



PRESS RELEASE

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Board of Directors announces full merger of BECC and NADB for 2017

- **New Chief Environmental Officer for NADB introduced**

Hermosillo, Sonora. – During its semi-annual meeting held in Hermosillo, Sonora, the Board of Directors of the North American Development Bank (NADB) and the Border Environment Cooperation Commission (BECC) announced that the Governments of the United States and Mexico expect to complete the legal formalities that will fully merge the two institutions.

Carlos Raúl Delgado Aranda, Deputy General Director of International Financial Organizations at Mexico's Ministry of Finance and Board chair in 2017, reported that on April 27th, the Mexican Senate approved the second Protocol of Amendment to the BECC-NADB Charter, which merges the two institutions to create a stronger binational organization for high-impact infrastructure projects in the border region. The U.S. signed the Protocol in January 2017.

During the meeting, the Board introduced Mr. Salvador Lopez Cordova, who will serve as the first Chief Environmental Officer (CEVO) under the new merged structure of NADB. Under the amended charter, the position of CEVO was created to ensure the continued oversight and success of the functions and programs currently managed by BECC.

Selected by the Board through a competitive process, Mr. Lopez has over 20 years of professional experience in environmental infrastructure areas of NADB and BECC, as well as in public policy, finance and strategic planning, with an emphasis on the border region. He has a B.S. in Environmental Engineering from the Massachusetts Institute of Technology, a M.S. in the same field from Stanford University and a M.B.A. from the University of California in San Diego.

Mr. Enrique Lendo, Head of the International Affairs Unit, Ministry of Environment and Natural Resources (SEMARNAT), highlighted the importance of having a CEVO to ensure the environmental mandate of the merged institution.

Additionally, during the meeting, NADB and BECC presented to the Board the first combined report on the closeout results of completed projects that were supported by both organizations, which provides a comprehensive view of the indicators for each infrastructure sector. This report

includes the analysis of 60 completed projects: 48 in the water and wastewater sector, seven in solid waste, two in air quality through street paving, two in clean energy, and one for water conservation. These projects are benefitting a population of more than de 5.48 million and represent an investment of approximately US\$711.8 million.

The main results include the installation of 13,414 new residential water hookups and 21.46 million gallons a day (mgd) of improved water treatment capacity, as well as the installation of 319,035 residential sewer connections and the reduction of 133.85 mgd in untreated wastewater discharges into rivers and other water sources, among others. Overall, between 84% and 100% of the basic environmental objectives were achieved, such as access to reliable water, wastewater, and waste disposal services and breathable air.

Finally, the Board was also informed of the outcomes of the third impact assessment carried out by NADB and BECC for a water and wastewater collection infrastructure project that was certified and implemented between 1995 and 2003 in the communities of Socorro and San Elizario, an area known as the Lower Valley in El Paso County, Texas. Among the results of the evaluation, water service increased from 48% to 100% of the population, and 93% of the population using deficient septic tanks or cesspools connected their homes to the sewer system. In addition, health conditions related to gastrointestinal illness, skin problems and acute hepatitis A have improved, while the medium household income and property values in the area have increased.

El BDAN es una institución financiera establecida y capitalizada en partes iguales por los Gobiernos de México y Estados Unidos, con el propósito de financiar proyectos de infraestructura ambiental a lo largo de su frontera común. Como institución pionera en su campo, el Banco trabaja para desarrollar proyectos sustentables desde un punto de vista ambiental y financiero, con amplio apoyo comunitario, en un marco de colaboración y coordinación estrechas entre México y Estados Unidos. Para mayor información, visite www.nadb.org.

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