The North American Development Bank (NADB) provides financing and other support for infrastructure projects that enhance the environmental condition of the U.S.-Mexico border region. NADB works closely with border communities, state agencies and other entities to develop and finance affordable, self-sustaining projects with broad community support. Each project must pass through a public participation and certification process to be eligible for financing from NADB.

During the third quarter of 2021, NADB had 36 active projects in various stages of project implementation.¹ A total of US$408.1 million in loans and grants has been contracted to help finance those projects, and approximately 75% of those funds have already been disbursed to project sponsors. Two projects completed construction and/or financing activity during the period and one project was cancelled, leaving 34 active projects at the end of the quarter. A breakdown of NADB financing by program for the active projects is shown in the table below.

<table>
<thead>
<tr>
<th>Funding Programs</th>
<th>Active Projects per Program*</th>
<th>Financing Contracted for Active Projects</th>
<th>Pending Disbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Program</td>
<td>15</td>
<td>$355,687,818</td>
<td>$74,705,163</td>
</tr>
<tr>
<td>Community Assistance Program (CAP)**</td>
<td>7</td>
<td>3,200,000</td>
<td>2,275,903</td>
</tr>
<tr>
<td>Border Environment Infrastructure Fund (BEIF)***</td>
<td>15</td>
<td>49,169,695</td>
<td>26,494,181</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$408,057,513</strong></td>
<td><strong>$103,475,247</strong></td>
</tr>
</tbody>
</table>

¹ Some projects have both a loan and a grant. Likewise, a loan or grant may cover more than one project.
** This program funded by NADB offers grant financing for the implementation of critical environmental infrastructure projects in low-income communities.
*** This program funded by EPA and administered by NADB offers grant financing for the implementation of municipal drinking water and wastewater infrastructure projects.

To date, NADB has contracted a cumulative total of more than US$3.4 billion in loans and grants to help finance 284 certified projects estimated to cost a total of US$10.3 billion to implement. Of the financing contracted, 97% has been disbursed to project sponsors for the implementation of 276 projects. Of the 284 projects financed by the Bank, 249 have completed construction and financing activity (except for the amortization of loans) and/or have otherwise been closed.

The implementation status of NADB-funded active projects is presented in the following pages.

¹ Active projects are defined as those projects with NADB funding contracted that are in the process of being implemented and/or for which NADB financing is pending disbursement.
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>DESCRIPTION</th>
<th>NADB PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
</table>
| **Agua Prieta, Sonora, Mexico**  
Replacement of the Main Outfall in the Wastewater Collection System | Rehabilitation of a section of the main outfall.  
Community Benefits  
Improved system reliability by reducing the risk of line breaks that could cause sewage spills onto local streets and into the Agua Prieta River. Specifically, the project will help protect public health and the environment by preventing approximately 5.4 million gallons a day (mgd) of wastewater discharges. | The Bank is a source of grant funds through the Community Assistance Program (CAP) to complement Mexican federal funding and capital investments from the local water utility (OOMAPAS-Agua Prieta). On November 12, 2020, the Bank approved a CAP grant for up to US$500,000 for project implementation. The corresponding grant agreement was signed on February 23, 2021. The initial disbursement was made in September 2021. | Project construction activities have been divided into two sections. The North section (3,838 ft) was completed with Mexican funding in December 2020. Construction of the South section (4,127 ft) funded by the Bank began in July 2021 and is 48% complete. |
|  
**Type:** Wastewater  
**Total Cost:** US $1,064,975  
**Total NADB Funding:** US $500,000  
**Certification Date:** 11/12/20  
**Residents to Benefit:** 96,000 |  |  |

| **Camargo, Chihuahua, Mexico**  
Wastewater Collection System Expansion | Construction of a wastewater collection system for Miguel Angel Niño subdivision, including installation of 131 residential connections.  
Community Benefits  
Provision of first-time wastewater collection and treatment services for 131 homes and decommissioning of their on-site wastewater disposal systems, reducing the potential for groundwater contamination and human health risks associated with waterborne diseases. Specifically, the project is expected to collect and treat approximately 21,871 gallons per day (gpd) of wastewater | The Bank is a source of grant funds through the CAP to complement capital investments by the local water utility (JMAS-Camargo). On May 13, 2021, the Bank approved a CAP grant for up to US$500,000 for project implementation. The corresponding grant agreement was signed on July 22, 2021. | Bidding for project construction is expected to begin in November 2021. |
|  
**Type:** Wastewater  
**Total Cost:** US $560,000  
**Total NADB Funding:** US $500,000  
**Certification Date:** 5/13/21  
**Residents to Benefit:** 414 |  |  |
### Camargo, Tamaulipas, Mexico

**Wastewater Collection and Treatment Project**

<table>
<thead>
<tr>
<th>Type:</th>
<th>Wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost:</td>
<td>US $3,578,333</td>
</tr>
<tr>
<td>Total NADB Funding:</td>
<td>US $2,681,363</td>
</tr>
<tr>
<td>Certification Date:</td>
<td>6 / 19 / 18</td>
</tr>
<tr>
<td>Residents to Benefit:</td>
<td>8,819</td>
</tr>
</tbody>
</table>

**Description**

Construction of a wastewater treatment plant (WWTP) with a capacity of 0.57 mgd; replacement of a lift station, collector and sewer main; and expansion of the wastewater collection system to unserved areas of La Mision and El Sauz subdivisions, including the installation of residential connections and decommissioning of on-site disposal systems.

**Community Benefits**

Provision of first-time access to wastewater collection services to 347 homes, thus reducing the potential for groundwater contamination associated with the use of inadequate on-site disposal systems. Improved treatment facilities will produce better quality effluent that complies with federal standards for agricultural use.

**NADB Participation**

The Bank is a source of grant funds through the BEIF, to complement federal, state and local funding. On June 21, 2018, EPA approved the Bank’s recommendation to provide US$2.53 million in BEIF funds for construction of the project. The corresponding grant agreement was signed on February 27, 2019. The initial disbursement occurred in June 2019. On September 1, 2021, EPA approved US$150,000 in additional funds to cover increased construction costs, bringing total BEIF participation in this project to US$2.68 million.

**Implementation Status**

Construction of the sewer main, the lift station and force main in La Mision and the sewer systems in El Sauz and La Mision subdivisions, along with 186 residential connections in El Sauz, was completed with Mexican funding between April 2012 and February 2017.

Construction of the BEIF-funded components, including construction of the WWTP, replacement of a lift station and force main and installation of hookups in the La Misión subdivision, began in June 2019 and was completed in September 2021, thus completing the entire certified project.
**Chihuahua, Chihuahua, Mexico**

Rehabilitation and Upgrade of the North and South Wastewater Treatment Plants

**Type:** Wastewater  
**Total Cost:** US $14,693,467  
**Total NADB Funding:** US $11,226,131  
**Certification Date:** 11 / 14 / 19  
**Residents to Benefit:** 809,232

Rehabilitation and upgrade of the North and South Wastewater Treatment Plants (WWTPs), as well as designing, installing and operating a cogeneration facility in the South WWTP.

**Community Benefits**

Improvements to the treatment processes will help ensure that the WWTPs continue to comply with federal standards, as well as produce 33% less sludge, reducing the volume from approximately 85,932 yds³/year to approximately 57,288 yds³/year. The quality of the effluent produced by the plants will also be more consistent and reliable, which will support increased demand for treated water for reuse for irrigation and industrial purposes. By using the biogas from the sludge to generate electricity, the utility expects to supply close to 71% of the electricity required to operate the South WWTP, which will offset energy consumed from the public grid and thus help prevent the emission of 9,583 metric tons/year of carbon dioxide (CO₂), among other pollutants. Additionally, replacing the disinfection systems in both plants will eliminate the risk associated with handling chlorine gas.

The Bank is a direct lender to complement equity contributions from Aguas de Reúso y Energía Renovable, S.A. de C.V. (ARERSA), the private concessionaire under a build-operate-transfer (BOT) agreement. On November 14, 2019, the Bank approved a peso-denominated, market-rate loan for US$11.26 million to cover approximately 76% of the project costs. The corresponding loan agreement was signed with ARERSA on December 16, 2019. Loan disbursements began in November 2020.

The project is being constructed under a BOT agreement. Construction began in March 2020 but was suspended due to the COVID-19 pandemic. Work was reinitiated in September 2020 and is approximately 90% complete.

**Ciudad Acuña, Coahuila, Mexico**

Storm Water Infrastructure Improvements

**Type:** Stormwater  
**Total Cost:** US $631,492  
**Total NADB Funding:** US $500,000  
**Certification Date:** 11 / 14 / 19  
**Residents to Benefit:** 8,120

Rehabilitation and Upgrade of the North and South Wastewater Treatment Plants

**Type:** Stormwater  
**Total Cost:** US $631,492  
**Total NADB Funding:** US $500,000  
**Certification Date:** 11 / 14 / 19  
**Residents to Benefit:** 8,120

Improvements to the Santa Martha and La Misión stormwater channels.

**Community Benefits**

Improved capacity of the stormwater channels to withstand storm events with a 100-year and 200-year return periods, respectively, reducing the risk of flooding and stagnant water, thus protecting the environment and human health in the community and surrounding areas. The project will also protect a critical sewer force main, which due to erosion in both channels, is vulnerable to collapse, thereby reducing the risk of direct discharges of approximately 11.4 million gallons a day of untreated wastewater into the Rio Grande River.

The Bank is a source of grant funds through the CAP, which complements funding from the Municipality of Acuña. On November 14, 2019, the Bank approved a CAP grant for up to US$500,000 to support project implementation. The corresponding grant agreement was signed on April 22, 2020, and disbursements began in October of the same year.

Construction of the stormwater infrastructure improvements began in March 2021 and is approximately 63% complete.
El Paso County, Texas, USA

**Lower Valley Water District Water and Wastewater Project**

<table>
<thead>
<tr>
<th>Type</th>
<th>Water and wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost</td>
<td>US $23,045,000</td>
</tr>
<tr>
<td>Total NADB Funding</td>
<td>US $23,045,000</td>
</tr>
<tr>
<td>Certification Date</td>
<td>6 / 29 / 21</td>
</tr>
<tr>
<td>Residents to Benefit</td>
<td>9,000</td>
</tr>
</tbody>
</table>

**Description**

Expanding and improving the water distribution system, replacing and expanding the wastewater collection system and increasing wastewater treatment capacity for several unincorporated communities in El Paso County, TX.

**Community Benefits**

Provision of first-time access to wastewater collection and treatment services for 810 homes, thereby eliminating approximately 0.17 mgd of untreated wastewater. Improvements to the water distribution system will increase service reliability and sustainability for approximately 3,000 existing residential connections, as well as provide first-time access to 175 homes. The project will also help improve water resource management and conservation by protecting surface and groundwater from inadequately treated sewage discharges.

**NADB Participation**

The Bank is a direct lender to the Lower Valley Water District (LVWD). On June 29, 2019, the Bank approved a market-rate loan for up to US$23.05 million to support the project. The loan was made in the form of unlimited tax bonds, which were executed on August 4, 2021.

**Implementation Status**

Construction work on the wastewater collection systems for the Lourdes Estates and El Conquistador subdivisions began in July 2021 and is 25% complete. Construction work on the water distribution systems for Panorama Village and along Varela Road is scheduled to begin during the fourth quarter of 2021.

Gustavo Diaz Ordaz, Tamaulipas, Mexico

**Wastewater Collection and Treatment Project**

<table>
<thead>
<tr>
<th>Type</th>
<th>Wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost</td>
<td>US $8,550,000</td>
</tr>
<tr>
<td>Total NADB Funding</td>
<td>US $4,510,000</td>
</tr>
<tr>
<td>Certification Date</td>
<td>5 / 30 / 19</td>
</tr>
<tr>
<td>Residents to Benefit</td>
<td>12,354</td>
</tr>
</tbody>
</table>

**Description**

Expansion and rehabilitation of the wastewater collection and treatment system, including construction of a wastewater treatment plant (WWTP) and decommissioning of the existing lagoon treatment system and residential on-site wastewater disposal systems.

**Community Benefits**

System improvements and provision of first-time wastewater collection services to 2,644 homes will reduce the potential for groundwater contamination and the risk of waterborne diseases. Specifically, the project will eliminate an estimated 570,672 gallons per day of wastewater.

**NADB Participation**

The Bank is a source of grant funds through the BEIF, to complement federal, state and local funding. On May 29, 2019, EPA approved the Bank’s recommendation to provide up to US$4.51 million in BEIF funding for construction and construction management services. The corresponding grant agreement was signed on December 12, 2019. BEIF disbursements began in May 2020.

**Implementation Status**

Work to expand the wastewater system with Mexican funds began in 2017 and is ongoing. Construction of the Bank-funded components, including the WWTP, a force main and lift station began in July 2020 and is approximately 66% complete.
**Hidalgo County, Texas**

Second Refinancing of Existing Debt for Agua Special Utility District

**Type:** Refinancing  
**Total Cost:** US $1,790,000  
**Total NADB Funding:** US $1,790,000  
**Certification Date:** 11/12/20  
**Residents to Benefit:** 29,000

**PROJECT DESCRIPTION**

Refinancing existing debt for up to US$2.0 million for the water utility, Agua Special Utility District (Agua SUD), serving the southwestern region of Hidalgo County, including the communities of Palmview, Peñitas and La Joya, as well as a small suburban area of Sullivan City in Starr County.

**Community Benefits**

Debt service obligations will be reduced by approximately US$257,000 over 21 years, which will increase available cash flows for the operation and maintenance of existing infrastructure, as well as lessen the possible need to raise rates and help the Utility to continue providing critical water and wastewater services for the benefit of its customers.

**NADB PARTICIPATION**

The Bank is participating as a direct lender through the Umbrella Program for Refinancing Existing Debt of Public Entities, which was certified by the Board on November 12, 2020, under the COVID-19 Recovery Program (ProRec). On June 25, 2021, the NADB General Manager and Chief Environmental Officer ratified project compliance with the Refinancing Umbrella criteria and the approval of a market-rate loan for up to US$2.0 million. A loan for US$1.79 million was made in the form of a waterworks and sewer revenue refunding bond debt instrument, which was executed on August 19, 2021.

**IMPLEMENTATION STATUS**

The refunding bond was fully disbursed on August 19, 2021.

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**Jim Hogg County, Texas**

Water Treatment Plant Replacement and Water Meter Upgrades

**Type:** Water  
**Total Cost:** US $4,260,000  
**Total NADB Funding:** US $4,260,000  
**Certification Date:** 11/12/20  
**Residents to Benefit:** 4,558

**PROJECT DESCRIPTION**

Construction of a reverse osmosis water plant with the capacity to treat up to 1 mgd and replacement of 1,813 water meters.

**Community Benefits**

Increased water treatment capacity, from 0.73 to 1.73 mgd, thus providing the necessary flows to meet peak demand and comply with state requirements regarding minimum capacity and redundancy, as well as ensuring adequate water quality and reducing human health risks associated with waterborne diseases, especially those related to excess arsenic and total dissolved solids. Better operational efficiency by providing a more energy efficient treatment process and better water supply control through improved metering. Improved metering will also ensure proper water billing while reducing unaccounted water losses.

**NADB PARTICIPATION**

The Bank is a direct lender to Jim Hogg County Water Control Improvement District No. 2 (JHWCID2). On November 12, 2020, the Bank approved a market-rate loan for up to US$4.26 million to be made in the form of municipal revenue bonds. On December 17, 2020, the Bank purchased an initial US$4.05 million in revenue bonds.

**IMPLEMENTATION STATUS**

The replacement of the water meters began in April 2021 and is approximately 98% complete. Construction of the water treatment plant is expected to begin in November 2021.
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>DESCRIPTION</th>
<th>NADB PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Magdalena de Kino, Sonora, Mexico</strong>&lt;br&gt;Drinking Water System Improvements</td>
<td>Creation of three hydrometric sectors in the areas known as San Isidro, Fátima and El Polvorín, including construction of three transmission lines, replacement of distribution lines and connections and installation of meters.</td>
<td>Construction was divided into two phases. Construction of phase 1 components financed with Mexican funds, including the replacement of distribution lines and connections in all three sectors, as well as installation of a portion of the residential meters, began in September 2019 and was completed in May 2020. Under the second phase, construction of the transmission lines to the three elevated storage tanks was completed in October 2020. A contract for the purchase of equipment and the installation of master meters, residential meters and telemetry systems funded by the Bank was awarded in August 2021, with work expected to begin October.</td>
<td></td>
</tr>
<tr>
<td>Type: Water&lt;br&gt;Total Cost: US $3,203,844&lt;br&gt;Total NADB Funding: US $500,000&lt;br&gt;Certification Date: 11 / 14 / 19&lt;br&gt;Residents to Benefit: 12,187</td>
<td><strong>Community Benefits</strong>&lt;br&gt;Elimination of leaks in the distribution system and more reliable water service by regulating pressure and introducing redundancy in the system. These improvements are expected to reduce water losses, saving approximately 264 million gallons per year, as well as help prevent the risk of cross-contamination from leaks and stagnant water in the lines, thereby improving health conditions for residents in the San Isidro, Fátima and El Polvorín sectors of the city.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mexicali, Baja California, Mexico</strong>&lt;br&gt;Wastewater Collection System (Phase I) and Lift Station Improvements</td>
<td>Replacement of approximately 7.3 miles of pipeline in the wastewater collection system and rehabilitation of Lift Stations No. 2, 4 and 5.</td>
<td>Construction began in December 2019 with Mexican funds. At the end of 2020, the rehabilitation of Lift Station No. 2 and of 0.4 miles of wastewater lines in three subdivisions had been completed. The pumping equipment for Lift Station No. 4 had also been purchased. Construction of 2.6 miles of wastewater lines in the San Marcos, Centro Civico and Santa Clara subdivisions financed with Mexican funds began in February 2021 and is approximately 98% complete. Construction of improvements to Lift Station 4 funded by the Bank began in June 2021. Contracts for construction of 1.5 miles of wastewater lines in the Las Fuentes, Los Pinos, Residencias, Alamitos and Justo Sierra subdivisions funded by the Bank were awarded in September 2021, with construction expected to begin in October. Construction of 3.3 miles of wastewater lines in the BC, Pueblo Nuevo, Industrial, Las Flores, Libertad, Wisteria, Primera Seccion and Colonia Nueva subdivisions financed with Mexican funds is also scheduled to begin in October 2021.</td>
<td></td>
</tr>
<tr>
<td>Type: Wastewater&lt;br&gt;Total Cost: US $7,456,540&lt;br&gt;Total NADB Funding: US $4,067,467&lt;br&gt;Certification Date: 5 / 21 / 20&lt;br&gt;Residents to Benefit: 557,000</td>
<td><strong>Community Benefits</strong>&lt;br&gt;Reduced risk of pipeline failures that can cause sewage overflows onto local streets and into the New River, which flows northward into the United States. Specifically, the project will help protect public health and the environment by preventing approximately 33.1 mgd of wastewater discharges.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## NADB Quarterly Project Report

### Mexican Border Region

**Type:** Public transportation  
**Total Cost:** US $13,546,264  
**Total NADB Funding:** US $15,429,858  
**Certification Date:** 6 / 24 / 14  
**Residents to Benefit:** 107

#### Border-wide Public Transportation Improvement Program in Mexico (Pilot)

- **Type:** Public transportation
- **Total Cost:** US $13,546,264
- **Total NADB Funding:** US $15,429,858
- **Certification Date:** 6 / 24 / 14
- **Residents to Benefit:** 107

#### Community Benefits
Use of new diesel buses that at a minimum comply with EPA 2004 standards will lower nitrogen oxides (NOx) and hydrocarbons (HC) emissions by approx. 50% and will achieve nearly 24% lower carbon dioxide (CO2) emissions. The reduction in criteria pollutant emissions is even higher for compressed natural gas-fueled vehicles that comply with EPA 2013 emission standards.

#### NADB Participation
The Bank is participating as a direct lender to Mercader Financial, S.A., SOFOM, E.R., a captive finance company and affiliate of Dina. On June 24, 2014, the Bank approved a market-rate loan in the form of a revolving line of credit for up to $120 million pesos to cover approximately 80% of the financing costs. The corresponding loan agreement was signed on September 30, 2014, and the first disbursement occurred in October 2015. The initial $120.0 million pesos were fully disbursed as of April 2016, for the equivalent of US$7.04 million. However, due to the revolving nature of the line of credit, Mercader can make monthly payments and have those funds available for draw down again when certain conditions are met during the disbursement period, which ends in October 2025. To date, a total of US$10.91 million has been disbursed through the credit line.

#### Implementation Status
During the last quarter of 2015, a total of 33 buses were financed through the program by two public transportation companies. A company in Hermosillo, Sonora obtained 30 diesel buses to replace part of its existing fleet, while another company in Tijuana, Baja California, purchased three diesel buses to expand its fleet. In April 2016, a company in Ciudad Juarez, Chihuahua obtained 25 buses fueled by compressed natural gas (CNG) to replace part of its existing fleet. In November 2017, two companies in Guadalupe, Nuevo Leon obtained 10 CNG buses and 8 diesel buses. In August 2018, a total of 21 diesel buses were financed by a public transportation company in Guadalupe, N.L. In March 2019, a total of 10 diesel buses were financed by two public transportation companies in two municipalities in the metropolitan area of Monterrey, N.L. To date, a total of 107 buses have been financed through the program.

### Mexicali, Baja California, Mexico

**Project:** Rehabilitation of Small Lift Stations

- **Type:** Wastewater
- **Total Cost:** US $4,112,272
- **Total NADB Funding:** US $2,055,770
- **Certification Date:** 8 / 21 / 20
- **Residents to Benefit:** 146,000

#### Description

#### Community Benefits
Provision of adequate infrastructure to safely convey wastewater flows to the existing treatment plants. Reduced risk of pump failures, preventing sewage overflows onto local streets and into the New River, which flows northward into the United States. Specifically, the project will help protect public health and the environment by preventing approximately 8.7 mgd of wastewater discharges.

#### NADB Participation
The Bank is a source of grant funds through the BEIF to complement Mexican federal, state and municipal funding. On August 21, 2020, EPA approved the Bank’s recommendation to provide US$2.06 million in BEIF construction assistance to support rehabilitation of five of the lift stations. The corresponding grant agreement was signed on December 18, 2020.

#### Implementation Status
Rehabilitation of the Calle G and Centro Cívico Lift Stations financed with Mexican funds began in February 2021 and are approximately 76% and 96% complete, respectively. Bidding for the rehabilitation of three additional lift stations, Aurora, Campestre and Hidalgo, to be funded by NADB, began in July 2021, with contract award expected in October 2021.
## Mexican Border Region
### Border-wide Program for the Purchase of Low-Emission Vehicles in Mexico

**Type:** Public transportation  
**Total Cost:** US $24,330,367  
**Total NADB Funding:** US $28,624,235  
**Certification Date:** 9/13/16  
**Residents to Benefit:** 76,700

**DESCRIPTION**
Financing program to support the purchase or lease of low-emission buses manufactured by DINA Camiones, S.A. de C.V. within the 300-km border region in Mexico, in which the Bank operates.

**Community Benefits**
Improved air quality as the new vehicles produce less greenhouse gases than older models. Under the amended loan agreement, diesel vehicles shall comply with the emission limits established under Mexican Standard NOM-044-SEMARNAT-2017, specifically those identified as 1AA (equivalent to EPA 2007 standards) for buses financed through the end of 2019 and 1B (equivalent to EPA 2010 standards) for buses financed beginning in January 2020; and CNG-fueled vehicles shall comply with emission limits equivalent to EPA 2016 standards. Diesel vehicles that comply with the EPA 2007 emission limits can reduce nitrogen oxides (NOx) by 70%, hydrocarbons (HC) by 70% and particulate matter (PM_{2.5}) by 77%, compared to EPA-1998 diesel technologies.

### NADB PARTICIPATION

The Bank is participating as a direct lender to Mercader Financial, S.A., SOFOM, E.R., a captive finance company and affiliate of Dina. On September 13, 2016, the Bank approved a market-rate loan in the form of a revolving line of credit for up to $500 million pesos to cover approximately 80% of the cost of new vehicles. The corresponding loan agreement was signed on September 22, 2016, and the first disbursement occurred the same month. The initial $500.0 million pesos were fully disbursed as of November 2016, for the equivalent of US$25.80 million. On November 5, 2018, the Bank approved a loan increase for $380 million pesos (estimated at US$20.13 million). An amended loan agreement was signed on November 15, 2018. Due to the revolving nature of the line of credit, Mercader can make monthly payments and have those funds available for draw down again when certain conditions are met during the disbursement period, which ends in November 2028. To date, a total of US$58.78 million has been disbursed through the credit line.

### IMPLEMENTATION STATUS

In 2016, a total of 285 buses (178 diesel and 107 compressed natural gas (CNG)) were financed by 12 public transportation companies to replace or expand their existing fleets in Ciudad Juarez, CHIH; Hermosillo, SON; Tijuana, B.C.; and five municipalities in the metropolitan area of Monterrey, N.L. In 2017, a total of 41 buses (39 diesel and 2 CNG) were financed by four public transportation companies in Ciudad Juarez, CHIH and four municipalities in the metropolitan area of Monterrey, N.L. In 2018, a total of 142 buses (59 diesel and 83 CNG) were financed by six public transportation companies in five municipalities in the metropolitan area of Monterrey, N.L. In 2019, a total of 147 buses (77 diesel and 70 CNG) were financed by five public transportation companies in four municipalities in the metropolitan area of Monterrey, N.L. To date, a total of 615 buses have been financed through the program.

## Mexican Border Region
### Value Arrendadora Border-wide Vehicle Program for Public Transportation in Mexico

**Type:** Public transportation  
**Total Cost:** US $28,624,235  
**Total NADB Funding:** US $24,330,367  
**Certification Date:** 6/26/20  
**Residents to Benefit:** 76,700

**DESCRIPTION**
Program to lease or finance up to 223 vehicles with cleaner technologies for public and private personnel transportation services within the Mexican border region.

**Community Benefits**
Improved public transportation systems by providing access to new vehicles that offer a comfortable, safe and rapid transportation option. Improved air quality as the new vehicles produce less greenhouse gases than older models. Specifically, the use of 223 new vehicles is expected to lower NOx emissions by approximately 48 metric tons/year; carbon dioxide (CO_{2}) emissions by 1,756 metric tons/year; and particulate matter with a diameter of 2.5 micrometers or less (PM_{2.5}) by 0.6 metric tons/year.

### NADB PARTICIPATION

The Bank is participating as a direct lender to Value Arrendadora, S.A. de C.V., SOFOM, E.R., Value Grupo Financiero, a Mexican multipurpose financial institution. On June 26, 2020, the Bank approved a market-rate loan for up to $521.3 million pesos to cover approximately 85% of the cost of the new vehicles. A loan agreement for $155.4 million pesos (US$6.95 million) was signed on July 16, 2020 for the first phase of the program, and the loan proceeds were fully disbursed the same month.

### IMPLEMENTATION STATUS

The program will offer vehicles in two phases. The first phase was implemented in July 2020, with Value leasing 63 natural gas vehicles to the State Government of Nuevo Leon to be used for public transportation in the metropolitan area of Monterrey.
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>DESCRIPTION</th>
<th>NADB PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mina, Nuevo Leon, Mexico</strong>&lt;br&gt;El Mezquite Wind Energy Project</td>
<td>Construction of a 250-MW wind farm with 100 wind turbines, as well as two substations and transmission line, on privately-owned rural land located about 37 miles northwest of the urban area of Monterrey. <strong>Community Benefits</strong> Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 428,787 metric tons/year of carbon dioxide (CO₂) and 1,175 metric tons/year of nitrogen oxides (NOx), as well as other pollutants.</td>
<td>The Bank is a direct lender to the project company, Parque Eólico El Mezquite, S.A.P.I. de C.V., which has signed power purchase agreements with a subsidiary of the Mexican federal electricity utility, Comisión Federal de Electricidad (CFE). On June 27, 2017, the Bank approved a market-rate loan for up to US$105.0 million for construction of the project. A loan agreement for US$74.1 million was contracted on September 1, 2017, and the initial disbursement occurred in October of the same year. With project construction almost complete, NADB cancelled the unsigned portion of its loan commitment for this project, which totaled US$30.9 million, reducing its participation in the project to US$74.1 million. The final disbursement for project construction occurred on May 23, 2019, leaving an unused balance of US$103,320. The amount disbursed totaled US$74.0 million.</td>
<td>Construction of the wind farm began in October 2017 and was completed in June 2019. Commercial operations began on June 28, 2019.</td>
</tr>
<tr>
<td><strong>Nogales, Arizona, USA</strong>&lt;br&gt;Peña Blanca Wastewater System Improvements at Potrero Creek</td>
<td>Replacement of a section of a wastewater force main below Potrero Creek and pump station improvements. <strong>Community Benefits</strong> Elimination of the risk of line breaks, preventing approximately 84,000 gallons per day of untreated wastewater discharges to Potrero Creek. Better management of pumping equipment and energy efficiency, reducing operation and maintenance costs.</td>
<td>The Bank is a source of grant funds through the CAP, to complement funding from the City. On November 8, 2018, the Bank approved a CAP grant for up to US$450,000 for project construction. The corresponding grant agreement was signed on July 10, 2019. The initial disbursement occurred in December 2020.</td>
<td>Construction of the force main began in May 2020 and was completed in November 2020.</td>
</tr>
</tbody>
</table>
**Nogales, Sonora, Mexico**

**Expansion of the Water and Wastewater Systems to the Southwest Area of Nogales, Sonora**

**Type:** Water / wastewater

**Total Cost:** US $10,483,888

**Total NADB Funding:** US $5,259,444

**Certification Date:** 11 / 17 / 16

**Residents to Benefit:** 16,701

*Expansion of the water distribution and wastewater collection systems to unserved areas of the Flores Magón, Las Torres, Luis D. Colosio, El Rastro, Las Primaveras, and Jardines de la Montaña subdivisions, including installation of residential connections.*

**Community Benefits**

Provision of first-time wastewater collection and treatment services, reducing the potential for groundwater and surface water contamination by eliminating the use of cesspools and direct discharges of untreated sewage into yards and streets, thus providing a cleaner, healthier environment for local residents. Specifically, an estimated 0.93 million gallons a day of wastewater will be collected and treated. Provision of drinking water service for households currently not connected to the distribution system.

*The Bank is a source of grant funds through the BEIF to complement federal, state and municipal funding. On November 9, 2016, EPA approved the Bank's recommendation to provide US$5.26 million in BEIF funds for the construction of the project, and the corresponding grant agreement was signed on July 10, 2017. The initial disbursement was made in February 2018.*

*Phase 1 wastewater lines were completed with Mexican funding in December 2016. Construction of the Collector Tecnológico funded by the Bank was completed in August 2018. Phase 2 and 3 wastewater lines were completed in April 2020. Installation of remaining Phase 2 & 3 residential connections began in June 2020 and was completed in February 2021; however, the contract was extended to connect four laterals to the new Collector Tecnológico, which was completed in August 2021. Construction of Phase 4 wastewater lines and residential connections began in July 2020 and was also completed in August 2021. Bidding for improvements to the Estadio Lift Station is expected to begin in November 2021.*

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**Nueva Ciudad Guerrero, Tamaulipas, Mexico**

**Wastewater Collection and Treatment System Improvements**

**Type:** Wastewater

**Total Cost:** US $4,332,000

**Total NADB Funding:** US $2,056,000

**Certification Date:** 3 / 20 / 20

**Residents to Benefit:** 5,209

*Expansion and rehabilitation of the wastewater collection and treatment system, including construction of a wastewater treatment plant (WWTP) with capacity of 270,000 gallons a day.*

**Community Benefits**

First-time access to wastewater services for 244 homes in unserved areas of the city, as well as improved service for the rest of the community. Wastewater treatment coverage for 100% of the community and higher quality effluent, which will reduce water pollution and the risk of waterborne diseases. The new plant will also have a methane capture and conversion system to reduce the effects of greenhouse gas emissions.

*The Bank is a source of grant funds through the BEIF to complement federal, state and municipal funding. On January 27, 2020, EPA approved the Bank's recommendation to provide US$2.06 million in BEIF funds for the construction of the project, and the corresponding grant agreement was signed on September 15, 2020. The initial disbursement was made in September 2021.*

*The gravity sewer main connecting the sewer system to the site of the WWTP was installed in 2017 with Mexican funds. Bidding for construction of the BEIF-funded components, including construction of the WWTP, the West sewer main and Phase 2 wastewater collection lines in the western area of the city, is underway, with contract award expected in October 2021.*
### Ojinaga, Chihuahua, Mexico

**Wastewater Collection System Improvements**

<table>
<thead>
<tr>
<th>Type</th>
<th>Wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost</td>
<td>US $2,540,500</td>
</tr>
<tr>
<td>Total NADB Funding</td>
<td>US $1,019,450</td>
</tr>
<tr>
<td>Certification Date</td>
<td>11/12/20</td>
</tr>
<tr>
<td>Residents to Benefit</td>
<td>6,240</td>
</tr>
</tbody>
</table>

**Description**

Replacement of sewer lines and rehabilitation of the service connections to 1,700 residences

**Community Benefits**

Improved wastewater collection services for 1,700 residential connections and reduced risk of pipeline failures and sewage spills, which will help prevent contamination of the West Texas Bolson Aquifer that supplies drinking water to Ojinaga and to Presidio, Texas. Specifically, the project will prevent approximately 281,000 gallons per day of wastewater discharges.

**NADB Participation**

The Bank is a source of grant funds through the BEIF to complement Mexican federal, state and municipal funding. On November 12, 2020, EPA approved the Bank’s recommendation to provide US$1.02 million in BEIF funds for project construction and supervision. The corresponding grant agreement was signed on August 2, 2021.

**Implementation Status**

Bidding for project construction is expected to begin in November 2021.

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### Palmview, Texas, USA

**Agua SUD Wastewater Collection and Treatment (East) Project**

<table>
<thead>
<tr>
<th>Type</th>
<th>Wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost</td>
<td>US $48,200,000</td>
</tr>
<tr>
<td>Total NADB Funding</td>
<td>US $6,000,000</td>
</tr>
<tr>
<td>Certification Date</td>
<td>5/8/14</td>
</tr>
<tr>
<td>Residents to Benefit</td>
<td>8,183</td>
</tr>
</tbody>
</table>

**Description**

Construction of wastewater collection and conveyance infrastructure for the City of Palmview and adjoining areas, including installation of sewer hookups and decommissioning of septic tanks.

**Community Benefits**

Provision of first-time wastewater collection and treatment services to the community of Palmview and the surrounding area, reducing environmental and health hazards associated with the inadequate disposal of wastewater, thus providing a cleaner and healthier environment for local residents. Specifically, an estimated 900,000 gallons per day of wastewater will be collected and treated.

**NADB Participation**

The Bank is a source of grant funds through the BEIF to complement a state loan and grant. On March 18, 2020, EPA approved the Bank’s recommendation to provide US$6.0 million in BEIF funds for the installation of sewer hookups and decommissioning of septic tanks. The corresponding grant agreement was signed on May 18, 2020. The initial BEIF disbursement occurred in September 2020.

**Implementation Status**

The wastewater collection system, five lift stations and the pressure main to connect the system to the Mission Wastewater Treatment Plant have been completed with state funds. Construction to install 1,847 residential hookups and decommission septic tanks funded by the Bank began in July 2020 and is approximately 52% complete.
**PROJECT**

**Playas de Rosarito, Baja California, Mexico**

**Basic Urban Infrastructure Project**

<table>
<thead>
<tr>
<th>Type</th>
<th>Basic urban infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost</td>
<td>US $14,558,707</td>
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<tr>
<td>Total NADB Funding</td>
<td>US $13,650,811</td>
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<tr>
<td>Certification Date</td>
<td>5 / 14 / 15</td>
</tr>
<tr>
<td>Residents to Benefit</td>
<td>90,688</td>
</tr>
</tbody>
</table>

**DESCRIPTION**

Paving of approx. 34,518 m² of dirt roads, repaving of approx. 39,676 m² of roads and other roadway improvements, replacement of aging water and wastewater infrastructure, replacement of street lighting equipment and acquisition of maintenance equipment.

**Community Benefits**

Paving works will help improve air quality by reducing vehicular dust caused by traffic on unpaved roads and relieving traffic congestion at peak hours. Specifically, increased paving coverage is expected to prevent the emission of 32.8 metric tons/year of PM₁₀, while better urban mobility will help reduce vehicle emissions, including an estimated 77.43 kg/year of volatile organic compounds, 491 kg/year of carbon monoxide, and 157.54 kg/year of nitrogen oxides. The project will also provide safer roadways for motorists and pedestrians, as well as allow faster access for emergency services. The replacement of streetlamps will help reduce energy consumption by approximately 9.6% a year, which will help prevent the emission of an estimated 33 metric tons/year of carbon dioxide (CO₂). Additionally, the project will contribute to the provision of adequate water and wastewater services.

**NADB PARTICIPATION**

The Bank is a direct lender to complement federal funding in support of the new infrastructure and equipment (est. cost of US$5.11 million), as well as to refinance an existing loan (est. cost of US$12.0 million) to obtain a longer term and better financing conditions, allowing the Municipality to apply part of the savings toward investments in additional infrastructure needs. On May 14, 2015, the Bank approved a peso-denominated, market-rate loan for an estimated US$16.25 million to refinance the existing loan and finance up to 80% of the cost of the new infrastructure works and equipment. On June 9, 2015, a loan agreement for up to US$16.10 million was contracted with the Municipality. On September 1, 2015, the loan was fully disbursed for a total of US$13.65 million: US$9.98 to refinance the existing loan and US$3.67 million to cover part of the cost of the new infrastructure works and equipment.

**IMPLEMENTATION STATUS**

The Municipality has already paved approximately 23,300 m² of roadways. A contract funded by NADB for asphalt street paving (approx. 32,600 m²), including replacement of sewer lines, was completed in June 2016. A second contract funded by NADB for urban revitalization, including concrete street paving (approx. 2,163 m²), sidewalks, public lighting, green areas and replacement of water and sewer lines, was completed in August 2016. A third paving contract (7,912 m²) funded by NADB was completed in September 2017.

Construction under five street paving contracts (approx. 8,994 m²) funded by the Bank began in May 2021 and was completed in September 2021, thus completing the entire certified project.
### Presidio, Texas, USA

#### Water System Improvements Project

**Type:** Water  
**Total Cost:** US $4,500,000  
**Total NADB Funding:** US $4,500,000  
**Certification Date:** 11/14/19  
**Residents to Benefit:** 4,000

**DESCRIPTION**

Extension of the water distribution system along Highway 67, including construction of a booster station and 50,000-gallon elevated water tank, as well as construction of a water tank transmission line.

**Community Benefits**

Improved system sustainability by reducing pressure in the distributions lines, thus eliminating line breaks that can lead to contamination of the water supply and preventing at least 80,000 gallons a day in water losses from the system. Provision of first-time access to drinking water services for 10 households.

**NADB PARTICIPATION**

The Bank is a source of grant funds through the BEIF, as well as a direct lender. On October 4, 2019, EPA approved the Bank's recommendation to provide US$3.0 million in BEIF funding for the construction of the project. On November 14, 2019, the Bank approved a market-rate loan for up to US$800,000 to complete the financial structure of the project. The BEIF grant agreement was signed on March 11, 2020. On August 4, 2020, the Bank approved a US$700,000 loan increase to cover increased costs based on actual procurement results, bringing the total loan for this project to US$1.5 million. The loan was executed in the form of a combination tax and revenue certificate of obligation and fully disbursed, on November 19, 2020. BEIF grant disbursements began in October 2020.

**IMPLEMENTATION STATUS**

Construction began in September 2020. The new transmission and distribution lines were substantially complete in the first quarter of 2021, pending connection to the remaining works and testing. Construction of the booster station and water storage tank were substantially complete in June 2021. A leak was detected in the Highway 67 waterline, delaying final completion.

### Reynosa, Tamaulipas, Mexico

#### Wastewater Collection and Treatment Project

**Type:** Wastewater  
**Total Cost:** US $15,908,735  
**Total NADB Funding:** US $7,330,512  
**Certification Date:** 5/6/16  
**Residents to Benefit:** 266,853

**DESCRIPTION**

Expansion of the Wastewater Treatment Plant (WWTP) No. 2, to increase capacity from 5.7 mgd to 17.1 mgd, as well as construction of Lift Station No. 278, rehabilitation of Lift Station No. 1 and decommissioning of three lift stations.

**Community Benefits**

Expansion of wastewater treatment coverage, preventing untreated sewage discharges from entering the Rio Grande River, which will reduce environmental pollution and the risk of waterborne diseases, thus providing a safer and healthier source of water for the city, as well as for downstream users. Specifically, an estimated 9.0 mgd of wastewater will be collected and treated.

**NADB PARTICIPATION**

The Bank is a source of grant funds through the BEIF, to complement federal funding provided through the Mexican federal water agency, CONAGUA. On March 23, 2016, EPA approved the Bank's recommendation to provide US$7.08 million in BEIF funding for the construction of this project. The corresponding grant agreement was signed on June 16, 2016. The initial disbursement occurred in May 2017. On September 2, 2020, EPA approved an additional US$250,000 in BEIF funds to cover increased construction costs, bringing total BEIF participation in this project to US$7.33 million. The grant agreement was amended to include the additional funding and was signed on November 10, 2020.

**IMPLEMENTATION STATUS**

Construction of Lift Stations 1 and 278 funded by the Bank began in May 2017. Work on Lift Station 1 was completed in May 2020. Construction of Lift Station 278 was temporarily suspended in order to replace the contractor. Work was reinitiated in February 2019 and completed in February 2021.

Construction to expand WWTP 2 began in 2014 with Mexican funds and is expected to be completed in the fourth quarter of 2021.
<table>
<thead>
<tr>
<th>PROJECT DESCRIPTION</th>
<th>NADB PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
</table>
| **Reynosa, Tamaulipas, Mexico**  
**Delaro Wind Energy Project**  
Type: Renewable energy  
Total Cost: Reserved  
Total NADB Funding: US $50,000,000  
Certification Date: 11/14/19  
Residents to Benefit: 226,219  

Construction of a 117-MW wind farm with 27 wind turbines, as well as a substation and transmission line, on privately-owned rural land located about 25 miles southwest of the city.

**Community Benefits**

Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 195,326 metric tons/year of carbon dioxide (CO$_2$) and 615 metric tons of sulfur dioxide (SO$_2$), as well as other pollutants.

The Bank is a direct lender to the project company, Delaro, S.A.P.I. de C.V., which has signed power purchase agreements with several private firms. On November 14, 2019, the Bank approved a market-rate loan for up to US$50.0 million for construction of the project. A loan agreement for US$32.0 million was contracted on December 16, 2019. The sponsor decided to cancel the project and terminated the loan on August 27, 2021.

The Sponsor decided to cancel the project.

| **Riverside and Imperial Counties, California, USA**  
**Wildcat Energy Storage Project**  
Type: Energy efficiency  
Total Cost: Reserved  
Total NADB Funding: US $6,800,000  
Certification Date: 5/13/21  
Residents to Benefit:  

Design, construction and operation of the first phase of a 3.0-megawatt alternating current (MW$_{AC}$) energy storage system on vacant and undeveloped land in Palm Springs, CA.

**Community Benefits**

Increased energy storage will reduce the use of ramp-up/ramp-down fossil-fuel power plants to meet electricity demand, as well as facilitate the integration of intermittent renewable energy sources, such as solar and wind. With the capacity to store and deliver up to 1,796 megawatt-hours (MWh) of energy a year, the project will displace approximately 819 metric tons/year of CO$_2$.

Increased operational efficiency and reliability of power grid by minimizing power disruptions and reducing energy losses resulting from mismatches in supply and demand.

The Bank is a direct lender to esFaraday, LLC, a subsidiary of the project sponsor esVolta, LP, which has signed an energy storage agreement with Southern California Edison (SCE). The Wildcat project is part of a portfolio of storage facilities being developed by esVolta. On March 2, 2020, the Bank approved a market-rate loan for up to US$6.8 million for the Don Lee Energy Storage Project, and a US$5.0 million loan agreement was signed on March 20, 2020. Prior to year-end, the sponsor decided to cancel the Don Lee project due to unforeseen circumstances. On May 13, 2021, the Bank certified the Wildcat project and approved using up to US$4.73 million of the aforesaid loan to finance the first phase of the Wildcat project.

The Wildcat facility is in the final stages of construction, with commercial operations scheduled to begin in November 2021.
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>DESCRIPTION</th>
<th>NADB PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>San Quintín, Baja California, Mexico</strong>&lt;br&gt;Desalination Plant</td>
<td>Construction of a seawater desalination facility with the capacity to produce 5.7 mgd of drinking water for the San Quintín Valley in the municipality of Ensenada, B.C.  &lt;br&gt;&lt;br&gt;<strong>Community Benefits</strong>&lt;br&gt;Development of an additional water supply source to ensure sustainable and reliable drinking water services for residents of San Quintín Valley, contributing to the preservation of groundwater resources and human health.</td>
<td>The Bank is a direct lender to complement equity contributions from the private concessionaire, Desaladora Kenton, S.A. de C.V., through a public-private partnership (PPP) with the state water agency. On March 8, 2018, the Bank approved a market-rate loan for up to US$36.61 million to cover approximately 76% of the project costs. The corresponding loan agreement was signed on March 28, 2018; and the condition precedent for loan commitment was met on September 30, 2018.</td>
<td>Construction was put on hold due to change in state and municipal administrations.</td>
</tr>
<tr>
<td><strong>Socorro, Texas, USA</strong>&lt;br&gt;Residential Wastewater Connections in the Rosa Azul Subdivision</td>
<td>Installation of up to 278 yard-line connections to the new sewer system and decommissioning of all on-site septic systems.  &lt;br&gt;&lt;br&gt;<strong>Community Benefits</strong>&lt;br&gt;First-time wastewater collection and treatment services for the Rosa Azul subdivision, thus eliminating the environmental and health risks associated with the inadequate disposal of wastewater. Specifically, an estimated 100,000 gallons per day of wastewater will be collected and treated.</td>
<td>The Bank is a source of grant funds through the CAP to complement funding provided by the Lower Valley Water District (LVWD). On November 12, 2020, the Bank approved a CAP grant for up to US$500,000 for project implementation. The corresponding grant agreement was signed on February 25, 2021.</td>
<td>Construction for installation of Phase 1 and 2 residential wastewater connections began in September 2020 and is approximately 90% complete.</td>
</tr>
<tr>
<td><strong>Soto la Marina, Tamaulipas, Mexico</strong>&lt;br&gt;Drinking Water System for José Silva Sánchez</td>
<td>Construction of a drinking water system, including the installation of a water transmission line, storage tank and distribution system, as well as equipping an existing well with a new power connection, pumping equipment and disinfection system.  &lt;br&gt;&lt;br&gt;<strong>Community Benefits</strong>&lt;br&gt;Provision of first-time access to safe and reliable drinking water service for 33 homes, eliminating the health risks associated with hauling water for residential use.</td>
<td>The Bank is a source of grant funds through the CAP to complement funding provided by the local water utility and state water agency. On June 19, 2018, the Bank approved a CAP grant for up to US$250,000 to cover up to 90% of the project costs, including possible fluctuations in the exchange rate and construction contingencies. The corresponding grant agreement was signed on March 7, 2019. Disbursements began in September 2020.</td>
<td>Construction of the water system began in September 2020 and is approximately 95% complete.</td>
</tr>
</tbody>
</table>
Expansion of the water distribution and wastewater collection systems in Tijuana, expansion of the wastewater collection system in Playas de Rosarito, upgrades to the Rosarito I Wastewater Treatment Plant (WWTP) and completion of the La Morita WWTP and the Tecolote-La Gloria WWTP.

Community Benefits
Reduction of environmental and health hazards associated with inadequate sewage disposal, thus providing a cleaner, healthier environment for local residents. An estimated 3 mgd of wastewater will be collected and treated prior to being discharged into the Pacific Ocean. Provision of first-time water services to currently unserved areas.

The Bank is a direct lender to complement funding from the local water utility, CESPT. In addition, several components of this project are expected to receive BEIF grants, along with matching Mexican grants. On July 21, 2009, the Bank approved a market-rate loan for up to US$27.96 million for the project. On July 17, 2009, EPA approved the Bank’s recommendation to provide a total of US$2.20 million in BEIF funds as follows: US$1.36 million for the Rosarito I WWTP and US$455,682 for the Aztlán, Independencia and Lomas de Rosarito sewer systems. The three sewer systems were completed with Mexican funds, so all of the BEIF funds will be used to fund the Rosarito I WWTP. On September 18, 2009, a US$22.08-million loan agreement was signed for the first tranche of the loan and disbursements began in December of the same year. The utility determined that the remainder of the loan was unnecessary and decided not to contract the second tranche. As a result, on August 6, 2010, the unsigned portion of the loan was cancelled, reducing the Bank’s participation in this project to US$24.28 million. On February 1, 2011, two additional components were certified for funding under this loan: the La Morita WWTP and the Tecolote-La Gloria WWTP. On February 16, 2011, EPA approved the Bank’s recommendation to provide a US$1.50 million BEIF grant for expansion of the Ejido Plan Libertador sewer system in Playas de Rosarito and a US$430,567 BEIF grant for expansion of the Alcatraces sewer system in Tijuana. As a result, total Bank participation in this project comes to US$26.21 million. On October 26, 2012, three additional components were certified for funding under this loan: the La Cuesta sewer system, the Farallón Collector and the SEDUE-SAAS force main. On December 3, 2014, additional sewer rehabilitation works in Tijuana were certified for partial funding under this loan, along with US$3 million in BEIF funds, bringing Bank participation to US$29.20 million. As of December 31, 2019, a total of US$1.48 million in BEIF funds has been deobligated from four projects, reducing Bank participation to US$29.46 million.

Five water storage tanks totaling 11,000 m$^3$, two pump stations, and waterlines in four subdivisions have been completed, as well as two wastewater force mains. Construction of the 9-km Matanuco collector was completed in July 2010. The La Morita plant has also been completed and began operations in August 2010. The La Cuesta sewer system in Tijuana was completed in January 2013. Rehabilitation of the SEDUE-SAAS force main was completed in April 2013. Expansion of the Rosarito I WWTP was completed in September 2013. Rehabilitation of the Farallón collector was completed in February 2014. The sewer lines in Ejido Plan Libertador in Playas de Rosarito and in Col. Alcatraces in Tijuana, were completed in December 2013. Additional sewer connections related to these two projects were completed in September 2014. Rehabilitation of four wastewater collectors was completed in December 2015. Construction on the fourth phase of the Sanchez Taboada collector was completed in February 2016. Rehabilitation of two sections of the same collector funded by the Bank began in July 2015 and was completed in February 2016. Two contracts for residential hookups in Tijuana were completed in September 2016. The rehabilitation of three collectors began in September 2016, and the work was completed in May 2017. Rehabilitation of the wastewater collection system that discharges to the Las Américas Collector began in August 2017 and was completed in October 2018.

The Tecolote-La Gloria plant is approximately 55% complete; but construction is currently on hold due to a contractor dispute.
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>DESCRIPTION</th>
<th>NADB PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tijuana, Baja California, Mexico</td>
<td>Construction of the Tecolote-La Gloria Wastewater Treatment Plant. <strong>Community Benefits</strong> Reduction of environmental and health hazards associated with untreated sewage discharges that affect local residents, as well as other communities along the Pacific coast, including California.</td>
<td>The Bank is providing loan funds to complete the financing for this project, which also includes funding from the local water utility, CESPT, as well as Mexican federal grants and a loan from the Japan Bank of International Cooperation (JBIC). On September 18, 2009, NADB and CESPT signed a US$22.08 million loan agreement to finance several water and wastewater works. Approximately US$4.13 million of that loan is allocated to the implementation of this project, but disbursement has been delayed since the project was put on hold.</td>
<td>The Tecolote-La Gloria plant is approximately 55% complete with Mexican funding. Construction is currently on hold due to a contractor dispute.</td>
</tr>
<tr>
<td><strong>Type:</strong> Wastewater</td>
<td><strong>Total Cost:</strong> US$8,228,555</td>
<td><strong>Total NADB Funding:</strong> US$4,129,079</td>
<td><strong>Certification Date:</strong> 2 / 1 / 11</td>
</tr>
<tr>
<td><strong>Tijuana, Baja California, Mexico</strong></td>
<td><strong>Tijuana, Baja California, Mexico</strong></td>
<td><strong>Tijuana, Baja California, Mexico</strong></td>
<td><strong>Tijuana, Baja California, Mexico</strong></td>
</tr>
<tr>
<td>Rehabilitation of the Collector Poniente</td>
<td>Rehabilitation of three segments of the Collector Poniente, along with the replacement of a few related sub-collectors. <strong>Community Benefits</strong> Reduced risk of line breaks and leaks, thereby preventing the potential contamination of surface and groundwater sources. Specifically, the project will prevent the potential discharge of approximately 4 mgd of untreated wastewater, which could affect the Tijuana River, a transboundary water body.</td>
<td>The Bank is a source of grant funds through the BEIF, to complement federal grants and equity investments made by the local utility, CESPT. On November 8, 2017, EPA approved the Bank’s recommendation to provide US$1.17 million in BEIF funds for the construction of the project. The corresponding grant agreement was signed on April 13, 2018. On June 8, 2018, EPA agreed to provide an additional US$350,000 in BEIF construction assistance to cover increased costs based on actual procurement results, bringing total BEIF participation in this project to US$1.52 million. Disbursements began in August 2018. The grant agreement was amended to include the additional funding and was signed on October 30, 2019.</td>
<td>Construction of a portion of Segment 2 was completed with Mexican funding in 2017. Work to replace the remaining portion of Segment 2 was completed in February 2019. Construction on Segments 1B and 3 was completed in June 2019, thus completing the entire project.</td>
</tr>
<tr>
<td><strong>Type:</strong> Wastewater</td>
<td><strong>Total Cost:</strong> US$3,014,000</td>
<td><strong>Total NADB Funding:</strong> US$1,524,360</td>
<td><strong>Certification Date:</strong> 11 / 9 / 17</td>
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<tr>
<td>PROJECT</td>
<td>DESCRIPTION</td>
<td>NADB PARTICIPATION</td>
<td>IMPLEMENTATION STATUS</td>
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</tr>
<tr>
<td>Tijuana, Baja California, Mexico</td>
<td>Rehabilitation of Collector Poniente: Segment 1A</td>
<td>The Bank is a source of grant funds through the BEIF, to complement federal and state and equity investments made by the local utility, CESPT. On May 3, 2019, EPA approved the Bank's recommendation to provide US$2.42 million in BEIF funds for the construction of the project. The corresponding grant agreement was signed on June 6, 2019, and disbursements began in September of the same year.</td>
<td>Segment 1A was divided into four sections. Construction on sections 1, 2 and 3 financed with Mexican funds, began in July 2019 and was completed in August 2020. Construction of section 4 funded by the Bank began in August 2019 and was completed in August 2020 under budget. CESPT requested that the unused BEIF funds be applied towards the cost of connecting a collapsed segment of the Cañón del Sainz-Los Reyes sewer line to the Collector Poniente to eliminate untreated discharges to the river. Construction on the sewer line began in December 2020 and was completed in May 2021, thus completing the entire certified project.</td>
</tr>
<tr>
<td>Rehabilitation of Collector Poniente: Segment 1A</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type: Wastewater</td>
<td>Community Benefits</td>
<td></td>
<td>Construction of 855 m of the sewer main financed with Mexican funds began in July 2020 and was completed in December 2020. A contract for construction of the remaining 491 m to be funded by the Bank was awarded in August 2021, with construction expected to begin prior to year-end.</td>
</tr>
<tr>
<td>Total Cost: US $6,460,000</td>
<td>Reduced risk of line breaks and leaks, thereby preventing the potential contamination of surface and groundwater sources. Specifically, the project will prevent the potential discharge of approximately 4 mgd of untreated wastewater that could affect the Tijuana River, a transboundary water body.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total NADB Funding: US $2,420,000</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Certification Date: 5 / 30 / 19</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residents to Benefit: 87,000</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

<p>| | Rehabilitation of Collector Oriente | | |
| Tijuana, Baja California, Mexico | Rehabilitation of the Buena Vista section of the sewer main known as the Collector Oriente. | The Bank is a source of grant funds through the BEIF, to complement federal, state and local funding. On August 5, 2020, EPA approved the Bank's recommendation to provide US$895,129 in BEIF funds for the construction of the project. The corresponding grant agreement was signed on April 8, 2021. | Construction of 855 m of the sewer main financed with Mexican funds began in July 2020 and was completed in December 2020. |
| | | | A contract for construction of the remaining 491 m to be funded by the Bank was awarded in August 2021, with construction expected to begin prior to year-end. |
| Rehabilitation of Collector Oriente | | | |
| Type: Wastewater | Community Benefits | | |
| Total Cost: US $1,790,576 | Reduced risk of line breaks and leaks, thereby preventing the potential contamination of surface and groundwater sources. Specifically, the project will prevent the potential discharge of approximately 7.1 mgd of untreated wastewater that could affect the Tijuana River, a transboundary water body. | | |
| Total NADB Funding: US $895,129 | | | |
| Certification Date: 8 / 21 / 20 | | | |
| Residents to Benefit: 154,000 | | | |</p>
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>DESCRIPTION</th>
<th>NADB PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
</table>
| **Vinton, Texas, USA**  
Wastewater Collection System | Construction of a wastewater collection system, including a lift station and 903 residential connections for the Village of Vinton, located about 25 miles north of downtown El Paso.  
Community Benefits  
First-time access to wastewater collection and treatment services for 90% of the community, reducing the human health risks associated with waterborne diseases. Specifically, an estimated 275,000 gallons per day of wastewater will be collected and treated. | The Bank is a source of grant funds through the BEIF, to complement a loan and grant from the Texas Water Development Board (TWDB). On November 7, 2019, EPA approved the Bank’s recommendation to provide US$3.00 million in BEIF funds for the construction of the project. The corresponding grant agreement was signed on January 8, 2021. | Construction of phase 1 of the new wastewater collection system (south of Vinton Road and Vinton Lift Station) funded by TWDB began in September 2020 and is approximately 75% complete. A contract for construction of phase 2 of the system (north of Vinton Road) to be funded by TWDB was awarded in August 2021, with work expected to begin in December 2021. |
| **Vinton, Texas, USA**  
Community Benefits  
Access to safe and reliable drinking water services for 367 households, thus reducing the human health risks associated with waterborne diseases. In particular, the project will eliminate exposure to arsenic and pathogenic organisms present in the current water supply. | The Bank is a source of grant funds through the BEIF, to complement a loan and grant from the U.S. Department of Agriculture (USDA). On January 27, 2020, EPA approved the Bank’s recommendation to provide US$3.50 million in BEIF funds for the construction of the project. The corresponding grant agreement was signed on January 8, 2021. | Construction of phase 1 of the water distribution system (south of Vinton Road) funded by USDA began in April 2020 and is approximately 95% complete. A contract for construction of phase 2 of the system (north of Vinton Road) to be funded by NADB was awarded in August 2021, with work expected to begin in December 2021. |
| **Webb County, Texas, USA**  
Community Benefits  
Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 258,338 metric tons/year of carbon dioxide (CO₂). | The Bank is a direct lender to the project company, Corazon Energy, LLC, which will sell the energy to a private company pursuant to power purchase agreement, as well as on the wholesale electricity market. On December 11, 2020, the Bank approved a market-rate loan for up to US$100.0 million for construction of the project. A loan agreement for US$62.9 million was contracted on February 26, 2021, and disbursements began in March of the same year. The last disbursement occurred on June 3, 2021. | Construction of the solar park began in July 2020 and began commercial operations in September 2021. Final construction completion is anticipated in November 2021. |

<table>
<thead>
<tr>
<th>Type:</th>
<th>Wastewater</th>
<th>Water</th>
<th>Solar energy</th>
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<tr>
<td>Total Cost:</td>
<td>US $ 19,731,500</td>
<td>US $ 10,618,500</td>
<td>US $ 100,000,000</td>
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<td>Total NADB Funding:</td>
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<td>US $ 3,500,000</td>
<td>US $ 100,000,000</td>
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<tr>
<td>Certification Date:</td>
<td>11 / 14 / 19</td>
<td>2 / 24 / 20</td>
<td>12 / 11 / 20</td>
<td>12 / 11 / 20</td>
</tr>
<tr>
<td>Residents to Benefit:</td>
<td>2,043</td>
<td>1,480</td>
<td>138,970</td>
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