



# QUARTERLY STATUS REPORT



December 31, 2023

Financing projects to preserve, protect and enhance the environment of the U.S.-Mexico border

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# 1. Project and Financing Activity



## 1.1. Approvals

During the last quarter of 2023, five environmental infrastructure projects were approved to receive up to US\$85.3 million in financing as follows:

- *Innecare Medical Complex Project in the City of Imperial, CA.* On October 6<sup>th</sup>, the Board approved the construction of outpatient medical facilities, consisting of a healthcare clinic, a Program of All-Inclusive Care for the Elderly (PACE) facility and a pharmacy, along with a loan for up to US\$36.4 million. In addition to increasing access to healthcare services for a socioeconomically disadvantaged population vulnerable to health issues related to extreme heat and other related environmental hazards, the facilities will be built using energy- and water-efficient equipment and will incorporate sustainable construction techniques and thermally efficient construction materials. A loan agreement for US\$36.0 million was signed in November, and disbursements began the same month.
- *Green Loan for Active Leasing, S.A. de C.V.* On November 2<sup>nd</sup>, the Bank approved a \$15-million loan for Active Leasing through its Green Loan Program, which was certified by the Board in June 2022. Active Leasing will use the loan to fund its equipment leasing operations with small- and medium-size enterprises for eligible green projects located within the 300-kilometer border region in Mexico. The green loan is expected to support the displacement of greenhouse gas emissions through investments in low-emission vehicles and energy-efficient equipment for green manufacturing, sustainable buildings and sustainable food value chain activities, as well as generate water savings from resource-efficient equipment installed in sustainable buildings. The loan agreement was signed in December.
- *Wastewater Collection System Improvements in Ímuris, SON.* On November 7<sup>th</sup>, the Board approved a project to rehabilitate major components of the wastewater collection system serving this small community located 42 miles south of Nogales, along with a US\$500,000 grant through the Community Assistance Program (CAP). The project will reduce the risk of line breaks, thus preventing up to 330,890 gallons per day of wastewater discharges onto local streets and into the Babasac River, which flows into the Magdalena River. Additionally, first-time wastewater service will be provided to 50 homes. The grant agreement was signed in December.
- *Border-wide Sustainable Housing Project in Mexico for Banco Inmobiliario Mexicano (BIM).* On December 8<sup>th</sup>, the Board approved a US\$20-million line of credit for BIM, a financial institution that provides financing to housing developers. The loan proceeds will be used by BIM to support the development of efficient and sustainable housing projects for middle-income residents in eligible cities in the Mexican border states. The sustainable housing will be developed under building standards that aim to achieve, at a minimum, a 20% annual reduction in energy consumption, a 20% annual reduction in water use and a 20% reduction in embodied energy in construction

materials when compared to standard practices—savings that are equivalent to the Excellence in Design for Greater Efficiencies (EDGE) certification standards.

- ***Rehabilitation of the International Collector and Tijuana River Diversion Infrastructure in Tijuana, B.C.*** On December 14, 2024, the Board certified a project to replace and abandon the deteriorated International Collector and rehabilitate three major lifts stations, which will reduce the risk of system failures and prevent the potential discharge of up to 32 million gallons per day (mgd) of wastewater that could impact the Tijuana River, which flows northward into the United States. To support project construction, the U.S. Environmental Protection Agency (EPA) approved a US\$13.4 million grant through the Border Environment Infrastructure Fund (BEIF), which is administered by the Bank.

In 2023, eleven new projects were approved to receive up to US\$235.3 million in financing. Table 1 provides a breakdown of the projects approved by environmental sector, country and type of financing, along with a comparison of the last three years.

**TABLE 1: APPROVAL OF ENVIRONMENTAL INFRASTRUCTURE PROJECTS**

	Year-end			
	2020	2021	2022	2023
<b>Projects Approved</b>	16	12	10	<b>11</b>
<b>By sector<sup>1</sup></b>				
Water	9	6	3	<b>5</b>
Solid waste	-	-	2	-
Air quality <sup>2</sup>	1	-	1	<b>1</b>
Sustainable energy	3	2	1	<b>2</b>
Sustainable buildings	-	-	-	<b>2</b>
Sustainable food value chains <sup>3</sup>	-	-	1	<b>1</b>
ProRec <sup>4</sup>	3	4	2	-
<b>By country</b>				
Mexico	7	3	7	<b>6</b>
United States	9	9	3	<b>5</b>
<b>By financing type</b>				
Loan	8	7	7	<b>7</b>
Grant	8	5	2	<b>4</b>
Loan & grant	-	-	1	-

<sup>1</sup> Additional eligible sectors include urban development; sustainable industrial parks; green manufacturing and products; and climate change mitigation and adaptation.

<sup>2</sup> Projects currently include an international border crossing and mobility projects, including a green loan that is mainly expected to be used for leasing energy-efficient and low-emission transportation equipment.

<sup>3</sup> This category currently includes a green loan mainly targeted to agriculture sector and a sustainable frozen food processing plant.

<sup>4</sup> This category captures projects approved through the COVID-19 Recovery Program (ProRec), which have a recognizable environmental benefit but are focused on delivering significant social, health or economic benefits to border communities, such as creating jobs or refinancing existing debt for public entities.

Table 2 provides a breakdown of all the financing approved per environmental sector, country and financing program, along with a comparison of the last three years.

**TABLE 2: APPROVAL OF FINANCING FOR ENVIRONMENTAL INFRASTRUCTURE PROJECTS**  
(Thousand USD)

	Year-end			
	2020	2021	2022	2023
<b>Financing Approved<sup>1</sup></b>	\$ 268,464	\$ 149,775	\$ 372,945	\$ 235,640
<b>By Sector</b>				
Water	25,239	31,435	180,907	43,240
Solid waste	-	-	9,138	-
Air quality	24,330	-	63,000	15,000
Sustainable energy	186,800	92,929	65,700	105,000
Sustainable buildings	-	-	-	56,400
Sustainable food value chains	-	-	20,000	16,000
ProRec <sup>2</sup>	32,095	25,411	34,200	-
<b>By Country</b>				
Mexico	34,494	23,541	243,795	68,640
United States	233,970	126,234	129,150	167,000
<b>By Program<sup>3</sup></b>				
Loans <sup>4</sup>	248,185	141,385	357,054	213,200
Grants:				
BEIF	19,279	7,390	15,441	21,940
CAP	1,000	1,000	450	500

<sup>1</sup> Figures include financing approved for new projects, as well as additional funding approved for projects certified in prior years. Additional eligible sectors include urban development; sustainable industrial parks; green manufacturing and products; and climate change mitigation and adaptation.

<sup>2</sup> This category captures projects approved through the COVID-19 Recovery Program (ProRec), which have a recognizable environmental benefit but are focused on delivering significant social, health or economic benefits to border communities, such as creating jobs or refinancing existing debt for public entities.

<sup>3</sup> Includes the Border Environment Infrastructure Fund (BEIF), which is administered by NADBank with funding provided and approved by the U.S Environmental Protection Agency (EPA), and the NADBank Community Assistance Program (CAP).

<sup>4</sup> In 2021, one of the ProRec loans in Mexico was subsequently cancelled prior to year-end. In 2022, one of the ProRec loans and the solid waste loan, both in Mexico, were subsequently cancelled prior to year-end.

## 1.2. Financing Activity

During the last quarter of 2023, the Bank executed financing agreements totaling close to US\$91.5 million with the sponsors of four environmental infrastructure projects, as detailed in Table 3.

**TABLE 3: FINANCING CONTRACTED FOR ENVIRONMENTAL INFRASTRUCTURE PROJECTS  
October 1 – December 31, 2023  
(USD)**

	Project	Date	Program <sup>1</sup>	Amount
1	Anemoui Energy Storage Project in Hidalgo County, Texas	12-Oct-23	Loan	\$ 40,000,000
2	Innecare Medical Complex Project in City of Imperial, California	9-Nov-23	Loan	35,960,753
3	Wastewater Collection System Improvements in Ímuris, Sonora	13-Dec-23	CAP	500,000
4	Green Loan for Active Leasing, S.A. de C.V.	15-Dec-23	Loan	15,000,000
<b>TOTAL</b>				<b>\$ 91,460,753</b>

1. NADBank Community Assistance Program (CAP).

In 2023, NADBank contracted a total of US\$341.8 million in financing—eight loans for up to US\$329.9 million and six grants for US\$11.9 million—with the sponsors of 14 certified projects in the areas of water and wastewater system improvements, solid waste management, mobility, sustainable energy and buildings and support for recovery from the COVID-19 pandemic.

During the last three months of 2023, the Bank also disbursed US\$59.5 million in loans and grants to support the implementation of 19 certified projects, including the initial loan disbursements for construction of the Innecare medical complex in the City of Imperial, California, and the Anemoui energy storage facility in Hidalgo County, Texas, as well as the initial disbursement of the BEIF grant for improvements to the wastewater collection system in Ciudad Juarez, Chihuahua.

For the year, NADBank disbursed close to US\$232.5 million in loans and grants to support 30 certified projects in various stages of implementation. Table 4 provides a breakdown of the disbursements by environmental sector, country and type of funding, while Table 5 shows the distribution by project.

**TABLE 4: DISBURSEMENTS FOR ENVIRONMENTAL INFRASTRUCTURE PROJECTS**  
(Thousand USD)

	Year-end			
	2020	2021	2022	2023
<b>Financing Disbursed</b>	\$ 60,909	\$ 127,609	\$ 102,162	\$ 232,492
<b>By sector<sup>1</sup></b>				
Water	21,610	38,200	12,132	90,947
Solid waste	6	-	-	449
Air quality <sup>2</sup>	6,953	-	63,000	-
Sustainable energy	245	86,209	3,044	113,387
Sustainable buildings	-	-	-	24,463
Sustainable food value chains <sup>3</sup>	-	-	10,121	-
ProRec <sup>4</sup>	32,095	3,200	13,865	3,246
<b>By country</b>				
Mexico	18,051	11,574	31,882	67,467
United States	42,858	116,035	70,280	165,025
<b>By financing type</b>				
Loans	51,160	117,213	90,030	218,829
Grants	9,749	10,396	12,132	13,663

<sup>1</sup> Additional eligible sectors include urban development; sustainable industrial parks; green manufacturing and products; and climate change mitigation and adaptation.

<sup>2</sup> Current projects include mobility and an international border crossing.

<sup>3</sup> At least 50% of the proceeds of the green loan made to Liquidez Corporativa is expected to be used to fund green projects for agribusinesses; therefore, the loan is categorized as a sustainable food value chain project.

<sup>4</sup> This category captures projects approved through the COVID-19 Recovery Program (ProRec), which have a recognizable environmental benefit but are focused on delivering significant social, health or economic benefits to border communities, such as creating jobs or refinancing existing debt for public entities.



**TABLE 5: DISTRIBUTION OF DISBURSEMENTS TO CERTIFIED PROJECTS**

	Year-end			
	2020	2021	2022	2023
<b>Projects Funded</b>	29	24	24	30
<b>By sector<sup>1</sup></b>				
Water	22	19	19	22
Solid waste	2	-	-	1
Air quality <sup>2</sup>	1	-	1	-
Sustainable energy	1	3	2	5
Sustainable buildings	-	-	-	1
Sustainable food value chains <sup>3</sup>	-	-	1	-
ProRec <sup>4</sup>	3	2	1	1
<b>By country</b>				
Mexico	13	14	16	15
United States	16	10	8	15
<b>By financing type<sup>5</sup></b>				
Loan	7	7	5	9
Grant	21	17	19	21
Loan & grant	1	-	-	-

<sup>1</sup> Additional eligible sectors include urban development; sustainable industrial parks; green manufacturing and products; and climate change mitigation and adaptation.

<sup>2</sup> Current projects include mobility and an international border crossing.

<sup>3</sup> At least 50% of the proceeds of the green loan made to Liquidez Corporativa is expected to be used to fund green projects in the agriculture sector; therefore, the loan is categorized as a sustainable food value chain project.

<sup>4</sup> This category captures projects approved through the COVID-19 Recovery Program (ProRec), which have a recognizable environmental benefit but are focused on delivering significant social, health or economic benefits to border communities, such as creating jobs or refinancing existing debt for public entities.

<sup>5</sup> In 2020, a water project received both loan and grant funding.

### 1.3. Project Implementation

During the last quarter of 2023, two projects partially funded with BEIF grants completed construction.

Vinton, Texas. Construction of the second phase of the new water distribution system for this bedroom community of 1,480 residents located 25 miles north of downtown El Paso was completed in October 2023, providing access to safe and reliable drinking water services for 100% of the households. Previously, El Paso Water (EPW) provided water service to approximately 30% of the community, while the remaining residents relied on four private water companies or used private on-site wells, which had a





variety of compliance issues, including intermittent service and poor water quality. Together with Phase 1 of the project completed by the U.S. Department of Agriculture (USDA) in August 2021, a total of 37,262 feet of waterlines and 360 residential connections were installed, along with 72 fire hydrants to bring the community into compliance with fire protection requirements. Most importantly, with the new system residents who were using private wells are no longer exposed to high concentrations of arsenic and the pathogenic organisms present in the local water supply.

*Reynosa, Tamaulipas.* Work to install new pumps in Lift Station No. 1 was completed in October 2023, thus completing the entire certified project, which also included the construction of Lift Station No. 278 to replace three lift stations that had exceeded their useful life and expansion of Wastewater Treatment Plant (WWTP) No. 2, along with improvements to its two lift stations. The expanded plant was completed in June 2023 but is not operating at full capacity as some equipment is not functioning properly and needs to be replaced. A study is currently underway to determine the works needed to fix the plant, as well as bring it into compliance with the new effluent quality regulations that went into effect in April 2023, which will be developed and implemented as a new project. Lift Stations No. 1 and No. 278, with a combined design capacity of 10.22 million gallons a day (mgd), convey wastewater to WWTP No. 1 in the north sector of the city, reducing the risk of untreated wastewater discharges onto local streets and into the Rio Grande River, which is a source of drinking water for downstream communities on both sides of the border.



*Lift Station No. 1*



*Lift Station No. 278*

During 2023, five water-related projects and one solid waste project were completed and began operations, representing a total investment of US\$31 million and benefitting 303,400 border residents. These projects include improvements to the wastewater collection and treatment systems of four communities—two in Arizona, one in Chihuahua and one in Tamaulipas—which altogether are preventing the discharge of up to 25.5 million gallons a day (mgd) of untreated sewage to local streets and waterways, while the new water distribution system for Vinton, Texas, is providing access to safe and reliable drinking water as well as fire protection, as detailed above. Finally, the purchase of a new compactor is ensuring the proper disposal of approximately 40 metric tons/day of municipal solid waste and helping maintain the optimum life of the landfill serving two communities in Texas.

Moreover, during the quarter, construction began on the first two sustainable buildings funded by NADBank:

- In October, work began on the OSME medical complex, consisting of a private hospital and medical specialties center, in San Luis Rio Colorado, Sonora, which will increase access to sustainable healthcare services for community residents, as well as seasonal agricultural workers on both sides of the border; and
- In December, Clinicas de Salud del Pueblo, Inc., a California-based, non-profit corporation doing business as Inncare, broke ground on its new medical complex in the City of Imperial, California.

Both projects are being built using sustainable construction techniques and thermally efficient construction materials, as well as energy- and water-efficient equipment.

In addition, by year-end, seven water and ten wastewater infrastructure projects that are being funded with part of the proceeds of the sustainability financing executed with the Government of the State of Baja California were under construction. The bid processes for another 27 projects were also underway, with construction scheduled to begin in the first quarter of 2024.

At the end of the year, a total of 41 projects partially funded with NADBank loans and/or grants were in various stages of implementation or pending financial closeout. Information on the status of those projects as of December 31, 2023, is provided in the Annex. More detailed information is provided in the report on Project Implementation Activities for Active Projects, which is available on the NADBank website ([www.nadb.org](http://www.nadb.org)).

## **1.4. Project Development**

As of December 31, 2023, the Bank was working with the sponsors of 41 potential environmental infrastructure projects who are seeking an estimated US\$246 million in financing. A breakdown of the projects by environmental sector, country and funding program is shown in Table 6.

**TABLE 6: PROJECTS UNDER DEVELOPMENT  
As of December 31, 2023**

	Projects (No.)	Est. NADBank Financing (Thousand USD)
<b>Project Pipeline</b>	<b>41</b>	<b>\$ 246,336</b>
<b>By Sector</b>		
Water	36	\$ 130,336
Solid waste	-	-
Air quality	3	21,000
Sustainable energy	1	85,000
Urban development	-	-
Sustainable buildings/industrial parks	-	-
Green manufacturing & products	1	10,000
Sustainable food value chains	-	-
<b>By Country</b>		
Mexico	26	\$ 123,350
U.S.	15	122,986
<b>By Financing Type<sup>1</sup></b>		
Loans	6	\$ 119,800
BEIF grants	28	90,236
Loans & BEIF grants <sup>2</sup>	2	33,800
CAP grants	5	2,500

1. Border Environment Infrastructure Fund (BEIF) funded by the U.S. Environmental Protection Agency (EPA) and administered by NADBank and NADBank Community Assistance Program (CAP).

2. Several BEIF projects may also seek a loan to complete their funding package. Currently, potential financing includes US\$9.5 million in loans and US\$24.3 million in BEIF grants for two projects. Additionally, a BEIF project in Baja California could be partially funded with the proceeds of the state sustainability loan.

During the last quarter of 2023, the Bank published four project proposals for public comment, which were subsequently submitted for Board consideration:

- Rehabilitation of the International Collector and Tijuana River Diversion System in Tijuana, Baja California;
- Drinking Water System Improvements in Hidalgo County, Texas;
- Public Transportation System Improvements for the Agua Caliente Corridor in Tijuana, Baja California; and
- Comprehensive Wastewater Collection and Treatment Project in Nuevo Laredo, Tamaulipas.

The first of those projects was approved by the Board prior to year-end.

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During the first quarter of 2024, the Bank expects to publish six additional project proposals for public comment:

- Wastewater Collection and Treatment Systems Improvements in Nuevo Progreso, Tamaulipas;
- Drinking Water System Improvements in Naco, Sonora;
- Arroyo Energy Storage Project in Cameron County, Texas;
- Hydropanels to Supply Drinking Water to Five Schools in Monterrey, Nuevo Leon;
- Hydropanels to Supply Drinking Water to Rural Areas of El Paso County, Texas; and
- Wastewater Collection System Improvements in Miguel Alemán, Tamaulipas.

All of the projects in the pipeline are eligible to receive support for design, financial structuring and other development activities through the Bank's technical assistance programs. Information on technical assistance awarded to support projects in development is provided in Section 4 of this report.

## 2. Results Measurement

### 2.1. Project Closeout Process

The final stage of project implementation is the closeout process, which serves to assess and document the achievement of the fundamental objectives of a project with respect to the investments made and the infrastructure built, or equipment and services provided. In addition, the closeout report provides important feedback on lessons learned and best practices to be applied to future projects.

During the last quarter of 2024, a closeout report for one water project was completed and delivered to the Board.

**TABLE 7: PROJECT CLOSEOUT REPORTS FINALIZED\***  
**October - December 2023**

	Project	Program	Project Approved	Implementation Completed
1	Water Supply and Distribution System Improvements in Whetstone, CA	CAP	19-Jun-18	August 2020

During the year, a total of five closeout reports were completed and delivered to the Board, including two projects funded with a loan and BEIF grant, two projects funded with BEIF grants and one project funded with a CAP grant.

To date, the Bank has completed closeout reports for 165 infrastructure projects. At the end of the year, reports were in process for three projects funded with a loan, seven projects funded with a NADBank grant, 28 projects funded with BEIF grants and nine projects funded with both a loan and a BEIF grant.

### 2.2. Impact Assessments

In mid-2022, the Bank began developing a study focused on evaluating the impact of environmental infrastructure projects funded by NADBank between 1995 and 2020 on the Rio Grande basin, from El Paso, TX to the Gulf of Mexico. The purpose of the study is twofold: 1) determine the environmental impact of the projects on the quality of the river water, in particular those related to wastewater treatment plants and storm drainage; and 2) identify problems, potential infrastructure needs for wastewater management and other factors



**TABLE 8: COMPLETED IMPACT ASSESSMENTS\***

NADBank carries out an impact assessment on select projects to evaluate their long-term environmental and human health impacts, as well as to identify opportunities to improve the project development process. To date, six impact assessments have been completed and the corresponding reports are available on the NADBank website.

- ***Juarez Valley, Chihuahua***  
4 wastewater projects constructed between 2009 and 2010 in the communities of Dr. Porfirio Parra, Guadalupe, Praxedis G. Guerrero and El Porvenir.
- ***Baja California***  
21 wastewater projects constructed between 2001 and 2013 in the communities of Mexicali, Playas de Rosarito, Tecate and Tijuana.
- ***Nogales, AZ and Nogales, SON***  
Wastewater projects implemented in the sister cities of Nogales, AZ (completed in 2009) and Nogales, SON (completed in 2010) evaluated in a binational context.
- ***El Paso County, Texas***  
A water and wastewater collection project completed in 2003 in the communities of Socorro and San Elizario.
- ***Mexican Border Region***  
Public transportation programs aimed at improving air quality by replacing obsolete buses with new units with cleaner technology implemented to date in eight municipalities in four northern border states.
- ***Doña Ana County, New Mexico***  
Solid waste management project to expand landfill and improve waste disposal services, completed in 2005 and serving communities throughout the county.

that could negatively affect the quality of the river water. The study was divided into three main tasks i) data compilation; ii) creation of thematic maps; and iii) data analysis.

Working with the U.S. Section of the International Boundary and Water Commission (IBWC) and the Texas Commission on Environmental Quality (TCEQ), all biological, physicochemical and flow parameters reported by the 77 monitoring stations installed along the Rio Grande during the 1995-2022 period, as well as the location of the wastewater treatment plants in both countries, have been integrated into a single database. A total of 36 water quality parameters were compiled for the monitoring stations over the past 27 years and then transferred to maps with appropriate georeferenced coordinates. In addition, socioeconomic data based on comparable parameters for evaluating income and poverty levels, as well as household wealth, at the county level for the U.S. and at the municipal level for Mexico has been collected and integrated into a geographic information system that can create thematic maps to visualize the information.

In June 2023, NADBank contracted a consultant that specializes in modeling this type of environmental data and has extensive experience in conducting these studies on the Rio Grande. In September, the consultant delivered a preliminary report on the overall water quality of the Rio Grande over the past 25 years. After reviewing the initial results, NADBank asked the consultant to carry out additional tasks related to examining the water quality near the main urban centers along the river. The final report was delivered in December. NADBank is analyzing the relationship between all the elements of the study to establish a comprehensive vision of the river during the past 25 years. The impact assessment is expected to be fully completed by February 2024.



### 3. Status of Financing Programs

#### 3.1. Development Asset Portfolio

During 2023, the Bank disbursed close to US\$218.8 million in loans to development assets and received US\$89.9 million in principal payments, including prepayments totaling US\$34.1 million.

In addition to partial prepayments totaling US\$16.8 million for four sustainable energy projects in the U.S. and Mexico, on October 25, 2023, the sponsor of the Los Vientos Windpower IB Project in Cameron County, Texas, prepaid the remaining balance of US\$17.3 million on the US\$110-million loan that was fully disbursed at the end of 2012. The same month, the Bank also received the final payment of the US\$966,096 loan provided to the water utility in Tecate, Baja California, in 2008 for its second water and wastewater project.

As a result of this activity, NADBank closed the year with an outstanding loan balance of US\$1.05 billion, a net increase of 14% compared to the balance at the end of 2022 (US\$920.3 million).<sup>1</sup>

Table 9 provides a summary of lending activity in 2022 and 2023, and its impact on the portfolio. At the end of 2023, the Bank had US\$148.5 million in loans contracted pending disbursement for 11 projects, as well as up to US\$201.1 million in approved loans pending contracting for eight projects.

**TABLE 9: ANNUAL LENDING ACTIVITY**

(Million USD)

	Year-end	
	2022	2023
Outstanding balance, beginning of year	\$ 976.5	\$ 920.3
Loan disbursements	90.0	218.8
Principal amortizations	(72.4)	(55.8)
Loan prepayments	(73.8)	(34.1)
Outstanding balance, end of period	920.3	1,049.2
Loan commitments, pending disbursement	174.8	189.4
Loan approvals, pending commitment	257.0	176.6
Total loan approvals & commitments	431.8	366.0
Outstanding loans & loan commitments	\$ 1,352.1	\$ 1,415.2
Outstanding balances, before allowance for credit losses, unamortized fees, and effect of foreign exchange adjustments and hedged items.		

A breakdown of the current asset development portfolio by environmental sector, country and borrower type is shown in the following table and graphs.

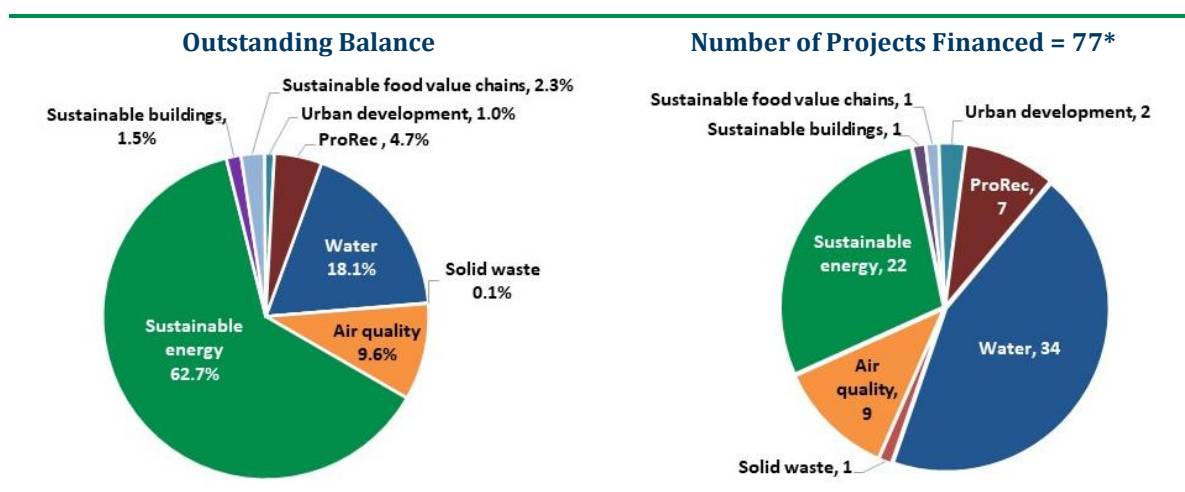
<sup>1</sup> These figures do not take into account allowances for credit losses, foreign exchange adjustments, unamortized loan fees and the fair value of hedged items.

**TABLE 10: BREAKDOWN OF LOAN PORTFOLIO<sup>1</sup>**  
As of December 31, 2023

	No. of Loans		Outstanding Balance	
	No.	%	Thousand USD	%
<b>Outstanding Loan Portfolio</b>	<b>71</b>	<b>100</b>	<b>\$ 1,049,225</b>	<b>100</b>
<b>By Sector</b>				
Water	28	39.4	\$ 190,129	18.1
Solid waste	1	1.4	615	0.1
Air quality <sup>2</sup>	9	12.7	100,791	9.6
Sustainable energy	22	31.0	658,498	62.7
Urban development <sup>3</sup>	2	2.8	15,371	1.5
Sustainable buildings	1	1.4	24,462	2.3
Sustainable food value chains <sup>4</sup>	1	1.4	10,122	1.0
ProRec <sup>5</sup>	7	9.9	49,237	4.7
<b>By Country</b>				
Mexico	46	64.8	\$ 646,085	61.6
U.S.	25	35.2	403,140	38.4
<b>By Borrowers</b>				
Public	39	54.9	\$ 296,578	28.3
Private	27	38.0	700,093	66.7
Public-private	5	7.1	52,554	5.0

1. Outstanding balances, before allowance for credit losses, unamortized fees, and effect of foreign exchange adjustments and hedged items.
2. Includes paving, mobility and border crossing projects.
3. Includes basic urban infrastructure projects, which consist of a mix of works from various sectors, such as street paving, water and sewer lines, storm drainage and public lighting.
4. Includes a green loan mainly targeted toward the agriculture sector.
5. COVID-19 Recovery Program.

### Loan Portfolio Distribution by Sector



\* Twenty-eight (28) loans in the water sector have partially funded 34 certified projects.

As of December 31, 2023, all loans are current, and there were no loans on non-accrual.

### **3.2. COVID-19 Recovery Program (ProRec)**

In May 2020, the Board of Directors approved a two-year financing program in response to the effects of the COVID-19 pandemic to support projects that have both environmental benefits and direct positive impacts on the economy and well-being of residents in the U.S.-Mexico border region.

**Loan Financing.** The two-year program expired at the end of 2022 having financed seven projects with loans totaling US\$63.4 million. On January 24, 2023, the last approved loan was contracted for US\$14.2 million to support the construction of a medical complex in Mexico, and 23% of the proceeds have been disbursed to date. Construction began in October and will take 20 months to complete. Detailed information about the projects is available on the NADBank website ([www.nadb.org](http://www.nadb.org)).

**Technical Assistance.** Through this program, a total of US\$580,000 in technical assistance was approved and contracted to support three communities. Of that amount, US\$460,358 or 79% was disbursed as of December 31, 2023.

During 2023, the Bank made an initial disbursement of US\$380,358 (\$6.4 million pesos) to Red Oaxaca S.A. of C.V. S.F.C. under a US\$500,000 reimbursable grant for the implementation of a microloan program in economically distressed areas of Ensenada and San Quintín, Baja California. To date, a total of 244 microloans, ranging between \$5,000 and \$400,000 pesos (approx. US\$300 to US\$23,900), have been made to 171 local entrepreneurs to help finance the purchase of tools and machinery to expand their businesses, as well as to 73 homeowners for basic home improvements, such as installing floors, roofs and plumbing. In particular, this project has had a significant impact on the lives of 161 women, who received 67% of the microloans.

### **3.3. Green Loan Program**

In June 2022, the Board of Directors approved the Green Loan Program with a financing commitment of up to US\$300 million to help increase long-term financing options for small businesses and farmers looking to implement green technologies to improve their operating efficiencies and reduce their environmental impact. Through this program, NADBank provides green loans to small- and medium-sized financial intermediaries for subsequent lending to eligible green projects that comply with the program's Green Loan Framework.

During the last quarter of 2023, the Bank approved and contracted a US\$15.0 million loan with a Mexican financial institution, which will use the proceeds to fund its leasing operations with small- and medium-size enterprises, mainly for eligible low-emission vehicles and energy-efficient equipment in the transportation sector.

Of the US\$300 million committed to this program, US\$35 million has been approved for two financial intermediaries, leaving US\$265 million available for future projects.

NADBank is currently working on an estimated US\$27 million in loans for three potential projects with non-bank financial institutions that have business lines focused on energy-efficient equipment, sustainable buildings and green manufacturing processes, as well as efficient mobility.

### 3.4. Community Assistance Program (CAP)

Through this program, NADBank provides grant financing to support the implementation of critical environmental infrastructure projects in the water and solid waste sectors for economically distressed communities in the U.S.-Mexico border region.

During 2023, the Bank approved a US\$500,000 grant for a wastewater project in Sonora; contracted a US\$450,000 grant agreement for a solid waste equipment project in Texas and disbursed close to US\$1.2 million in CAP grants to support four projects in implementation.

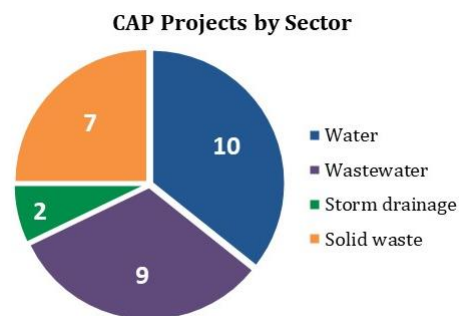
With respect to program funding, in 2023, the Bank transferred US\$1.48 million from its net operating income to the CAP program. In addition, US\$3.4 million in grant funds provided by the U.S. Congress through the Department of State (DOS) have been used to cover CAP grant disbursements for eight projects, as well as supervision expenses. The overall status of CAP program funding as of December 31, 2023, is summarized in Table 13.

**TABLE 13: CAP FUNDING**  
(Million USD)

	2023	Cumulative
NADBank funding allocated	\$ 1.48	\$ 15.57
U.S. Department of State grant	1.19	3.43
Grants approved for projects <sup>1</sup>	0.50	(11.17)
Funds committed for supervision	(0.03)	(1.12)
Funding available for future projects		<b>\$ 6.71</b>

1. Cumulative figure less grant cancellations.

Of the 28 projects funded with CAP grants, 26 have completed implementation and two were under construction at the end of the year. Information on the status of projects currently in the process of being implemented or pending financial closeout as of December 31, 2023, is provided in the Annex. More detailed information is provided in the report on Project Implementation Activities for Active Projects, which is available on the NADBank website ([www.nadb.org](http://www.nadb.org)).



On October 12, 2023, an initial call for CAP grant applications was published in accordance with the updated program guidelines approved by the Board of Directors in June. Both the guidelines and the application are available on the NADBank website ([www.nadb.org](http://www.nadb.org)).

NADBank will initiate the first selection process based on applications received as of January 10, 2024. However, the application process will remain open with evaluations occurring on a periodic basis, and the ranked project list will be updated.

In addition, prior to year-end, NADBank received its first request for emergency need funding through the CAP program, which will be evaluated in January 2024.

### 3.5. Border Environment Infrastructure Fund (BEIF)

Through this program, NADBank administers grant resources provided by the U.S. Environmental Protection Agency (EPA) for the implementation of priority water and wastewater infrastructure projects located within 100 km of either side of the U.S.-Mexico border.

In 2023, US\$21.9 million in BEIF funding was approved for four projects, including additional funds for a project certified previously; US\$10.9 million was contracted with the sponsors of four projects, and close to US\$12.5 million was disbursed to support 17 projects in implementation.

With respect to program funding, during the last quarter of 2023, EPA Regions 6 and 9 allocated an additional US\$27.3 million to the BEIF program: US\$25.8 million for project construction and US\$1.5 million for program administration.<sup>2</sup>

The overall status of BEIF program funding as of December 31, 2023, is summarized in Table 14.

**TABLE 14: BEIF PROGRAM STATUS**  
(Million USD)

	2023	Cumulative
EPA funding allocations <sup>1</sup>	\$ 27.3	\$ 810.7
Funds allocated for administration	1.6	(35.9)
Grants approved for projects <sup>2</sup>	21.9	(735.4)
Grant cancellations in 2023 <sup>3</sup>	(0.2)	
Funding available for future projects		<u>\$ 39.4</u>

1. The cumulative figure includes US\$329,029 in interest earned.

2. Cumulative figure less grant cancellations.

3. Unused funds de-obligated from completed projects during the current year.

Of the 140 projects funded with BEIF grants to date, 125 were completed, 13 were in various stages of construction and two were in procurement at the end of the year. In addition, the grant agreement for one project was under development and is expected to be executed during the first quarter of 2024.

<sup>2</sup> EPA Region 6 covers the border states of New Mexico, Texas, Chihuahua, Coahuila, Nuevo Leon and Tamaulipas. EPA Region 9 covers the border states of Arizona, California, Baja California and Sonora.

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Information on the status of projects that are currently in the process of being implemented or pending financial closeout as of December 31, 2023, is provided in the Annex. More detailed information is provided in the report on Project Implementation Activities for Active Projects, which is available on the NADBank website ([www.nadb.org](http://www.nadb.org)).



## 4. Technical Assistance Programs

### 4.1. Technical Assistance Program (TAP)

To support project sponsors and border communities in the development of sustainable projects, NADBank offers various types of technical assistance in three categories: project development, institutional capacity building and sector studies to identify needs and generate knowledge about a new sector or technology.

During the last quarter of 2023, a total of US\$793,987 in TAP grants were awarded to support seven studies, as detailed in Table 16.

**TABLE 16: TAP GRANT APPROVALS**  
**October 1 – December 31, 2023**  
(USD)

	Community Benefitted	Activity	TAP Grant
1	Binational border region	Multi-year collaboration to accelerate green financing	\$ 440,000
2	Binational border region	Water management labor market mapping along the U.S.-Mexico border	175,000
3	Binational border region	Development of new content for the UMI basic training program	39,360
4	Binational border region	Content integration and delivery of UMI 2023 online seminars	16,127
5	Binational border region	Statistical modeling for the Rio Grande Impact Assessment (additional tasks)	3,500
6	El Paso, Texas	Rate study for the Lower Valley Water District (LVWD)	50,000
7	Nogales, Sonora	Risk atlas update for flooding in the city	70,000
<b>TOTAL:</b>			<b>\$ 793,987</b>

During the same period, three initiatives were completed as follows:

- Studies for closure and design of sanitary landfills in Chihuahua, Chihuahua. The studies included a financial analysis comparing different ways of operating the landfill and the development of strategies to increase garbage collection at the source and communicate the change in landfill operations. The existing landfill and the process for its closure were analyzed, and studies were conducted to determine the location of the new metropolitan sanitary landfill and develop the corresponding Environmental Impact Statement (MIA) and final designs in accordance with Mexican standard NOM 083-SEMARNAT-2003.
- Binational Value Network Analysis of the iCluster Project along the California-Baja California border. The purpose of the study was to analyze the logistics and manufacturing sectors in the region through a binational lens and its potential to be greener. Baja California value-added and employment concentration indexes by

strategic cluster were also updated. The study concluded that the strategic clusters in industrial corridor are the agroindustry, automotive industry, medical equipment and electronic components. The results also confirmed the concentrations from which value networks originate, starting primarily in Tijuana and Mexicali, as well as inferred that the participation of San Luis Río Colorado, Sonora, should be considered within the network. Logistics services is included among the Baja strategic clusters, with nine binational strategic sectors instead of eight from the previous 2014 study. The medical equipment cluster remained due to its high specialization and concentration in the Tijuana-Mexicali industrial corridor and synergies with Southern California.

- *Development of New Content for the UMI Basic Training Program.* Work to redesign the academic content of the UMI basic training program was completed in November. This new model consists of six units primarily focused on the managerial skills of officials in charge of providing any type of public service, especially directors and mid-level managers in small and medium-sized entities. Ten experts applied their specific knowledge and experience to developing the content of the units, with the support of pedagogical designers, and the materials were translated into English or Spanish, as the case may be. The first basic training units are expected to be launched in the second half of 2024.

In 2023, NADBank approved more than US\$2.2 million in TAP grants for 18 studies and other initiatives aimed at supporting the development of infrastructure projects, increasing the institutional capacity of public services or generating knowledge about a new sector. During the year, nine TAP-funded activities were completed, including revamping the Bank’s basic utility management program. At the end of the year, there were 16 initiatives in process with a total TAP grant commitment of US\$2.6 million.

### **Utility Management Institute (UMI)**

During the last quarter of 2023, NADBank presented four online seminars, each consisting of two 90-minute sessions that were presented in a bilingual format with simultaneous interpretation.

- *Continuation of the seminar: A Quick Evaluation Calculator for Water Utilities (October 5<sup>th</sup> & 6<sup>th</sup>).* This seminar recapped the use of the Water System Improvement Calculator (WSI-Calc)—a tool introduced in a 2022 seminar to help utilities evaluate the overall performance of their drinking water system and identify areas of opportunity to improve system efficiency. This seminar goes a step further by presenting ways to transition to a more modern utility that uses automated monitoring and control systems to improve energy efficiency, reduce water losses and optimize water supply management. A total of 138 people registered for the virtual seminar.
- *Renewable and Clean Energy for Water and Wastewater Systems (October 26<sup>th</sup> & 27<sup>th</sup>).* This seminar focuses on how utilities can design their own customized sustainability plan to balance the use of conventional and alternative energy and begin a gradual transition to cleaner energy sources using basic digital models and “mobile” indicators, including climate, seasons and territory, to assess the best energy mix. The process begins with mapping and aligning all system processes with all existing or

potential sources of both water and energy, including reducing water consumption. A total of 135 people registered for the virtual seminar.

- *Arizona-Sonora Cooperation: A History of Binational Governance in the Border Region (November 16<sup>th</sup> & 17<sup>th</sup>)*. This seminar showcases the positive impact of binational collaboration at the local level as demonstrated by the governments of Arizona and Sonora, which have been working together for nearly six decades to promote economic growth and tackle shared challenges. Joint committees on a variety of issues—including agribusiness, transportation, environment and natural resources, education and health services, among others—are the pillars that help shape policy and support joint strategic planning. A total of 218 people registered for the virtual seminar.
- *Climate Change Outlook for the Border Region (December 7<sup>th</sup> & 8<sup>th</sup>)*. This seminar provides a broad overview of the global causes and effects of climate change, along with mitigation and adaptation measures. The main effects of climate change in the border region are related to changing rainfall patterns resulting in prolonged droughts, poorer air quality from increased dust and more severe flooding. The main challenges for local governments and border institutions are finding innovative solutions for conserving water in the urban, agricultural and industrial sectors; increasing energy efficiency in businesses, housing, transportation and electricity generation; and developing affordable sources of renewable energy. A total of 96 people registered for the virtual seminar.

During the year, the Bank presented five virtual seminars on topics related to strengthening the institutional capacities of water utilities and civil works supervisors, promoting binational collaboration at the local level and raising awareness about climate change. Altogether, 782 people registered for the webinars, with approximately 48% registering for all five sessions. Thanks to the online format of the seminars, participants included people from 250 border communities and 69 U.S. and Mexican communities outside the border region, and even as from places as far away as Peru, the United Kingdom, Israel and Uruguay. More information about each seminar is posted on the NADBank website.

In November, NADBank also finalized the new UMI basic training program, which consists of six units primarily focused on the managerial skills of officials in charge of providing any type of public service. NADBank plans to launch the new program in the second half of 2024.

## **4.2. Project Development Assistance Program (PDAP)**

NADBank administers this EPA-funded program to assist communities in the development of water and wastewater projects that have been prioritized by EPA to receive BEIF grants.

During the last quarter of 2023, a total of US\$379,927 in PDAP grants were awarded to support the development of three projects, as detailed in Table 17.

**TABLE 17: PDAP GRANT APPROVALS**  
**October 1 – December 31, 2023**  
**(USD)**

Community / Sponsor		Activity	PDAP Grant
1	Yuma County, AZ	Additional funds for the preliminary engineering study of wastewater collection improvements	\$ 249,927
2	Nogales, SON	Biological assessment for the Los Alisos Wastewater Treatment Plant	50,000
3	Nogales, SON	Final design of sewer system for the Colinas del Sol y Bella Vista subdivisions	80,000
<b>TOTAL:</b>			<b>\$ 379,927</b>

During the same period, four PDAP-funded studies were completed to support the development of projects in both countries.

- Final designs of wastewater system improvements in Niland, California. Final designs were developed to improve wastewater collection infrastructure serving 718 homes in this small community east of the Salton Sea, as well as to eliminate inadequately treated wastewater discharges and comply with the standards for e-coli, biochemical oxygen demand (BOD), copper and thallium. The Imperial County Board of Supervisors approved the designs and bid specifications in October 2023. The project will be funded by U.S. Department of Agriculture-Rural Development (USDA-RD) and a Community Development Block Grant (CDBG) through the California Department of Housing & Community Development. Bidding for project construction is expected to occur in the first quarter of 2024.
- Additional scenarios for the flood modeling of a proposed Tijuana River barrier. In June, a study was completed to assess the potential environmental impacts of a border security barrier that the U.S. Customs and Border Patrol intends to deploy in the Tijuana River channel. At the request of EPA, an updated digital terrain model was developed, the updated terrain data was integrated into the two-dimensional HEC-RAS numerical flow model of the Tijuana River, and additional scenarios were modeled for 100-, 200- and 500-year flood scenarios. The results indicate that sedimentation at the energy dissipator primarily increases the risk of flooding in the 100-year scenarios but does not appear to have a marked impact on the extent of flooding in the 200- and 500-year scenarios. The South Bay International Wastewater Treatment Plant (SIBWTP) in San Diego would mostly be protected from 100-yr flood events; however, the wastewater infrastructure projects in the northern region of Tijuana, would be impacted by the same events, with the exception of the Carranza Collector.
- Technical memorandum for wastewater system expansion in Tornillo, Texas. The Tornillo Water Improvement District has proposed a project to expand its wastewater collection system to unserved areas. A comprehensive Technical Memorandum was developed to update its preliminary planning and environmental studies. Based on the results of this report, EPA issued a categorical exclusion indicating a detailed environmental analysis was not necessary under U.S. National Environmental Policy Act (NEPA).

- *Socioeconomic evaluation and cost-benefit analysis of the projects in the MECAPLAN of Tijuana, Baja California.* The rehabilitation of several wastewater infrastructure works, including force mains, sewer mains and interceptors, were evaluated using a profitability indicator to compare alternatives and analyze their investment costs, in order to determine the best options for safely conveying wastewater from the Tijuana River basin. The report was submitted to Baja California the Ministry of Finance to request funding.

In 2023, NADBank approved just over US\$1.5 million in PDAP grants to support the development of 11 infrastructure projects, along with a flood modeling assessment. During the course of the year, PDAP-funded studies were completed for the development of infrastructure projects or to strengthen the institutional capacity of water utilities in nine communities. As of December 31, 2023, there were 10 PDAP-funded studies in process with a total grant commitment of US\$1.05 million for the development of nine related water and/or wastewater projects.

**TABLE 18: SUMMARY OF TECHNICAL ASSISTANCE ACTIVITY**  
(Thousand USD)

	Year-end			
	2020	2021	2022	2023
<b>Total Activities Completed</b>	16	13	22	24
<b>By Program<sup>1</sup></b>				
TAP	2	3	6	9
UMI	2	5	4	5
ProRec	1	-	1	-
PDAP	11	5	11	10
<b>By Sector</b>				
Water	14	13	17	20
Solid waste	-	-	-	1
Air quality	-	-	3	1
Sustainable energy	1	-	1	-
Climate change	-	-	-	2
ProRec	1	-	1	-
<b>By Type</b>				
Project development	10	6	16	16
Sector development	2	2	1	2
Institutional strengthening	3	5	4	6
ProRec	1	-	1	-
<b>Funding Approved</b>				
TAP	\$ 289	\$ 350	\$ 1,231	\$ 2,173
UMI	120	48	48	80
ProRec	80	500	-	-
PDAP	1,412	1,036	1,258	1,506
<b>Funding Disbursed</b>				
TAP	\$ 522	465	501	1,300
UMI	59	13	38	72
ProRec	50	-	30	380
PDAP	1,101	1,045	1,080	1,197

<sup>1</sup> Technical Assistance Program (TAP), Utility Management Institute (UMI) and COVID-19 Recovery Program (ProRec) funded by NADBank and Project Development Assistance Program (PDAP) funded by the U.S. Environmental Protection Agency (EPA) and administered by NADBank. A grant from the U.S. Department of State was used to cover TAP and UMI disbursements in 2022 and 2023.

### 4.3. Border 2025: U.S.-Mexico Environmental Program

This binational program, developed by EPA and its Mexican counterpart, *Secretaría de Medio Ambiente y Recursos Naturales* (SEMARNAT), to improve the environment and protect the health of the millions of residents within 100 kilometers of both sides of the U.S.-Mexico border, focuses on initiatives for clean air, safe drinking water, reduced risk of exposure to hazardous waste and emergency preparedness. NADB provides logistical and administrative



services with respect to identifying, contracting and managing projects and workshops funded by EPA under the program.

During the last quarter of 2023, four initiatives financed through this program were completed.

*Evaluation of Six Sister City Joint Contingency Plans in California/Baja California and Arizona/ Sonora.*

The purpose of this project was to review the quality and status of six Sister City Joint Contingency Plans (SCJPC). Five virtual meetings were held to develop SCJPC evaluation criteria with stakeholders, two notification drills at two different sister city locations were conducted and an SCJCP evaluation guide was developed for use by five universities.



While the final report found that the plans were adequate, the evaluation team identified areas in each plan that should be improved, including the need to review and update the plans more frequently to take into account changes in personnel, policies and infrastructure. Other significant issues identified were difficulties in obtaining insurance coverage, which hinders cross-border response aid because of liability concerns, and the lack of commitment to share site-specific chemical information between response agencies on a “need to know” basis during a mutual response. The results of the binational communication drill also revealed a serious impediment to movement of emergency response equipment into Mexico from the U.S. during an emergency.

*Phase II of the Pilot Program: Community Prevention of the Anexa Miramar Illegal Dump in Tijuana, Baja California.*

The focus of this initiative was to strengthen the community’s capacity to maintain the household solid waste separation program implemented in Phase I by introducing new strategies and tools to increase neighborhood participation, including having the current participants invite their relatives and neighbors to join the program. As a result, the number of people participating in the program increased from an



average of 11 families during Phase I to about 33 families at the close of Phase II. Likewise, a visit to the local elementary school inspired the teaching staff and students to form their own recycling collection program on campus, which has collected a total of 220 kg of plastic to date and is still active. Workshops for making products with waste materials also sparked interest in generating self-employment initiatives, although efforts at this stage mainly focused on compost generation, which translated into the sale of compost on a small scale and an initiative to build a community compost heap, with a view to converting it into a community garden.

In terms of waste reduction, 1,010 kilograms of plastics have been recovered and sent to a recycling center instead of the landfill, and there has been a 50% reduction in organic waste. In addition, two site cleanup campaigns removed more than a ton of solid waste from illegal dumps in the neighborhood. Even more importantly, after eight years without service, the City resumed weekly garbage collection pickup.

*Real-time Surface Water Monitoring Pilot Program in Edinburg, Texas.* A Real-Time Hydrological System (RTHS) station that continuously retrieves meteorological and water surface elevation data was deployed to monitor flooding and water quality problems in Fair Haven Ditch. This modern technology is helping city officials monitor water levels in real time and receive alerts when the water reaches crucial levels. Four samples were taken quarterly to obtain instantaneous flow and water quality data, such as E. coli, total phosphorus, total Kjeldahl nitrogen and nitrate-nitrite. Water quality results indicate that phosphorus levels exceed TCEQ standards caused by excessive trash dumping.

Six workshops and a regional conference were held in the Lower Rio Grande Valley. The status of the project and monitoring results were presented, the new technology was promoted and information about water quality issues and non-point source pollution was shared with local stakeholders. The City of Edinburg also announced that it will be installing a second station in the city for monitoring purposes.



*Exposure to Air Quality Deterioration in Piedras Negras and Ciudad Acuña, Coahuila.* This initiative supported the development of air quality maps showing pollutant concentrations; a graphical analysis of the number of days above permitted limits for particulate matter 10 micrometers or less in diameter (PM<sub>10</sub>) and 2.5 micrometers or less in diameter (PM<sub>2.5</sub>), as well as carbon monoxide (CO), ozone (O<sub>3</sub>) and sulfur dioxide (SO<sub>2</sub>); and satellite images identifying year-round concentrations of CO, SO<sub>2</sub> and formaldehyde in the study area. Based on the study results, the main sources of air pollution in both cities are mobile on road (motor vehicles and border crossings), followed by area sources (residential, shops and services). However, air pollution concentrations in Piedras Negras were much higher than in Ciudad Acuña. Moreover, Piedras Negras has constant air quality problems, while high concentrations of pollutants in Ciudad Acuña were found to be related to specific events, which can be controlled by regulating certain sources of pollutants. With the participation of various government and non-governmental institutions, a series of actions were defined to reduce the population's exposure to poor air quality and to control and reduce emissions from shops and services, motor vehicles and the crossing of international bridges.



In 2023, NADBank selected three additional initiatives to receive US\$211,022 in Border 2025 funding. During the year, 10 projects funded through this program were completed benefitting 21 border communities. As of December 31, 2023, there were 12 Border 2025 projects in development, with a total grant commitment of US\$ 802,035.



## 5. Strategic Outreach Activities

In carrying out its mission, NADBank actively pursues opportunities to partner with other public and private entities to promote environmental sustainability in the border region. Drawing on its binational connections, NADBank works to bring together experts and stakeholders from both sides of the border to generate and share knowledge on environmental issues and emerging topics through studies, forums, webinars and other initiatives. Below are highlights of the outreach and collaborative efforts undertaken by NADBank during the past quarter.

### ***Groundbreaking ceremony for Inncare sustainable medical facilities in City of Imperial, California***

On December 7<sup>th</sup>, the Imperial Valley Regional Chamber of Commerce hosted a groundbreaking ceremony for the Inncare outpatient medical facilities, which will increase affordable access to much-needed healthcare services in the area, including the first all-inclusive care center for the elderly in Imperial Valley. Joining the Chamber and Inncare in celebrating this milestone was the City of Imperial, the Imperial County Board of Supervisors, Assembly member Eduardo Garcia, and representative from the offices of Senator Steve Padilla and Congressman Raul Ruiz, along with NADBank Chief Environmental Officer Salvador Lopez and representatives of Gafcon Inc, the construction managing company. The 55,000-square-foot facility has been designed to comply with criteria for Leadership in Energy and Environmental Design (LEED) certification and is expected to use 25% less electricity and 43% less water in comparison with international standards for a similar building.

In November, NADBank and Inncare signed a US\$36.0-million loan agreement to finance project construction. On that occasion Yvonne Bell, President and CEO of Inncare noted that “this Medical Complex Project exemplifies our commitment to providing top-quality healthcare services while being responsible stewards of our environment. Together with NADBank, we are not only improving access to healthcare but also setting a new standard for sustainable construction and buildings in our community.”



## Board appoints John Beckham as next Managing Director of NADBank

At its public meeting in November, the Board announced the appointment of John Beckham as the next Managing Director of NADBank for a four-year term beginning January 1, 2024. Mr. Beckham, who served as the Deputy Managing Director since January 2021, stated that he “will continue working to consolidate the institution as a binational leader in supporting the transition to a greener economy through innovative financing and more robust partnerships with stakeholders.”



His appointment coincides with Board approval of the 2024-2028 Strategic Plan, which reaffirms the Bank’s continued focus on investment in water infrastructure, as well as reflects the growing binational priority of accelerating investment in greener mobility and the commitment of Mexico and the United States to move towards sustainable development through investments that promote a better quality of life for border residents.

The Board also recognized the contributions of Calixto Mateos Hanel, who completed his four-year term as managing director in December 2023, and, in particular, his leadership in successfully integrating the activities of the Border Environment Cooperation Commission (BECC); navigating the COVID-19 pandemic and pivoting the Bank to invest comprehensively in the infrastructure and economic sustainability of the border region.



### ***Texan by Nature recognizes NADBank as a leader in conservation and sustainability***

For the second year in a row, Texan by Nature (TxN), a conservation non-profit founded by former First Lady Laura Bush, named NADBank as one of 20 honorees of the 5<sup>th</sup> annual Texan by Nature 20 (TxN 20), an official ranking of Texas-based businesses that have made a demonstrative commitment to conservation. This award is an endorsement of NADBank’s commitment to the principles of environmental sustainability and the transparent management of its financial and investment resources.

To select the 2023 TxN 20 honorees, TxN evaluated company submissions and conducted independent research across more than 2,000 publicly traded and private companies in 12 key sectors in Texas. All the companies were evaluated through a 17-point scoring system to narrow down the list to the top 60 companies in Texas. Key scoring criteria included: stated commitment to conservation, reported metrics related to conservation, measured investment in conservation, reported return on conservation, positive conservation impact, and employee engagement, among others. Each year, a selection committee of top industry leaders is formed to evaluate the top 60 companies and select the final honorees for the TxN 20.

## NADBank launches a request for proposals for CAP grants

On October 12<sup>th</sup>, NADBank published a request for proposals for grant financing through its Community Assistance Program (CAP) for the implementation of critical projects in the water and solid waste sectors in economically distressed communities in the U.S.-Mexico border region. For communities interested in applying for a grant for their project, NADBank held two virtual briefing sessions on October 25<sup>th</sup>, one in English and the other in Spanish, where Bank staff outlined important changes to the program guidelines and responded to questions about filling out the application and the documentation that must be submitted to pass into the selection process. A total of 85 people connected to the two webinars.

NADBank will initiate the first project selection process based on the applications received as of January 2024. However, the application process will remain open with evaluations occurring on a periodic basis, and the ranked project list will be updated at least once a year. Both the guidelines and the application are available on the NADBank website ([www.nadb.org](http://www.nadb.org))



## *Skills for Sustainability (S4S) in the U.S.- Mexico Border Region*

On November 14<sup>th</sup>, the first group of trainees in Ciudad Juarez, Chihuahua, completed the 140-hour course to become water utility technicians. The local implementing partner, Jovenes Constructores de la Comunidad (JCC) has already placed 29 of the 37 graduates in jobs at the local water utility (JMAS), Veolia, Water House Group and other companies in the area and is helping four graduates continue their formal education. JCC continues to contact multiple companies to connect as many current and future graduates as possible with jobs in the water sector.



In September, the first group of 20 trainees graduated from the program implemented by the local partners Success Through Technology (STTE) Foundation and Western Tech in El Paso, Texas. Since then, 13 have completed the 20-hour water operator course required to obtain certification from the Texas Commission on Environmental Commission (TCEQ). In the end, 11 graduates accepted an offer to join the El Paso Water (EPW) apprenticeship program. Upon successful completion of the six-month apprenticeship, these individuals will have the opportunity to transition into full-time water operator positions at EPW. The other nine graduates decided to



seek work outside the water sector because they were not willing to work the required shifts, had transportation issues or were not interested in working with wastewater.

Both STTE and JCC are recruiting for the second group of trainees, with the course set to begin in February 2024 in both El Paso and Juarez. To boost enrollment numbers for the second cohort in El Paso, the STTE focused on strengthening outreach efforts and enhancing media presence (<https://sttefoundation.org/s4s/>).

This initiative was developed as pilot program in partnership with NADBank and The Trust for the Americas to help meet the demand for skilled workers in the water industry by providing training and job placement for vulnerable, low-income populations on both sides of the U.S.-Mexico border. In November, The Trust team met EPW’s human resources representative, who is eager to hire more graduates of the S4S program, shared feedback on the curriculum and confirmed the involvement of their senior staff in mentorships with S4S participants.

### First class of NADBank University Ambassadors complete their service

In June 2023, NADBank announced the selection of the first class of undergraduate students to serve as NADBank University Ambassadors. Twenty-seven students in Mexico and four students in the U.S. majoring in a variety of disciplines—from international relations and business to law, education, agriculture and accounting—participated in the program, which ran from July through December 2023. Over the course of six months, the university ambassadors actively promoted NADBank and its mission in social media and through academic activities on their respective campuses by organizing conferences, student debates and roundtable discussions, creating podcasts and webinars or participating in radio interviews, among other activities.

At Trinity University in San Antonio, Texas, University Ambassador Lauren Elliot held a panel discussion for business students to inform them about the minor in Sustainable Business and Environmental, Social, and Governance (ESG) Strategy and how it could be of value in their careers. Kari Bergman, NADBank Associate Director of Environmental Infrastructure Finance, participated in the panel, talking about the skills required and the projects NADBank finances from a business perspective. Ms. Elliot also interviewed the Director for the Center for International Engagement on the importance of bilateral organizations, which was broadcast on the campus radio station, as well as organized a roundtable discussion on NADBank policies with the Political Science and International Departments at Trinity University.

At the Universidad Nacional Autónoma de México (UNAM) in Mexico City, Mariana Jaramillo participated in two radio programs broadcast nationally by Radio UNAM on the topics “Innovation in Clean Energy: A Key Solution to Combat Climate Change” and “Being a NADBank University Ambassador,” with 22,000 and 25,000 listeners tuning in, respectively. For his part, Luis Rodrigo Franco published an article entitled “UNAM present in the North American Development Bank” in the university magazine Gooya. Likewise, Maria Fernanda Cruz participated in a student symposium on Water Protection and its Interdependence with the Law.

**1º COLOQUIO ESTUDIANTIL  
"PROTECCIÓN DEL AGUA E  
INTERDEPENDENCIA CON EL DERECHO.  
Temas Selectos UNAM-NADBank**

MARÍA FERNANDA CRUZ MUÑOZ  
"Proyectos destacados del North American Development Bank, respecto al saneamiento y conservación del agua"

JIMENA PERALTA VILLEGAS  
"La gentrificación de las ciudades y su impacto en el agua"

ABDON HASSAN NICOLAS CORNEJO  
"Acceso al agua como Derecho Humano"

YOSHIKO MIROSLAVA MERCADO CASILLAS  
"Desertificación en México"

JACQUELINE GONZALEZ GARCIA  
"Prevención de desastres que provocan afectaciones a los diversos cuerpos acuáticos"

MILDRED ESTEFANÍA VILLAFUERTE CHÁVEZ  
"Industrias de comida y bebidas ultra procesadas en relación con el derecho al agua"

13:00 h a 15:00 h  
10 de noviembre de 2023

AUDITORIO ISIDRO FABELA  
FACULTAD DE DERECHO, UNAM

Transmisión en vivo  
FB @Mafer Cruz

## Additional Outreach Highlights

October - December 2023

- **October 4<sup>th</sup> - North Capital Forum on Sustainable Business Practices in North America in Mexico City.** NADBank Managing Director Calixto Mateos Hanel talked about the importance of binational collaboration in finding shared solutions for sustainability in the border region, especially with respect to the availability of water resources, managing water pollution and promoting clean energy, waste reuse and electromobility.



- **October 10<sup>th</sup> - Annual Binational Delegation Trip from San Diego to Mexico City.** NADBank Chief Environmental Officer Salvador Lopez joined the San Diego Regional Chamber of Commerce as part of its binational delegation, participating in water and energy panel discussions where he highlighted the work of the Bank in the Cali-Baja region.

- **October 19<sup>th</sup> - 24<sup>th</sup> Annual Rural Transportation Summit in Yuma, Arizona.** Deputy Managing Director John Beckham joined the panel on the importance of international trade and transportation, where he shared insights on the Bank's transportation and port-of-entry infrastructure investments.
- **October 19<sup>th</sup> - 26<sup>th</sup> Annual New Mexico Infrastructure Finance Conference in Las Cruces, NM.** Renata Manning, NADBank Director of Grants and Technical Services, joined representatives of the Camino Real Regional Utility Authority (CCRUA) and the Anthony Water and Sanitation District (AWSD) on a panel to discuss the different types of financing programs offered by NADBank and how working with the Bank had been beneficial for their projects.
- **November 6<sup>th</sup> - South Texas Mayors Alliance in San Antonio, Texas.** Deputy Managing Director John Beckham presented the Bank, its programs and eligible project types. In addition to San Antonio Mayor Ron Nirenberg, the event was attended by the mayors of several border cities, including Brownsville, Edinburg, Harlingen, McAllen, Mission and Laredo.



- **November 7<sup>th</sup> - Texan by Nature (TxN) Annual Conservation Summit in Austin, Texas.** Bank staff presented a case study on how the Bank utilizes several factors to determine whether or not to finance an infrastructure project. During the conference, NADBank was also recognized as a TxN Top 20 for the second year in a row.

- **November 9<sup>th</sup> – Public Meeting of the NADBank Board in San Antonio, TX.** In addition to announcing the appointment of John Beckham as the next Managing Director of the Bank, the Board heard from representatives of communities on both sides of the U.S.-Mexico border, as well as project developers, non-governmental organizations and entrepreneurs. The session was attended by around 60 people, either in person or virtually via the internet.



- **November 10<sup>th</sup> – Electrify Expo in Austin, Texas.** NADBank staff attended the event to learn about and share experiences related to the transition to zero-emission vehicles.

- **November 15<sup>th</sup> – Binational Rio Grande River Symposium in McAllen, Texas.** Hosted by the U.S. and Mexican Sections of the International Boundary and Water Commission (IBWC/CILA) and the Texas Commission on Environmental Quality (TCEQ), NADBank Chief Environmental Officer Salvador Lopez participated on a panel, where he recognized the Mayor of Nuevo Laredo, Tamaulipas, for her efforts to prevent and eliminate transboundary sewage flows into the Rio Grande River.



- **November 15<sup>th</sup>-17<sup>th</sup> – 2<sup>nd</sup> U.S.-Mexico Binational Forum on the Transition to Zero-emission Vehicles in Mexico City, Mexico.** Hosted by the Mexican National Association of Bus, Truck and Semi Manufactures (ANPACT) and the University of California AlianzaMX, the event focused on a call for cooperation among government agencies, the private sector and other entities, including financial institutions. Bank staff participated in the panel discussion, highlighting the Bank's emerging priority in clean and efficient mobility.

- **November 29<sup>th</sup> – Meeting with House Committee on Water and Wastewater in Mexico City.** The committee met with NADBank and the World Bank to learn about financing mechanisms that might help improve water systems in Mexico. In his remarks to the Mexican House representatives, Managing Director Calixto Mateos Hanel underscored the importance of the priority sector of water for the Bank and everything related to its cycle, and that the Bank has begun to explore initiatives to modernize systems for conservation and more efficient water use.





- **December 7<sup>th</sup> & 8<sup>th</sup> – Visits to Cameron and Hidalgo Counties, Texas.** Deputy Managing Director John Beckham visited with local leaders and elected officials on a listening tour to hear firsthand the needs of the region. During his trip, he met with the county judges of Cameron, Hidalgo and Willacy and the mayors of the cities of Edinburg, McAllen and Mercedes, as well as the manager of the regional utility Laguna Madre Water District (LMWD).



- **December 14<sup>th</sup> – Meeting with CAF representatives in San Antonio, TX.** NADBank management met with officials from the Development Bank of Latin America and the Caribbean (CAF) to explore opportunities and synergies for future collaboration on projects, including technical assistance initiatives.



## 6. Financial Report

**TABLE 19: FINANCIAL SUMMARY OF NADBANK ORDINARY CAPITAL RESOURCES**  
(Million USD)

	Year-end			
	2020	2021	2022	2023
<b>Balance Sheet Data</b>				
<b>Total assets</b>	\$ 2,177.2	\$ 2,114.6	\$ 1,994.1	\$ 2,246.0
<i>of which</i>				
Cash and investments	1,008.1	1,129.8	1,118.9	1,082.1
Gross loans outstanding	1,126.3	976.5	920.3	1,049.2
Other assets	136.4	155.6	100.9	177.2
<b>Total liabilities</b>	<b>1,413.4</b>	<b>1,337.7</b>	<b>1,245.3</b>	<b>1,430.7</b>
<i>of which</i>				
Current liabilities	30.1	12.8	53.2	73.2
Deferred U.S. capital contribution	165.0	165.0	165.0	165.0
Debt (short & long term)	1,122.8	1,118.2	1,063.5	1,123.7
<b>Equity</b>	<b>763.8</b>	<b>776.9</b>	<b>748.8</b>	<b>815.3</b>
<i>of which</i>				
Paid-in capital	475.0	486.5	496.0	506.0
Retained earnings	273.5	285.6	286.6	305.8
Callable capital <sup>1</sup>	2,606.7	2,671.8	2,725.7	2,782.3
<b>Income Statement Data</b>				
Loan interest income	49.8	42.2	42.1	72.0
Investment interest income	7.2	4.8	11.2	30.4
Interest expense	21.2	14.3	26.1	59.1
Net interest income	35.8	32.7	27.2	43.3
Provision for loan losses	0.0	2.9	0.0	(1.7)
Net interest income after provision for credit losses	35.7	29.8	27.2	45.0
Operating expenses	15.1	17.6	19.0	19.7
Net operating income	20.6	12.3	8.2	25.3
Non-interest and non-operating income (expense)	(5.7)	(0.2)	0.3	(0.8)
Transfer to Environment Investment and Capacity Facility (EICF)	-	-	7.5	5.1
Net income	14.9	12.1	1.0	19.4
<b>Ratios</b>				
Loans / Equity (%)	147.5	125.7	122.9	128.7
Assets/ Equity (%)	285.1	272.2	266.3	275.5
Debt (short & long term) / Callable capital (%)	43.1	41.9	39.0	40.4
Liquid assets / Short-term debt (%)	19,150.5	722.3	21,255.8	20,555.7
Net income (LTM) / Equity (%)	2.1	1.6	0.1	2.5
Net operating income (LTM) / Equity (%)	2.8	1.6	1.1	3.2
Non-accrual loans / Loans outstanding (%)	1.2	1.4	-	-
Operating expenses (LTM) per \$1 M outstanding loans (\$)	13,440	17,973	20,698	18,798
<b>Credit Ratings</b>				
Moody's Investor Service	Aa1	Aa1	Aa1	<b>Aa1</b>
Fitch Ratings	AA	AA	AA+	<b>AA</b>

<sup>1</sup> Excludes capital set aside to finance community adjustment and investment programs (Domestic Programs).

LTM = Last twelve months

**NADBANK QUARTERLY REPORT  
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**TABLE 20: SUMMARY OF DISBURSEMENT ACTIVITY**

(Thousand USD)

	Year-end			
	2020	2021	2022	2023
<b>Total disbursements</b>	<b>\$ 63,343</b>	<b>\$ 129,689</b>	<b>\$ 104,307</b>	<b>\$ 236,355</b>
<b>By Program</b>				
Loans	\$ 51,160	\$ 117,214	\$ 90,030	\$ 218,829
Infrastructure financing grants:				
Community Assistance Program (CAP)	1,853	1,441	802	1,191
Water Conservation Investment Fund (WCIF)	96	-	-	-
Border Environment Infraestructre Fund (BEIF)	8,097	8,980	11,334	12,473
Technical assistance grants:				
Technical Assistance Program (TAP)	522	465	501	1,300
Utility Management Institute (UMI)	58	13	38	72
COVID-19 Recovery Program (ProRec) <sup>1</sup>	50	-	30	380
Project Development Assistance Program (PDAP)	1,101	1,045	1,080	1,197
Border 2025: U.S.-Mexico Environmental Program	406	531	467	726
Air Quality Monitoring Fund (AQ Fund)	-	-	17	144
Other	-	-	8	43
<b>Total</b>	<b>\$ 63,343</b>	<b>\$ 129,689</b>	<b>\$ 104,307</b>	<b>\$ 236,355</b>
<b>By Source</b>				
NADBank	\$ 53,740	\$ 117,692	\$ 90,060	\$ 219,209
Environmental Protection Agency (EPA) <sup>2</sup>	9,603	10,556	12,880	14,438
U.S. Department of State (DOS) <sup>3</sup>	-	1,441	1,342	2,564
Air Quality Monitoring Fund <sup>4</sup>	-	-	17	144
Other	-	-	8	-
<b>Total</b>	<b>\$ 63,343</b>	<b>\$ 129,689</b>	<b>\$ 104,307</b>	<b>\$ 236,355</b>

<sup>1</sup> In 2023, ProRec includes the disbursement of a reimbursable technical assistance grant.

<sup>2</sup> EPA finances BEIF, PDAP and Border 2025.

<sup>3</sup> Since 2021, NADBank has received DOS grants totaling US\$6.8 million that are being used to finance CAP and/or TAP disbursements.

<sup>4</sup> This fund manages grants from the Texas Commission on Environmental Quality (TCEQ) and the Paso del Norte Community Foundation to improve air quality monitoring in the Paso del Norte air basin.

## 7. NADBank Profile



NADBank is a binational financial institution established and capitalized by the Governments of the United States and Mexico to provide financing to support the development and implementation of infrastructure projects, as well as to provide technical and other assistance for projects and actions that preserve, protect or enhance the environment in order to advance the well-being of the people of the United States and Mexico.

Pursuant to its charter, NADBank works closely with border communities, state agencies and other entities to develop affordable and self-sustaining projects in the areas of potable water, wastewater treatment and solid waste management, as well as projects aimed at improving air quality, conserving water, reducing energy consumption and developing renewable energy sources, combatting climate change and transitioning to a greener economy, among others, located within 100 kilometers (about 62 miles) north or 300 kilometers (about 186 miles) south of the international boundary between the two countries.

As a development bank, NADBank offers various types of technical assistance and financial services to support border communities in the planning and design of sustainable environmental infrastructure projects, as well as to strengthen the institutional capacities of those responsible for implementing and operating the projects in the long term.

For more information, visit our website at [www.nadb.org](http://www.nadb.org).





**ANNEX**  
**ACTIVE PROJECTS BY STATE**

**DECEMBER 31, 2023**





# ANNEX

NADB QUARTERLY REPORT  
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## NORTH AMERICAN DEVELOPMENT BANK ACTIVE PROJECTS BY STATE December 31, 2023

	Project		Population to Benefit <sup>1</sup>	Approval Date	Total Cost	Total NADB Funding (Million USD)			Construction Phase <sup>2</sup>		
						Approved	Contracted	Disbursed	Pre-const.	Construct.	Complete
<b>UNITED STATES</b>											
<b>CALIFORNIA</b>											
1	1 EnerSmart Energy Storage	ES	250,000	3-Nov-21	Reserved	70.00	39.10	3.39		1	
2	2 Innercare Medical Complex	SB	21,233	6-Oct-23	Reserved	36.40	35.96	24.46		1	
3	3 Wildcat Energy Storage	ES	283	2-Mar-20	Reserved	3.87	3.87	1.30			1
	<b>TOTAL CALIFORNIA</b>		<b>271,516</b>		<b>167.21</b>	<b>110.27</b>	<b>78.93</b>	<b>29.15</b>	<b>0</b>	<b>2</b>	<b>1</b>
<b>NEW MEXICO</b>											
4	1 Anthony	W	1,795	11-Apr-23	5.00	4.80	4.80		1		
5	2 Doña Ana County (Sleepy Farms)	WW	7,900	13-May-21	4.47	2.15	2.15	0.94		1	
	<b>TOTAL NEW MEXICO</b>		<b>9,695</b>		<b>9.47</b>	<b>6.95</b>	<b>6.95</b>	<b>0.94</b>	<b>1</b>	<b>1</b>	<b>0</b>
<b>TEXAS</b>											
6	1 Anemoi energy storage (Hidalgo Co.)	ES	97,230	6-Oct-23	Reserved	40.00	40.00	15.15			1
7	2 Anzalduas Port of Entry (Mission)	AQ	999,260	8-Jun-22	81.86	63.00	63.00	63.00			1
8	3 El Paso County ( Hillcrest)	W	330	13-May-21	3.28	1.60	1.60	1.04			1
9	4 El Paso County (LVWD)	W / WW	9,000	29-Jun-21	23.05	23.05	23.05	23.05			1
10	5 Jim Hogg County	W	4,558	12-Nov-20	4.26	4.05	4.05	4.05			1
11	6 Laguna Madre WD (Long Island Village)	W/WW	2,939	11-Apr-23	20.80	20.80	20.80		1		
12	7 Palmview (Agua SUD)	WW	8,183	21-May-20	48.20	6.00	6.00	2.96			1
13	8 Roma	SW	14,112	8-Nov-22	0.50	0.45	0.45	0.45			1
14	9 Sunray Solar Park	SE	38,870	5-May-23	Reserved	65.00	40.00	40.00			1
15	10 Vinton	WW	2,043	14-Nov-19	19.73	3.00	3.00	0.59			1
16	11 Vinton	W	1,480	24-Feb-20	10.62	3.50	3.50	2.41			1
17	12 Zier Energy (Kinney County)	SE	86,315	8-Jun-22	Reserved	65.70	60.73	57.22			1
	<b>TOTAL TEXAS</b>		<b>1,262,840</b>		<b>1,029.40</b>	<b>296.14</b>	<b>266.17</b>	<b>230.70</b>	<b>1</b>	<b>9</b>	<b>2</b>
17	<b>TOTAL U.S.</b>		<b>1,544,051</b>		<b>1,206.07</b>	<b>413.36</b>	<b>352.05</b>	<b>260.79</b>	<b>2</b>	<b>12</b>	<b>3</b>
<b>MEXICO</b>											
<b>BAJA CALIFORNIA</b>											
1	1 Mexicali (Phase 1)	WW	557,000	21-May-20	7.76	4.37	4.37	3.88			1
2	2 Mexicali (Lift Stations)	WW	146,000	21-Aug-20	4.76	2.71	2.71	2.61			1
3	3 Mexicali (Phase 2)	WW	37,000	30-Nov-22	4.96	2.42	2.42	1.19			1
4	4 Mexicali (force mains)	WW	753,000	19-Sep-23	6.80	3.40	3.40				1
5	5 State of Baja California	W/WW	3,263,496	1-Dec-22	150.07	150.07	150.07	56.93			1
6	6 Tijuana y Rosarito	W/WW	640,759	21-Jul-09	26.08	16.11	16.11	12.87			1
7	7 Tec.-La Gloria WWTP	WW	187,036	1-Feb-11	8.23	4.13	4.13				1
8	8 Tijuana (Oriente)	WW	154,000	21-Aug-20	1.99	1.00	1.00	0.85			1
	<b>TOTAL B.C.</b>		<b>3,263,496</b>		<b>202.41</b>	<b>180.07</b>	<b>180.07</b>	<b>78.32</b>	<b>0</b>	<b>8</b>	<b>0</b>

**ANNEX  
ACTIVE PROJECTS BY STATE**

NADB QUARTERLY REPORT  
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	Project	Population to Benefit <sup>1</sup>	Approval Date	Total Cost	Total NADB Funding (Million USD)			Construction Phase <sup>2</sup>		
					Approved	Contracted	Disbursed	Pre-const.	Construct.	Complete
<b>CHIHUAHUA</b>										
9	1 Camargo	WW	414	13-May-21	0.56	0.50	0.50	0.44		1
10	2 Chihuahua	WW	809,232	14-Nov-19	14.69	11.23	11.23	11.08		1
11	3 Ciudad Juarez	WW	246,860	6-Jun-22	26.90	26.90	11.50	2.43	1	
12	4 Ojinaga (2)	WW	6,240	12-Nov-20	3.70	1.79	1.79	0.86		1
	<b>TOTAL CHIH.</b>		<b>1,062,746</b>		<b>45.85</b>	<b>40.42</b>	<b>25.02</b>	<b>14.81</b>	<b>1</b>	<b>1</b>
<b>SONORA</b>										
13	1 Imuris	WW	8,750	7-Nov-23	0.95	0.50	0.50			1
14	2 Nogales (SW colonias)	W/WW	16,701	17-Nov-16	10.48	5.26	5.26	5.09		1
15	3 OSME Medical Complex (San Luis RC)	ProRec	33,800	22-Nov-21	Reserved	14.21	14.21	3.25		1
	<b>TOTAL SON.</b>		<b>59,251</b>		<b>11.44</b>	<b>19.97</b>	<b>19.97</b>	<b>8.34</b>	<b>0</b>	<b>3</b>
<b>TAMAULIPAS</b>										
16	1 Gustavo Díaz Ordaz	WW	12,354	30-May-19	8.55	4.51	4.51	2.65		1
17	2 José Silva Sánchez (Soto la Marina)	W	135	19-Jun-18	0.26	0.25	0.25	0.20		1
18	3 Nueva Ciudad Guerrero	WW	5,209	20-Mar-20	4.33	2.06	2.06	1.35		1
19	4 Reynosa (2)	WW	266,853	6-May-16	15.91	7.33	7.33	7.28		1
	<b>TOTAL TAMP.</b>		<b>284,551</b>		<b>29.05</b>	<b>14.15</b>	<b>14.15</b>	<b>11.47</b>	<b>0</b>	<b>3</b>
<b>MEXICAN BORDER REGION</b>										
20	1 Active Leasing Green Loan	MO		2-Nov-23	Reserved	15.00	15.00		1	
21	2 Liquidez Corp. Green Loan	SFVC		8-Dec-22	Reserved	20.00	10.12	10.12	1	
22	3 Mercader Pilot Program <sup>3</sup>	MO		24-Jun-14	13.55	8.94	8.94	10.91		1
23	4 Mercader Bus Program <sup>3</sup>	MO		13-Sep-16	76.02	44.27	44.27	58.78		1
24	5 Value Bus Program	MO	76,700	26-Jun-20	28.62	24.33	6.95	6.95		1
	<b>TOTAL MX Border</b>				<b>153.19</b>	<b>112.54</b>	<b>85.29</b>	<b>86.76</b>	<b>2</b>	<b>3</b>
<b>24</b>	<b>TOTAL MEX.</b>		<b>4,670,044</b>		<b>470.21</b>	<b>367.14</b>	<b>324.48</b>	<b>199.70</b>	<b>3</b>	<b>18</b>
<b>41</b>	<b>TOTAL NADB</b>		<b>6,214,095</b>		<b>1,676.29</b>	<b>780.50</b>	<b>676.53</b>	<b>460.49</b>	<b>5</b>	<b>30</b>

1 Populations benefitting from more than one project are only counted once.

2 Projects in pre-construction are either under final design, in preparation for bidding or in bidding. Projects that have completed construction may still be considered active because financing is still in process (pending disbursement or deobligation).

3 As a revolving line of credit, the sum of disbursements can exceed the amount committed, but the outstanding balance never exceeds the amount committed.

AQ = Air quality; BUI = Basic urban infrastructure; ES = Energy storage; MO = Mobility; SB = Sustainable buildings; SE = Solar energy; SFVC = Sustainable food value chain; SW = Solid waste; W = Water; WE = Wind energy; WW = Wastewater; WWTP = Wastewater treatment plant; ProRec = COVID-19 Recovery Program