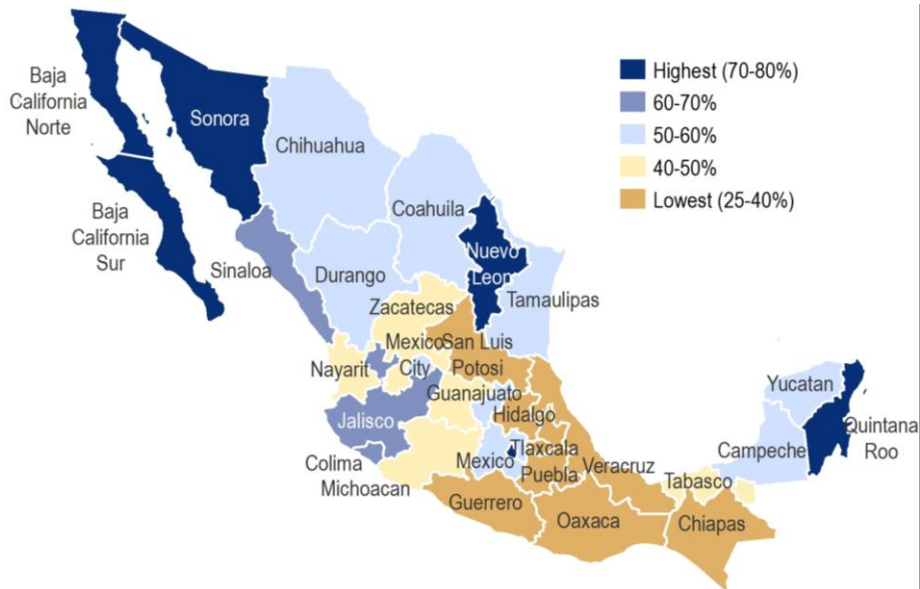
The data in this note reflect different subnational geographic levels in OECD countries:

- **Regions** are classified on two territorial levels reflecting the administrative organisation of countries: large regions (TL2) and small regions (TL3). Small regions are classified according to their access to metropolitan areas (see <https://doi.org/10.1787/b902cc00-en>).
- **Functional urban areas** consists of cities – defined as densely populated local units with at least 50 000 inhabitants – and adjacent local units connected to the city (commuting zones) in terms of commuting flows (see <https://doi.org/10.1787/d58cb34d-en>). Metropolitan areas refer to functional urban areas above 250 000 inhabitants.

A. Resilient regional societies

Mexico city has the highest share of buildings connected to internet through fiber, however access to broadband internet is unequally distributed across Mexican regions

A1. Share households with broadband access to internet
Large regions (TL2)



A broadband connection is an important requirement for households for having access to information and to other services and affects their opportunities to work remotely. Large regional disparities in broadband connection are observed in Mexico, where the average national level of access to broadband access is also relatively low compared to other OECD countries. The shares of households with broadband access to internet in the Mexican regions ranged from 81% in Sonora to less than 25% in Chiapas (Figure A1).

Mexico City has the highest fiber optic availability across large regions in Mexico with 35% of the buildings connected to the network (Figure A2).

A2- Internet infrastructure
Share of buildings connected to fiber, 2017

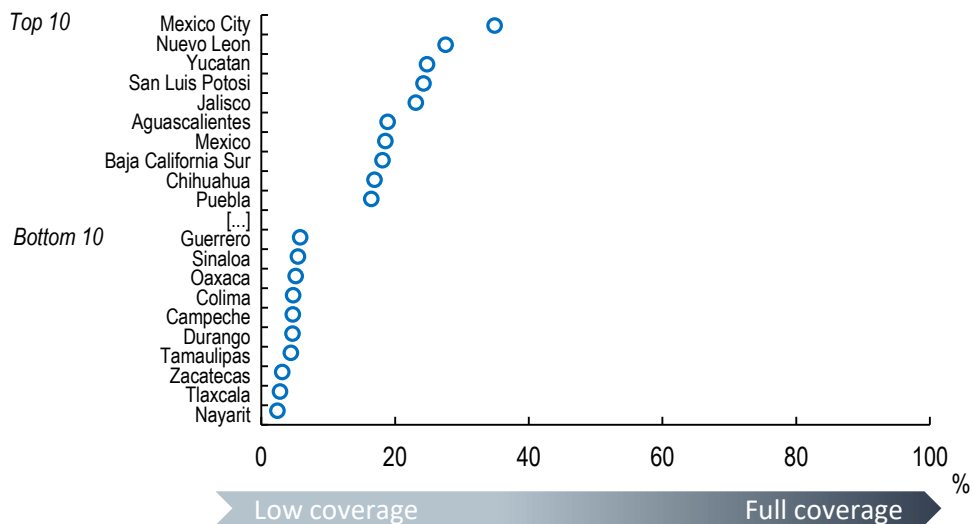
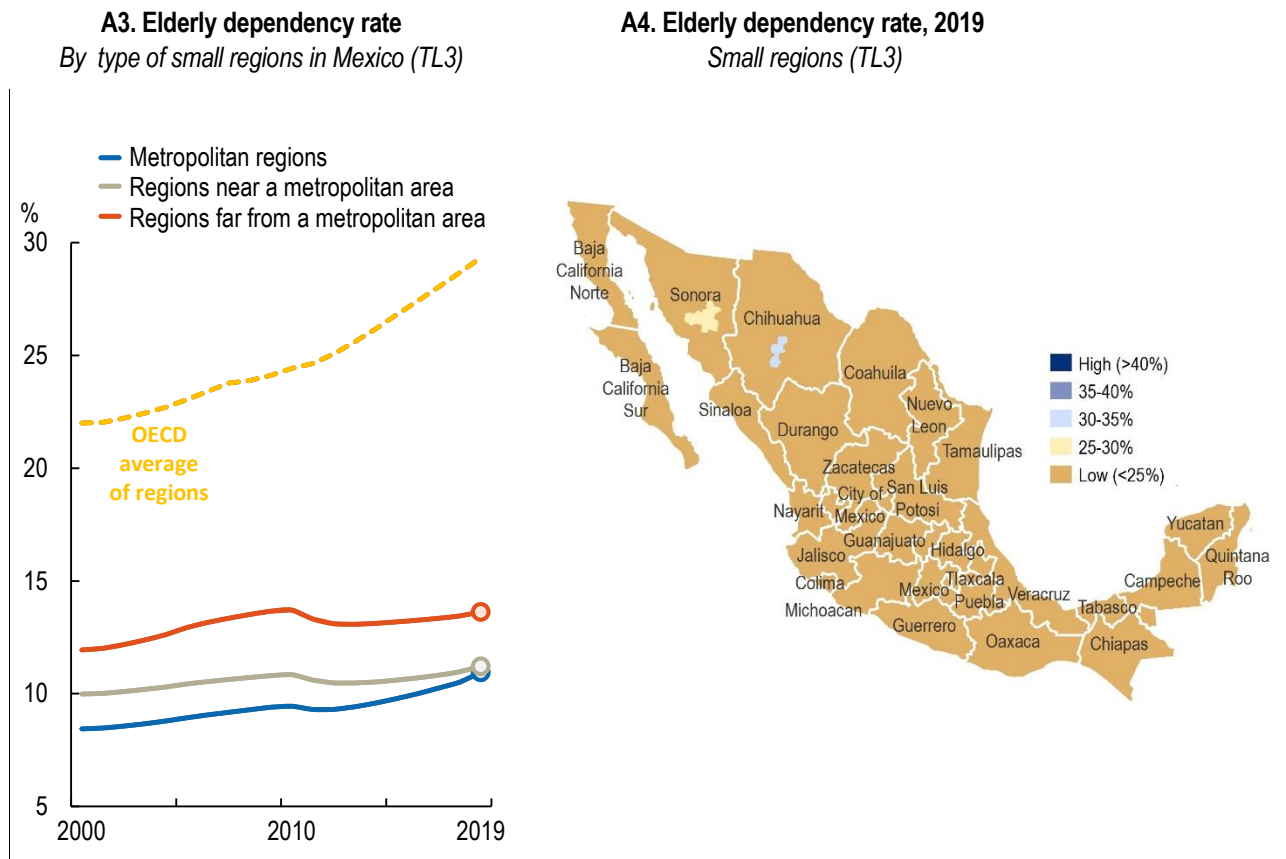


Figure [A1]: OECD (2020), Capacity to remote working can affect lockdown costs differently across places, <http://www.oecd.org/coronavirus/policy-responses/capacity-for-remote-working-can-affect-lockdown-costs-differently-across-places-0e85740e/>

Ageing remains low and stable in all Mexican states

The elderly dependency rate has been relatively stable in all types of regions in Mexico since 2000. Regions far from metropolitan areas show the highest elderly dependency rate (14%) among different types of regions (Figure A3), but are at less than the half of the OECD average (Figure A4).



All states in Mexico have fewer hospital beds per inhabitant than the OECD average

All regions in Mexico have significantly fewer hospital beds per capita than the OECD average, with little change in most regions since 2000 (Figure A5). Regional disparities in hospital beds are above OECD average, with Chiapas having the lowest number of hospital beds per 1 000 inhabitants in 2017, four times less than in Mexico City.

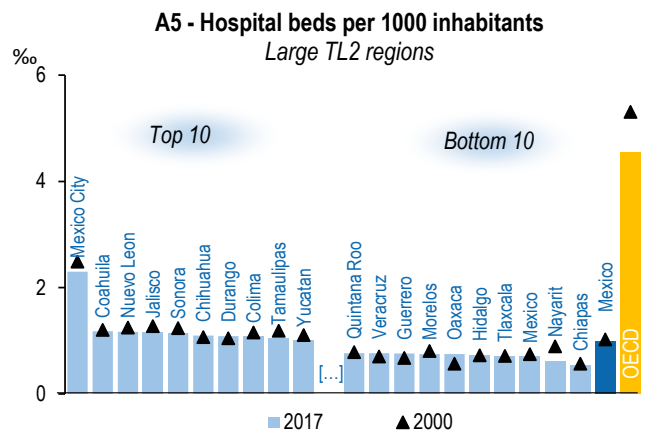
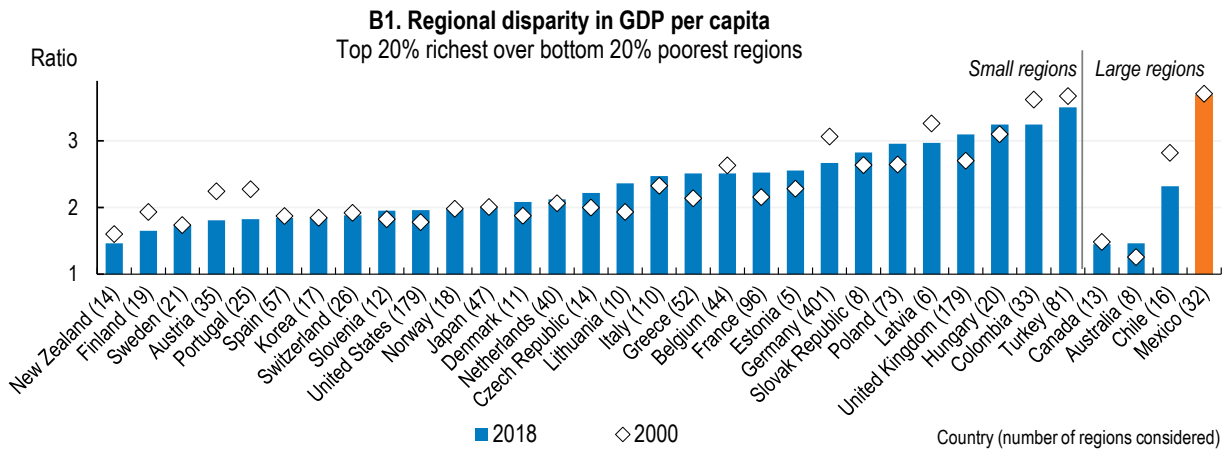


Figure notes. [A3]: OECD (2019), Classification of small (TL3) regions based on metropolitan population, low density and remoteness <https://doi.org/10.1787/b902cc00-en>. Two-year moving averages. [A4]: Small (TL3) regions contained in large regions. TL3 regions in Mexico are composed by 209 groups of Municipios.

B. Regional economic disparities and trends in productivity

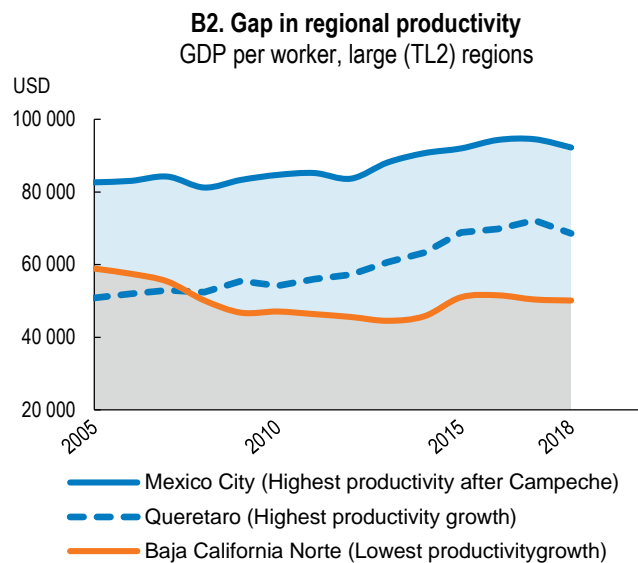
Economic disparities between the richest and poorest 20% of regions in Mexico are larger than in any other OECD country

Mexico has stark regional economic disparities (Figure B1). GDP per capita in Mexico City was more than six times higher than in Chiapas in 2018. Even when resource rich regions (i.e. Campeche or Tabasco) are excluded, regional economic disparities in Mexico remain larger than in any other OECD country.



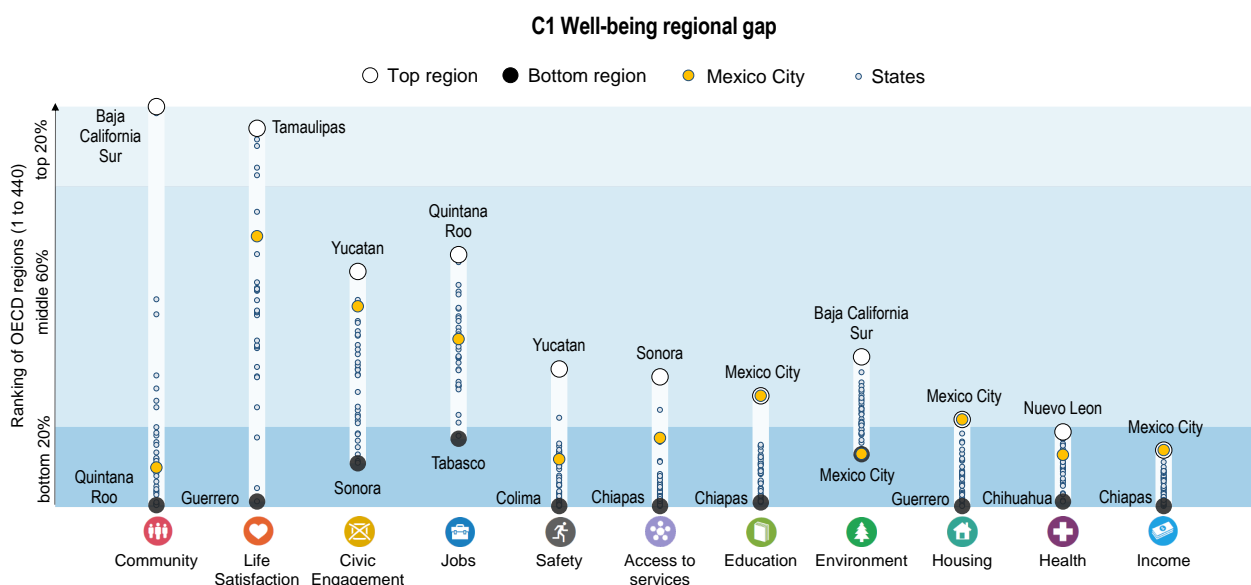
Note: A ratio higher than two means that 20% of the national population living in the richest regions have more than the double of GDP per capita than the 20% population living in the poorest regions.

With a productivity growth of 2.3% per year over the period 2005-18, Queretaro had the highest productivity growth and caught up to Mexico City, the national frontier in terms of labour productivity (excluding Campeche). Baja California has recorded the lowest productivity growth of the country with -1.2% per year between 2005 and 2018 (excluding Campeche and Tabasco due to fluctuation of natural resource prices) (Figure B2).



C. Well-being in regions

Mexico faces large regional disparities in 5 out of 11 well-being dimensions, particularly in the dimensions of life satisfaction and sense of community



Note: Relative ranking of the regions with the best and worst outcomes in the 11 well-being dimensions, with respect to all 440 OECD regions. The eleven dimensions are ordered by decreasing regional disparities in the country. Each well-being dimension is measured by the indicators in the table below.

While most Mexican states are in the middle 60% of OECD regions in the dimensions of civic engagement and jobs, they are all in the bottom 20% of OECD regions in the dimension of income and health. In contrast, outcomes across regions are very unequal in the dimension of safety. While Yucatan is in the middle 60% of OECD regions in terms of homicide rates, Colima is in the bottom 20% of OECD regions (Figure C1).

The average of the top performing Mexican regions is below the average of the top 20% of OECD regions in the majority of well-being indicators, with the exception of unemployment rates (Figure C2).

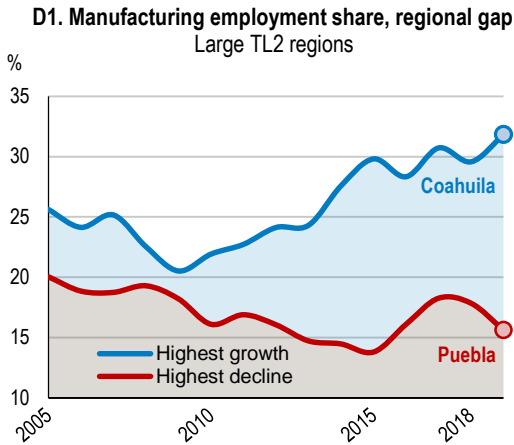
C2. How do the top and bottom regions fare on the well-being indicators?

	Country Average	OECD Top 20% regions	Mexican regions	
			Top 20%	Bottom 20%
Community				
Perceived social network support (%), 2014-18	81.1	94.1	89.1	73.0
Life Satisfaction				
Life satisfaction (scale from 0 to 10), 2014-18	6.5	7.3	7.2	5.8
Civic engagement				
Voters in last national election (%), 2019 or latest year	63.1	84.2	70.1	54.2
Jobs				
Employment rate 15 to 64 years old (%), 2019	62.4	76.0	66.7	56.9
Unemployment rate 15 to 64 years old (%), 2019	3.7	3.3	2.2	5.2
Safety				
Homicide Rate (per 100 000 people), 2016-18	24.3	0.7	9.3	51.3
Access to services				
Households with broadband access (%), 2019	49.7	91.3	70.7	29.4
Education				
Population with at least upper secondary education, 25-64 year-olds (%), 2019	39.1	90.3	49.2	28.2
Environment				
Level of air pollution in PM 2.5 (µg/m³), 2019	15.1	7.0	17.2	22.9
Housing				
Rooms per person, 2018	1.0	2.3	1.2	0.8
Health				
Life Expectancy at birth (years), 2018	75.1	82.6	76.2	73.5
Age adjusted mortality rate (per 1 000 people), 2018	10.1	6.6	9.4	10.8
Income				
Disposable income per capita (in USD PPP), 2018	4 035	26 617	5 853	2 517

Note: OECD regions refer to the first administrative tier of subnational government (large regions, Territorial Level 2); Mexico is composed of 32 large regions. Visualisation: <https://www.oecdregionalwellbeing.org>.



Manufacturing employment has grown in the majority of Mexican states since 2005



Between 2005 and 2018, in 15 out of 32 large regions in Mexico experienced a decline in the share of manufacturing employment. With a reduction of 5.9 percentage point in the share of manufacturing employment, Puebla recorded the largest decline (Figure D1).

Decline in manufacturing employment between 2005 and 2018 coincided with a reduction in manufacturing gross value-added in the three most populous states (Mexico, Mexico City and Jalisco). At the opposite, Guanajuato, Nuevo Leon, Chihuahua, Baja California Norte, Coahuila and San Luis Potosi, experienced a growth in both employment and GVA manufacturing shares in the same period (Figure D2).

D2. Manufacturing trends, 2005-18

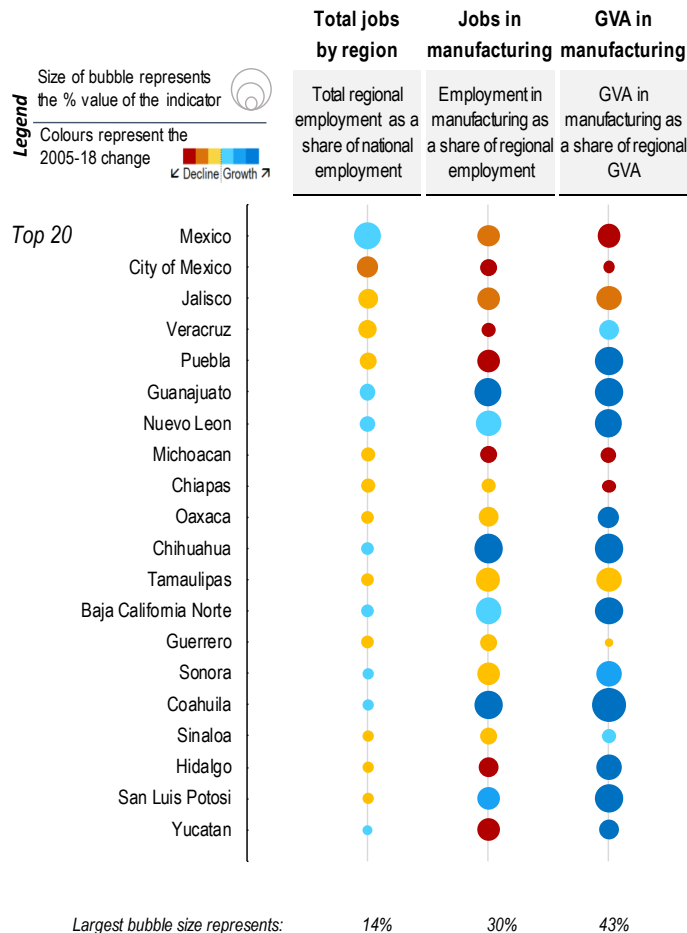


Figure [D.2]: Regions are ordered by regional employment as a share of national employment. Colour of the bubbles represents the evolution of the share over the period 2005-18 in percentage points: red: below -2 pp; orange: between -2 pp and -1 pp; yellow: between -1 pp and 0; light blue: between 0 and +1 pp; medium blue: between +1 pp and +2 pp; dark blue: above +2 pp over the period.

E. Transitioning to clean energy in regions

While 28 out of 30 Mexican regions are coal-free in electricity production, Coahuila and Guerrero – two of the largest producers of electricity – highly rely on coal

Veracruz, Tamaulipas, Baja California, Coahuila and Nuevo Leon, the top electricity producers in Mexico, generated two-thirds of Mexican electricity in 2017. However, while four of these regions are coal-free in electricity generation, Coahuila produced 81% of its electricity using coal. In contrast, Chiapas – which produces 6% of electricity in the country – is leading in the transition to clean electricity in Mexico with Oaxaca and Michoacan, with 93% or more of the electricity production coming from renewable sources (Figure E1).

E1. Transition to renewable energy, 2017

	Electricity generation (in GWh per year)	Regional share of renewables in electricity generation (%)	Regional share of coal in electricity generation (%)	Greenhouse gas emissions from electricity generated (in Ktons of CO ₂ eq.)
(Top 20)				
Veracruz	39 049	3%	0%	14 648
Tamaulipas	37 943	0%	0%	18 788
Baja California	27 261	15%	0%	11 695
Coahuila	18 559	2%	81%	13 870
Nuevo Leon	17 925	1%	0%	8 692
Guerrero	17 682	9%	91%	13 194
Chihuahua	15 485	1%	0%	7 851
Colima	14 633	0%	0%	7 802
Chiapas	13 569	93%	0%	755
San Luis Potosi	12 490	2%	0%	6 660
Oaxaca	11 876	93%	0%	567
Hidalgo	10 121	7%	0%	5 395
Durango	9 776	0%	0%	4 930
Yucatan	9 594	0%	0%	4 783
Sonora	9 170	5%	0%	4 843
Queretaro	8 041	0%	0%	3 939
Mexico	7 414	0%	0%	3 624
Michoacan	6 102	100%	0%	176
Campeche	4 885	0%	0%	2 449
Sinaloa	4 866	43%	0%	1 887

Carbon efficiency in electricity generation is very unequal across Mexican regions. According to OECD estimations, while Chiapas emits around 55 tons of CO₂ per gigawatt hour of electricity produced, Coahuila releases almost 750 tons of CO₂ per gigawatt hour. In 2017, Coahuila accounted for 10% of Mexico's CO₂ emissions from electricity generation (E2).

E2. Contribution to total CO₂ emissions from electricity production, 2017

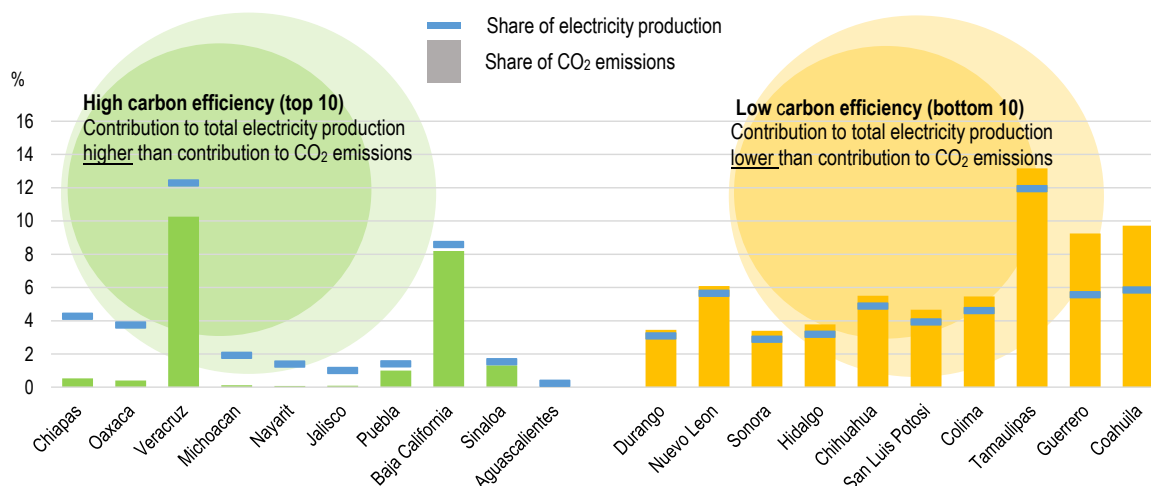


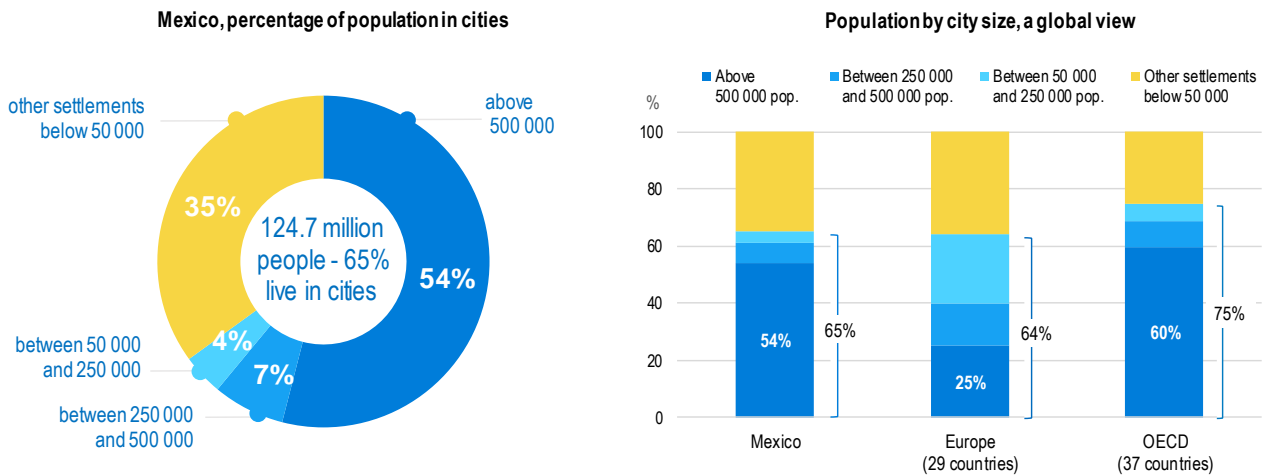
Figure notes: Regions are arranged in Figure E1 by total generation, and in Figure E2 according to gap between share of electricity generation and share of CO₂ emissions (most positive to most negative). These estimates refer to electricity production from the power plants connected to the national power grid, as registered in the Power Plants Database. As a result, small electricity generation facilities disconnected from the national power grid might not be captured. Renewable energy sources include hydropower, geothermal power, biomass, wind, solar, wave and tidal and waste. See [here](#) for more details.



Compared to OECD average, Mexico has a 10-percentage point lower share of the population in functional urban areas

In Mexico, 65% of the population lives in cities of more than 50 000 inhabitants and their respective commuting areas (functional urban areas, FUAs), a lower share than the OECD average of 75%. The same occurs for functional urban areas over half a million people, which account for 54% of the population in Mexico and 60% in OECD countries, on average (Figure F1).

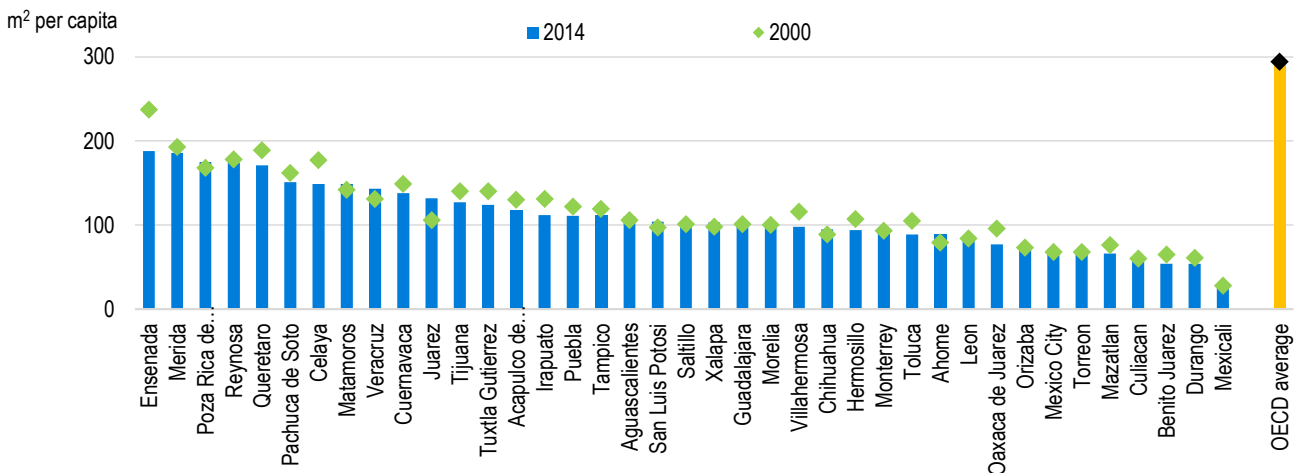
F1. Distribution of population in cities by city size
Functional urban areas, 2018



Built-up area per capita in Mexican metropolitan areas is almost three times lower than the OECD average of metropolitan areas. Built up area per capita has increased in 15 out of 39 Mexican metropolitan areas since 2000.

Built-up area per capita has increased in 15 functional urban areas in Mexico since 2000, especially in Juarez, Veracruz and Ahome, where the difference between the growth of built-up area and growth in population is the most pronounced. At the opposite, in Ensenada, Oaxaca de Juarez and Benito Juarez, population has grown faster than built-up area (Figure F2).

F2. Built-up area per capita
Functional urban areas with more than 500K inhabitants



Source: OECD Metropolitan Database. Number of metropolitan areas with a population of over 500 000: 39 in Mexico compared to 349 in the OECD.

Monterrey has the highest GDP per capita of Mexican metropolitan area of at least half a million, but the second last in terms of GDP per capita growth since 2003

In Mexico, Monterrey stands out with a level of GDP per capita close to 34 000 USD, 30% higher than in Mexico City – the second Mexican metropolitan area in terms of GDP per capita – and twice higher than in Cuernavaca. With an average GDP per capita growth of 2.6% per year between 2003 and 2018, Aguascalientes records the highest growth in Mexico.

F3. Trends in GDP per capita in metropolitan areas
Functional urban areas above 500 000 people

