



# QUARTERLY STATUS REPORT



June 30, 2025

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

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# 1. Project and Financing Activity

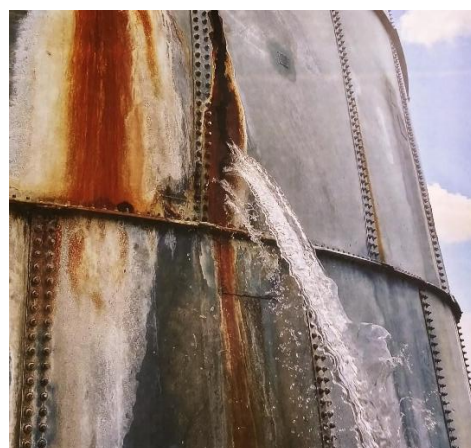
## 1.1. Approvals

Given the significant challenges posed by prolonged droughts and severe water shortages throughout the U.S.-Mexico border region, during the first half of the year, NADBank has been dedicating its resources to developing innovative mechanisms to help strengthen the resilience of water resources, as well as close the remaining gaps in access to basic drinking water and wastewater services. In January, the Board of Directors authorized the Water Investment Program (WIP), which establishes a programmatic approach for the approval of basic water and wastewater infrastructure projects for NADBank loan and grant financing. To date, the Bank has identified six water and/or wastewater projects as potential candidates for approval under the WIP, all of which are currently undergoing the standard due-diligence and committee review processes of the Bank. More details are provided in section 1.4 of this report.

In addition, the Bank has been working to develop financing tools to invest effectively in water conservation and diversification initiatives for both communities and the agriculture sector. At the semiannual meeting of its Board of Directors in June, the Bank presented a proposed Water Resiliency Fund (WRF) that seeks to leverage and complement existing funding through concessional financing tools, including conditional grants and low-interest loans. The Board agreed to allocate up to US\$400 million to the program and authorized publication of the proposal to give border stakeholders and other interested parties an opportunity to share their comments. Upon conclusion of the public comment period, the proposal is expected to be formally submitted for Board approval in August.



*Unlined irrigation canal*



*Leaking storage tank*

No new projects were approved for financing during the second quarter of 2025. The following tables provide a breakdown of project and financing approvals by environmental sector, country and type of financing for the past three years.

**NADBANK QUARTERLY REPORT**  
**JUNE 30, 2025**

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

	First Six Months of		Year-end		
	2025	2024	2024	2023	2022
<b>Projects Approved</b>	-	8	20	11	10
<b>By sector</b>					
Water	-	5	8	5	4
Solid waste	-	-	-	-	2
Air quality <sup>1</sup>	-	1	3	-	1
Urban development	-	-	1	-	1
Sustainable energy	-	1	3	2	1
Sustainable buildings	-	1	2	2	-
Green manufacturing	-	-	1	1	-
Sustainable food value chains	-	-	2	1	1
<b>By country</b>					
Mexico	-	5	13	6	7
United States	-	3	7	5	3
<b>By financing type</b>					
Loan	-	3	12	7	7
Grant	-	4	7	4	2
Loan & grant	-	1	1	-	1

<sup>1</sup> Projects currently include an international border crossing and mobility projects.

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

	First Six Months of		Year-end		
	2025	2024	2024	2023	2022
<b>Financing Approved<sup>1</sup></b>	\$ -	\$ 122,892	\$ 362,201	\$ 235,640	\$ 372,945
<b>By Sector</b>					
Water	-	16,050	19,700	43,240	195,107
Solid waste	-	-	-	-	9,138
Air quality	-	11,842	57,341	-	63,000
Urban development	-	-	3,978	-	20,000
Sustainable energy	-	85,000	205,000	105,000	65,700
Sustainable buildings	-	10,000	50,000	56,400	-
Green manufacturing	-	-	11,166	15,000	-
Sustainable food value chains	-	-	15,016	16,000	20,000
<b>By Country</b>					
Mexico	-	37,142	118,201	68,640	243,795
United States	-	85,750	244,000	167,000	129,150
<b>By Program</b>					
Loans	-	112,842	348,501	213,200	357,054
Grants: <sup>2</sup>					
BEIF	-	8,300	11,200	21,940	15,441
CAP	-	1,750	2,500	500	450

<sup>1</sup> Figures include financing approved for new projects, as well as additional funding approved for projects certified in prior years. In 2022, the urban development and the solid waste loans, both in Mexico, were subsequently cancelled prior to year end. In 2024, a water loan in Mexico was cancelled prior to year end.

<sup>2</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).

## 1.2. Financing Activity

During the second quarter of 2025, the Bank executed financing agreements totaling nearly US\$11.7 million with the sponsors of two environmental infrastructure projects, as detailed in Table 3.

**TABLE 3: FINANCING CONTRACTED FOR ENVIRONMENTAL INFRASTRUCTURE PROJECTS**  
**April 1 – June 30, 2025**  
**(USD)**

	Project	Date	Program <sup>1</sup>	Amount
1	Border-wide Green Loan for Altum CP in Mexico	9-Apr-25	Loan	\$ 11,166,509
2	Alternative Drinking Water Supply for Five Schools in Monterrey, N.L.	18-Jun-25	CAP	500,000
<b>TOTAL</b>				<b>\$ 11,666,509</b>
1. NADBank Community Assistance Program (CAP).				

For the year to date, NADBank has contracted a total of US\$62.3 million—three loans for up to US\$58.9 million and three grants for US\$3.4 million—with the sponsors of six certified projects in the areas of water supply and wastewater system improvements, cleaner freight transportation, sustainable housing and resource-efficient manufacturing.

During the past three months, the Bank also disbursed just over US\$25.9 million in loans and grants to support the implementation of 23 certified projects, including the initial loan disbursements to Banco Inmobiliario Mexicano (BIM) for sustainable housing projects and to Altum CP for eligible green projects in the border region, as well as the initial disbursement of the CAP grants for the water improvement project in Hidalgo County, Texas and the wastewater system expansion project in Nuevo Progreso, Tamaulipas.

For the year to date, NADBank has disbursed more than US\$132.5 million in loans and grants to support the execution of 28 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)

	First Six Months of		Year-end		
	2025	2024	2024	2023	2022
<b>Financing Disbursed</b>	<b>\$ 132,532</b>	<b>\$ 107,289</b>	<b>\$ 279,044</b>	<b>\$ 232,492</b>	<b>\$ 102,162</b>
<b>By sector</b>					
Water	39,815	48,925	57,803	90,947	25,997
Solid waste	-	-	-	449	-
Air quality <sup>1</sup>	1,495	-	5,710	-	63,000
Urban development	-	-	3,978	-	-
Sustainable energy	35,582	41,463	165,577	113,387	3,044
Sustainable buildings	50,381	1,901	10,460	27,709	-
Green manufacturing	5,259	15,000	15,000	-	-
Sustainable food value chains	-	-	20,516	-	10,121
<b>By country</b>					
Mexico	93,981	62,681	104,871	67,467	31,882
United States	38,551	44,608	174,173	165,025	70,280
<b>By financing type</b>					
Loans	129,327	95,796	258,673	218,829	90,030
Grants	3,205	11,493	20,371	13,663	12,132

<sup>1</sup> Current projects include mobility and an international border crossing.

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

	First Six Months of		Year-end		
	2025	2024	2024	2023	2022
<b>Projects Funded</b>	<b>28</b>	<b>23</b>	<b>35</b>	<b>30</b>	<b>24</b>
<b>By sector</b>					
Water	19	17	20	22	20
Solid waste	-	-	-	1	-
Air quality <sup>1</sup>	1	-	1	-	1
Urban development	-	-	1	-	-
Sustainable energy	4	4	7	5	2
Sustainable buildings	3	1	2	2	-
Green manufacturing	1	1	1	-	-
Sustainable food value chains	-	-	3	-	1
<b>By country</b>					
Mexico	17	13	21	15	16
United States	11	10	14	15	8
<b>By financing type</b>					
Loan	10	7	16	9	5
Grant	18	16	19	21	19

<sup>1</sup> This category currently includes an international border crossing and mobility projects.



### 1.3. Project Implementation

During the second quarter of 2025, construction was completed on two projects to improve water or wastewater services, which were partially financed with grants from the Community Assistance Program (CAP).

#### **Wastewater Collection System Improvements in Imuris, Sonora.**

Work to improve major components of the wastewater collection system serving this small community of 8,750 residents located 42 miles south of Nogales, was completed in May 2025, including extending first-time service to 50 homes. The project entailed replacing the El Centro sewer main, upgrades to the lift station, rehabilitation of aging sewer lines along two streets and construction of a force main to convey all the wastewater collected to the local treatment plant that was built with state funds in 2021. Altogether, 21,447 feet of pipeline were installed. These improvements have eliminated existing leaks and are reducing the risk of future pipeline failure, 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.



**Drinking Water System Improvements in Hidalgo County, Texas.** Work to replace two deteriorated ground storage water tanks located south of the city of Alamo at the Santa Ana and Moore Road booster stations was completed in June 2025. The project included demolishing the existing tanks, which had exceeded their useful life and were prone to leaks due to corrosion, compromising the quality of the water entering the distribution system. The new 150,000-gallon tanks are ensuring reliable and safe drinking water services for approximately 8,082 residents in southern Hidalgo County, by reducing the risk of water outages, incidents of low pressure and potential cross-contamination problems that increase the risk of waterborne diseases.



*Interior of Santa Ana storage tank*



*Moore Road storage tank*

At the end of the quarter, a total of 52 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 June 30, 2025, 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.nadbank.org](http://www.nadbank.org)).

## 1.4. Project Development

### Project Pipeline

As of June 30, 2025, the Bank was working with the sponsors of 52 potential environmental infrastructure projects who are seeking an estimated US\$398.6 million in financing, including six projects under the WIP program. A breakdown of the projects by environmental sector, country and funding program is shown in Table 6.

**TABLE 6: PROJECTS UNDER DEVELOPMENT**  
**As of June 30, 2025**

	Projects (No.)	Est. NADBank Financing (Thousand USD)
<b>Project Pipeline</b>	<b>52</b>	<b>\$ 398,624</b>
<b>By Sector</b>		
Water	41	\$ 214,224
Solid waste	1	10,000
Air quality	4	72,400
Sustainable energy	4	72,000
Urban development	1	10,000
Sustainable buildings/industrial parks	1	20,000
Green manufacturing & products	-	-
Sustainable food value chains	-	-
<b>By Country</b>		
Mexico	35	\$ 342,151
U.S.	17	56,473
<b>By Financing Type<sup>1</sup></b>		
Loans	19	\$ 288,450
BEIF grants	25	94,886
Loan & BEIF grant <sup>2</sup>	1	11,480
CAP grants	7	3,808

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

<sup>2</sup> Potential financing includes a US\$3.5 million loan and US\$8.0 million BEIF grant for a water project in the U.S.



At the end of June 2025, the project proposal for the Border-wide Sustainability Financing for Mercader Financial in Mexico was published for a 30-day public comment period and subsequently submitted for Board consideration.

During the third quarter of 2025, the Bank expects to publish three project proposals for public comment:

- Border-wide Sustainability Financing for Engen Capital in Mexico;
- Sustainability Bond for the State of Tamaulipas; and
- Border-wide Green Loan for Serfimex Capital in Mexico.

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.

### **Water Investment Program (WIP)**

This program authorized by the Board of Directors in January 2025 establishes a programmatic approach for the approval of basic infrastructure projects to be financed with a NADBank loan or a grant from its Community Assistance Program (CAP) or the Border Environment Infrastructure Fund (BEIF), which is funded by the U.S. Environmental Protection Agency (EPA). Under this programmatic certification and financing umbrella, NADBank is authorized to ratify qualified water, wastewater and stormwater projects with a defined scope and financial structure, subject to the procedures, guidelines and limitations established under WIP and to compliance with the policies and procedures of the funding source in question.

Upon preliminary review during the second quarter of 2025, the following two projects were identified as potential candidates for consideration under the program.

- Improvements to the Water Supply and Distribution System in Saltillo, Coahuila (loan); and
- Water and Wastewater Infrastructure Improvements for the Metropolitan Area of Monterrey, Nuevo Leon (loan).

For the year to date, NADBank has identified six water and/or wastewater projects as potential candidates for ratification under the WIP: four projects in Mexico for loans totaling an estimated US\$44.8 million and two projects in the U.S. seeking CAP grants totaling US\$1.25 million. All six projects are currently undergoing the standard due-diligence and committee review processes of the Bank.

## 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.

To date, the Bank has completed closeout reports for 181 infrastructure projects. At the end of the quarter, reports were in process for eight projects funded with a loan, four projects funded with a NADBank grant, nine projects funded with a BEIF grant and two projects funded with both a loan and a BEIF grant.

### 2.2. Impact Assessments

NADBank, in collaboration with the U.S. Section of the International Boundary and Water Commission (IBWC) and the Texas Commission of Environmental Quality (TCEQ), has completed the data analysis and drawn preliminary findings related to the impact assessment of the environmental infrastructure projects funded by the Bank between 1995 and 2020 in the Rio Grande basin, from El Paso, TX to Brownsville, TX. Given the depth and importance of the study, the process of synthesizing the information for publication requires careful review. NADBank is working to finalize and translate the report by year-end.

With respect to the evaluation of Community Assistance Program (CAP) investments implemented between 2013-2024, the Bank is analyzing the data compiled on the direct and secondary impacts of each project to determine the effectiveness of these investments in delivering intended results and identify the program elements that supported successful outcomes, as well as the areas where adjustments could extend program reach and improve its responsiveness to the environmental infrastructure needs of economically-distressed communities in the border region.

NADBank is also in the process of reviewing its results measurement system to align mechanisms—such as impact assessments—with the vision outlined in the 2024-2028 Strategic Plan. This effort seeks to strengthen the value of the system by establishing effective mechanisms to incorporate findings from closeout reports and impact assessments into best practices for project execution, process enhancement and program innovation. The next impact assessment topic will be selected with this objective in mind and is expected to be defined by year-end.

### 3. Status of Financing Programs

#### 3.1. Development Asset Portfolio

During the first half of 2025, the Bank disbursed just over US\$129.3 million in development assets and received US\$43.0 million in principal payments, including US\$9.3 million in partial prepayments for three projects in Mexico.

In April 2025, the Municipality of Nuevo Laredo, Tamaulipas, paid off the remaining balance of its loan for the Comprehensive Storm Sewer Project, with a prepayment of US\$4.1 million. The original loan was contracted in 2006 and fully disbursed by November of 2009 for US\$22.7 million.

As a result of this activity, NADBank closed the quarter with an outstanding loan balance of US\$1,219 million, a net increase of 7.6% compared to the balance at the end of 2024 (US\$1,133 million) and a 14.3% increase year over year (US\$1,067 million).<sup>1</sup>

Table 7 provides a summary of lending activity in 2024 and 2025, and its impact on the portfolio. At the end of the quarter, the Bank had US\$159.3 million in loans contracted pending disbursement for 17 projects, as well as up to US\$159.9 million in approved loans pending contracting for 14 projects.

**TABLE 7: ANNUAL LENDING ACTIVITY**

(Million USD)

	Year to Date 2025	Year End 2024
Outstanding balance, beginning of year	\$ 1,132.8	\$ 1,049.2
Loan disbursements	129.3	258.7
Principal amortizations	(33.7)	(163.2)
Loan prepayments	(9.3)	(11.8)
Outstanding balance, end of period	1,219.1	1,132.8
Loan commitments, pending disbursement	159.3	229.4
Loan approvals, pending commitment	159.9	285.5
Total loan approvals & commitments	319.2	514.8
Outstanding loans & loan commitments	\$ 1,538.3	\$ 1,647.6
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.

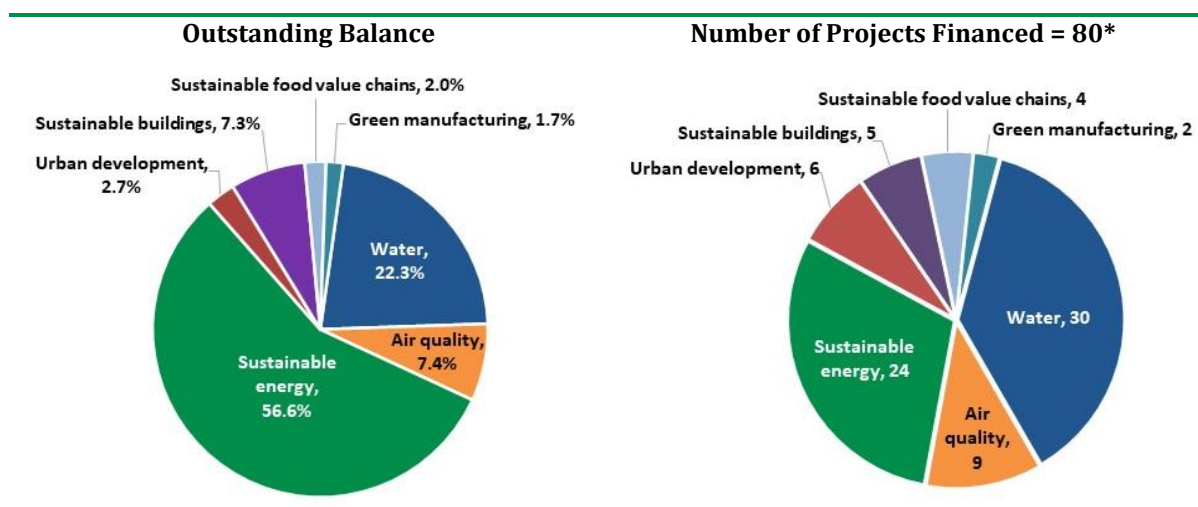
**TABLE 8: BREAKDOWN OF LOAN PORTFOLIO<sup>1</sup>**  
**As of June 30, 2025**

	No. of Loans		Outstanding Balance	
	No.	%	Thousand USD	%
<b>Outstanding Loan Portfolio</b>	<b>73</b>	<b>100</b>	<b>\$ 1,219,151</b>	<b>100</b>
<b>By Environmental Sector</b>				
Water	23	31.5	\$ 271,223	22.3
Air quality <sup>2</sup>	9	12.3	90,703	7.4
Sustainable energy	24	32.9	689,952	56.6
Urban development	6	8.2	33,507	2.7
Sustainable buildings	5	6.9	88,549	7.3
Sustainable food value chains	4	5.5	24,958	2.0
Green manufacturing	2	2.7	20,259	1.7
<b>By Country</b>				
Mexico	48	65.8	\$ 743,399	61.0
U.S.	25	34.2	475,752	39.0
<b>By Borrowers</b>				
Public	30	41.1	\$ 341,003	28.0
Private	38	52.1	834,645	68.4
Public-private	5	6.8	43,503	3.6

1. Outstanding balances, before allowance for credit losses, unamortized fees, and effect of foreign exchange adjustments and hedged items.

2. Air quality includes paving, mobility and border crossing projects.

### Loan Portfolio Distribution by Sector



\* Twenty-three (23) loans in the water sector have partially funded 30 certified projects.

As of June 30, 2025, one loan with an outstanding balance of US\$4.4 million was classified as non-accrual, representing 0.4% of the loan portfolio.

### **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.

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 using sustainable building techniques and materials, and 83% of the loan proceeds have been disbursed to date. Construction began in October 2023 and is approximately 80% complete. Detailed information about the ProRec-funded projects is available on the NADBank website ([www.nadbank.org](http://www.nadbank.org)).

### **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.

To date, five loans totaling US\$50.0 million have been approved through this program for eight financial intermediaries in Mexico, as detailed in the table below. Four of those loans have been fully or partially contracted with seven intermediaries for US\$32.6 million, and the loan proceeds have been fully disbursed.

With respect to project implementation, the proceeds of one green loan were allocated to finance an urban redensification project in downtown Monterrey, Nuevo Leon, which was completed in 2024. The sponsors of two green loans are in the process of allocating the loan proceeds to projects. One green loan has been placed on non-accrual and is in the process of being repaid.

Of the US\$300 million committed to this program, US\$250 million is available for future projects. Under the program, NADBank is currently working on two loans totaling an estimated US\$10.4 million with non-bank financial institutions that have business lines focused on sustainable energy and 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.

For the year to date, the Bank has signed a US\$500,000 grant agreement with the sponsor of a water supply project in Mexico and disbursed US\$856,326 in CAP grants to support the implementation of four projects.

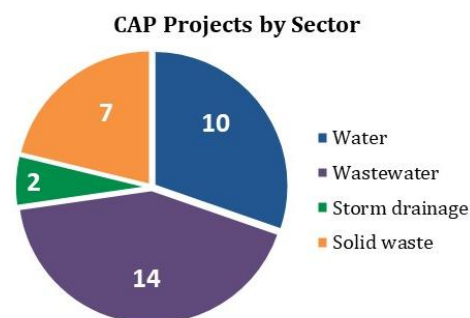
In terms of program funding, US\$4.4 million in grant funds provided by the U.S. Department of State (DOS) have been used to cover part or all of the CAP grant disbursements for 12 projects, as well as part of the supervision expenses. The overall status of CAP program funding as of June 30, 2025, is summarized in Table 9.

**TABLE 9: CAP FUNDING**  
(Million USD)

	2025	Cumulative
NADBank funding allocated	\$ –	\$ 15.57
U.S. Department of State grant	0.86	4.40
Funds committed for supervision	–	(1.12)
Grants approved for projects <sup>1</sup>	–	(13.61)
Funding available for future projects		<u>\$ 5.27</u>

1. Cumulative figures, less grant cancellations.

Of the 34 projects funded with CAP grants, 29 have completed implementation and five were in various stages of execution or preparing to initiate construction at the end of the quarter. Information on the status of projects currently in the process of being implemented or pending financial closeout as of June 30, 2025, 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.nadbank.org](http://www.nadbank.org)).



### 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.

For the year to date, NADBank has signed grant agreements totaling US\$2.9 million with the sponsors of two wastewater projects in Mexico and disbursed more than to US\$2.3 million in BEIF grants for 14 projects in implementation.

The overall status of BEIF program funding as of June 30, 2025, is summarized in Table 10.

**TABLE 10: BEIF PROGRAM STATUS**  
(Million USD)

	2025	Cumulative
EPA funding allocations <sup>1</sup>	\$ –	\$ 828.25
Funds allocated for administration	–	(36.61)
Grants approved for projects <sup>2</sup>	–	(745.39)
Grant cancellations in 2025 <sup>3</sup>	(1.18)	
Funding available for future projects		<b>\$ 46.25</b>

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

2. Cumulative figure, less grant cancellations, including those cancelled in 2025.

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

Of the 143 projects funded with BEIF grants to date, 131 were completed and 12 were in various stages of construction at the end of the quarter. Information on the status of projects that are currently in the process of being implemented or pending financial closeout as of June 30, 2025, 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.nadbank.org](http://www.nadbank.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 second quarter of 2025, the Bank awarded a total of US\$490,000 in TAP grants for the development of three studies or other initiatives, as detailed in the table below.

**TABLE 11: TAP GRANT APPROVALS**  
**April 1 – June 30, 2025**  
(USD)

	Community Benefitted	Activity	TAP Grant
1	El Paso, TX	Skills for Sustainability 2025/26 SCADA training	\$ 125,000
2	Ímuris, SON	User registry and business management system update for the local water utility	115,000
3	San Quintín, B.C.	Studies to support development of the Mexican environmental information statement for a desalinization project	250,000
<b>TOTAL:</b>			<b>\$ 490,000</b>

During the same period, two TAP-funded studies were completed:

**Assessment of the Physical and Operational Conditions of Municipal Wastewater Treatment Plants located in the Northern Border States of Mexico.** Funded jointly with a grant from the Project Development Assistance Program (PDAP), this technical assessment provided insight into the overall status of the infrastructure and operation of 13 treatment plants in 11 border communities and in particular their compliance with the current wastewater discharge regulation (NOM-001-SEMARNAT-2021). The degree of compliance varied among the plants, depending on such factors as the type of process, the age of the infrastructure and operating conditions. The main challenge identified is compliance with nitrogen, chemical oxygen demand and E. coli parameters. The findings also demonstrated the need to implement a comprehensive plan that considers staff training, process control, energy efficiency and the possible integration of treated wastewater reuse schemes as part of a regional sustainability strategy.



At the end of the quarter, there were 25 initiatives in process with a total TAP grant commitment of US\$3.53 million.

## Utility Management Institute (UMI)

In May 2025, UMI concluded the inaugural cycle of its Public Management Leadership Program, which focuses on developing and strengthening the managerial skills of officials in charge of providing any type of public service. The 72-hour training program was delivered entirely online in 24 three-hour sessions over a seven-month period, with simultaneous interpretation provided in English and Spanish. A total of 256 people registered for the program, of which 186 attended at least one session (73%).

To evaluate the effectiveness of the program, quizzes were administered to the participants throughout the program, and session attendance was tracked, including the length of time the participant was connected to each session. Two certificate levels were established based on participant attendance and performance on the quizzes. An advanced knowledge certificate was awarded to 26 participants who missed no more than two sessions and performed well on the quizzes. An additional 41 participants that missed no more than nine sessions received a satisfactory knowledge certificate.

Based on input from the participants and lessons learned during the implementation of the program, NADBANK is working on making adjustments and improvements to the course prior to scheduling the next training cycle.

Public Management Leadership Program	
Unit 1	NADBANK, an Innovative Entity (3 hrs.)
Unit 2	<ul style="list-style-type: none"> <li>Planning in Public Entities (12 hrs.)</li> <li>Identifying and Prioritizing Environmental Issues (3 hrs.)</li> </ul>
Unit 3	<ul style="list-style-type: none"> <li>Financial Management and Administration (15 hrs.)</li> <li>NADBANK Rate Models for Water Utilities (3 hrs.)</li> </ul>
Unit 4	Organizational Structure of Public Entities (12 hrs.)
Unit 5	Management and Leadership (12 hrs.)
Unit 6	Innovation and Creating Public Value in Government Actions (12 hrs.)

## 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 second quarter of 2025, the Bank approved a US\$497,000-PDAP grant to support surveying services and development of the final designs for expansion of the wastewater collection system to provide first-time service to approximately 400 homes in nine *colonias* in Rio Grande City, Texas.<sup>2</sup> The project will also include the rehabilitation of the International Rio Grande Valle Wastewater Treatment Plant.

During the same period, one PDAP-funded study was completed.

**Assessment of the physical and operational conditions of municipal wastewater treatment plants located in the northern border states of Mexico.** Funded jointly with a TAP grant, this technical assessment provided insight into the overall status of the infrastructure and operation of 13 treatment plants in 11 border communities and in particular their compliance with the current wastewater discharge regulation (NOM-001-

<sup>2</sup> *Colonias* are communities on the U.S. side of the international border with Mexico that lack basic infrastructure, such as paved roads, water distribution and sewer systems, storm drainage and other public facilities.

SEMARNAT-2021). More details about the study results are provided in the TAP report above.

As of June 30, 2025, there were 11 PDAP-funded studies in process with a total grant commitment of US\$2.4 million for the development of nine water and/or wastewater projects.

**TABLE 12: SUMMARY OF TECHNICAL ASSISTANCE ACTIVITY**  
(Thousand USD)

	First Six Months of		Year-end		
	2025	2024	2024	2023	2022
<b>Total Activities Completed</b>	<b>6</b>	<b>7</b>	<b>17</b>	<b>24</b>	<b>22</b>
<b>By Program<sup>1</sup></b>					
TAP	3	5	9	9	6
UMI	-	-	-	5	4
ProRec	-	-	-	-	1
PDAP	2	2	8	10	11
TAP & PDAP	1	-	-	-	-
<b>By Sector</b>					
Water	5	7	15	20	17
Solid waste	-	-	-	1	-
Air quality	1	-	2	1	3
Sustainable energy	-	-	-	-	1
Climate change	-	-	-	2	-
ProRec	-	-	-	-	1
<b>By Type</b>					
Project development	5	5	13	16	16
Sector development	-	2	4	2	1
Institutional strengthening	1	-	-	6	4
ProRec	-	-	-	-	1
<b>Funding Approved</b>					
TAP	\$ 1,395	\$ 1,416	\$ 3,176	\$ 2,173	\$ 1,231
UMI	-	-	50	80	48
PDAP	1,030	1,113	1,987	1,506	1,258
<b>Funding Disbursed</b>					
TAP	732	\$ 672	2,014	1,300	\$ 501
UMI	33	2	19	72	38
ProRec	-	-	-	380	30
PDAP	535	469	1,467	1,197	1,080

<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 has been used to cover TAP and UMI disbursements since 2022.



### 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 second quarter of 2025, two initiatives funded through the program were completed.

#### **Pretreatment for Heavy Metals in Wastewater and its Reuse in Nogales, Sonora.**

The purpose of this initiative was to identify a feasible bioremediation process for reducing or eliminating the concentration of heavy metals in industrial wastewater. Nine industrial facilities with existing metal coating processes and pretreatment systems were selected for the study. Based on an analysis of their processes and wastewater discharges, a pilot project was designed to test various plant species with the metabolic ability to absorb heavy metals, including manzo grass, beans, peas, alfalfa and sesuvium. The latter species survived the toxicity of the contaminated water and exposure to low temperatures, with the final test results showing a reduction in the concentration of heavy metals. As part of the project, viable sites were evaluated for the disposal and/or reuse of the pretreated water, with priority given to green spaces. The project also strengthened the operational capacity of the Nogales water utility by providing the necessary technical equipment to monitor wastewater treatment and reuse activities.



**Strengthening Governance to Safeguard the Rio Grande Basin.** With extensive collaboration and coordination with the Mexican environmental conservation organization Pronatura Noreste and the local authorities responsible for the management and protection of water resources in the states of Coahuila, Nuevo León and Tamaulipas and the integration of advanced technologies in environmental monitoring, an innovative digital tool (app) was developed to facilitate reporting incidents of contamination in the Rio Grande in real time with geolocation and photo attachments. The En Causa Rio Bravo app empowers citizens to report pollution of the river to local authorities, promoting a model of participatory water governance.

A committee composed of government agencies, as well as the Rio Bravo Basin Council, was established to receive, analyze and channel



reports to the relevant state office of the Mexican National Water Commission (CONAGUA). Five educational workshops and training sessions were held for federal and local water authorities. The app has been widely publicized through social media, and a YouTube video and website were created to instruct people on how to download and use it (<https://www.encausariobravo.org.mx/>). To date, 83 reports have been generated through the platform and sent to CONAGUA.

Of the 27 projects funded through the Border 2025 program, 21 have been completed with just over US\$1.46 million in program funding. As of June 30, 2025, six projects were in development with a total grant commitment of US\$343,033.

**TABLE 13: STATUS OF BORDER 2025 INITIATIVES**  
**As of June 30, 2025**

Goal	Completed	In process	Total
1. Reduce air pollution	6	1	7
2. Improve water quality	9	2	11
3. Promote sustainable waste management	5	3	8
4. Improve joint emergency preparedness	1	–	1
<b>Total</b>	<b>21</b>	<b>6</b>	<b>27</b>

## 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.

### ***Ribbon-cutting of wastewater system upgrades in Ciudad Juarez, Chihuahua***

On May 29<sup>th</sup>, with hundreds of local residents on hand to witness the event, Chihuahua Governor Maria Eugenia Campos, and Mario Mata, the general manager of the state water agency (JCAS), joined Sergio Nevárez, the general manager of the local water utility (JMAS), and NADBank Managing Director John Beckham in marking the completion of the first phase of the rehabilitation of the Norzagaray sewer main, which consisted of installing approximately 9,377 feet of new pipeline and two sedimentation boxes designed to prevent the accumulation of trash and debris, which have historically led to system blockages and overflows.



The US\$26.9-million project encompasses the rehabilitation of four major sewer mains that have exceeded their useful life and is being partially financed by an US\$11.5-million BEIF grant funded by EPA and administered by NADBank, while state funding, a bank loan and equity from JMAS will cover the remaining costs. In his remarks Mr. Beckham noted that “this project is an excellent example of how cross-border collaboration, strategic infrastructure investment and blended financing generate lasting improvements in public health and environmental quality.” Once fully completed, the rehabilitated sewer mains are expected to prevent the discharge of up to 22.8 million gallons per day of wastewater onto the streets and into the Rio Grande River.



### ***Public meeting of the NADBank Board of Directors in Ciudad Juarez, Chihuahua***

On June 13<sup>th</sup>, the NADBank Board of Directors held its first public meeting of the year in a hybrid format with approximately 100 people attending in person or via videoconference. Representatives of border communities, public and private stakeholders, project developers and non-governmental organizations shared their comments on environmental issues and promoted potential projects for their communities.

During the private session held the previous day, the Board of Directors agreed to allocate up to US\$400 million to finance infrastructure aimed at conserving and diversifying water resources

and instructed the Bank to publish the proposed Water Resiliency Fund (WRF) for public comment with the goal of launching the program in the fall. Developed in response to prolonged drought conditions throughout the U.S.-Mexico border region, the proposed program will enable the Bank to invest in infrastructure that addresses critical water shortages across the region for both communities and the agriculture sector, using a combination of concessional financing tools, including grants and low-interest loans.

Noting that available resources will be allocated equally between the U.S. and Mexico, NADBANK Managing Director John Beckham indicated that “the initial phase of WRF financing is expected to prioritize projects that address urgent drought-related needs in the agriculture sector.”



### ***NADBANK seeking public input on proposed Water Resiliency Fund***

In light of the significant challenges posed by prolonged droughts and severe water shortages throughout the U.S.-Mexico border region, NADBANK has developed the Water Resiliency Fund (WRF) to address critical financing gaps for infrastructure projects that strengthen the resilience of water resources. The WRF will prioritize initiatives that support water conservation and the diversification of supply sources, with the overarching goal of promoting a more efficient use of limited water resources and enhancing the capacity of the region to withstand droughts. Through the WRF, NADBANK intends to allocate up to US\$100 million in retained earnings for grants, as well as make up to US\$300 million available for low-interest loans from its established lending resources. Available funding would be allocated equally between the U.S. and Mexico.



In accordance with its transparency and public notice policies, NADBANK published the draft proposal for a 30-day period, beginning June 19<sup>th</sup> and ending July 19<sup>th</sup>, to give border stakeholders and other interested parties an opportunity to share their comments and opinions. Upon conclusion of the public comment period and subject to the satisfactory resolution of any comments received, Bank Management will formally submit the proposal to the NADBANK Board of Directors for consideration and approval in early August.





OPENING KEYNOTE



**Diana Alarcon**  
Alternate Executive Director  
World Bank Group

More information at:  
[www.nadbank.org](http://www.nadbank.org)

Thursday, August 28th  
Hotel Kimpton Santo

## Additional Outreach Highlights

### April – June 2025

- ♦ **April 10<sup>th</sup> – Cultivating Competitiveness: Positioning North America as a Strategic Agricultural Bloc in Wahington, D.C.** Hosted by the Center for Strategic and International Studies, NADBank Managing Director John Beckham participated in the panel discussion, “Addressing the Challenges of Transportation and Logistics.” He highlighted the Bank’s experience financing infrastructure at international land ports of entry and its role in supporting cross-border trade.



- ♦ **April 10<sup>th</sup> – 2025 Public Finance Conference in Austin, TX.** Hosted by The Bond Buyer, NADBank Deputy Managing Director Alejandro Olivo-Villa participated on a panel focused on water infrastructure, where he talked about the conditions the Bank has observed along the U.S.-Mexico border and underscored the need to invest in water conservation and diversification projects to address ongoing drought conditions.



- ◆ **April 10<sup>th</sup> – Meeting of the Wastewater Technical Committee in Mexicali, B.C.** NADBank staff participated in the meeting of the committee, a binational working group made up of U.S. and Mexican federal, state and local agencies. The meeting focused on key rehabilitation projects in Mexicali and identified opportunities for collaboration to improve water quality in the New River.



**April 14<sup>th</sup> – Testimony before the Texas State Senate in Austin, TX.** NADBank Managing Director John Beckham testified before the Senate Water, Agriculture & Rural Affairs Committee in support of a proposal clarifying how regional water infrastructure projects can be co-financed by multiple governmental agencies. His testimony highlighted the role the Bank can play as a key partner in advancing sustainable solutions along the U.S.-Mexico border. He also met with the Texas Water Foundation and the Texas Association of Business to explore opportunities for future collaboration.

- ◆ **April 22<sup>nd</sup> – Chapter meeting of the Texas American Water Works Association (Texas AWWA) in El Paso, TX.** Laureano “Temis” Álvarez, NADBank Associate Director of Project Development, was invited to speak at the monthly meeting of the Desert Mountain Chapter of Texas AWWA. His presentation “Beyond Engineering – Financing of Water/Wastewater Infrastructure” focused on innovative funding strategies, including technical assistance, the importance of collaboration among stakeholders and the work NADBank does to support water and wastewater infrastructure along the U.S.-Mexico border.



- ◆ **April 25<sup>th</sup> – Stakeholder engagement meetings in New Mexico.** NADBank staff met with a potential private project sponsor in Santa Teresa, NM, following an invitation from the New Mexico Economic Development Department to explore financing options for future investment. While in the area, staff also met with the New Mexico Border Authority to discuss the planned expansion of the Santa Teresa port of entry, as well as visited with officials from the City of El Paso, Texas, to hear concerns related to their local ports of entry and explore potential areas of collaboration.



- ◆ **April 25<sup>th</sup> – Virtual meeting with the Transportation Committee of the Arizona-Mexico Commission.** Jesse Hereford, Head of Strategic Partnerships & Stakeholder Engagement, presented the types of transportation projects eligible for NADBank financing and how they align with the NADBank development strategy. Committee members expressed particular interest in opportunities for the Bank to help address financing gaps for electric vehicle charging infrastructure.
- ◆ **April 30<sup>th</sup> – Virtual meeting of the Binational California-Baja California Border Resiliency Plan Interagency Task Force.** NADBank was invited by the San Diego Association of Governments to join the binational task force. Jesse Hereford, Head of Strategic Partnerships & Stakeholder Engagement, participated in the inaugural meeting, which focused on outlining the roles and responsibilities of the participants. The Bank, which will serve in an advisory capacity and as a potential financier, looks forward to collaborating with partners across the Cali-Baja region to advance shared priorities.



◆ **April 30<sup>th</sup> – Meeting with the Mayor of Ciudad Acuña, COAH.** Managing Director John Beckham, Deputy Managing Director Alejandro Olivo-Villa and NADBank staff met with Mayor Emilio de Hoyos Montemayor to learn more about the needs of the community and the challenges it faces in financing water infrastructure. The Bank reaffirmed its commitment to support regional development and ensure border communities have the natural resources needed for sustainable growth.



◆ **May 2<sup>nd</sup> – Public meeting to promote a wastewater project in Nogales, SON.** The local water utility, OOMAPAS, in coordination with the local steering committee, held the first public meeting to present a proposed project for the construction of a sewer system and treatment plant that will provide first-time service to residents in the Colinas del Sol subdivision. Utility personnel explained the technical aspects of the project and its expected benefits and responded to questions from the public. The meeting was attended by 79 residents, with 100% of respondents to the exit survey indicating they understood and supported the project.

◆ **May 8<sup>th</sup> – Borderplex Alliance 2025 Global Border Summit in El Paso, TX.** Deputy Managing Director Alejandro Olivo-Villa participated in the panel “Building the Future: AI and the Infrastructure Evolution,” during which he highlighted how the growing demand for artificial intelligence will require additional water and energy resources and how NADBank is helping border communities prepare for these future infrastructure needs.



◆ **May 13<sup>th</sup> – Technical assistance kickoff meeting in Weslaco, TX.** Chief Environmental Officer Salvador López met with regional leaders and community partners to launch a study to develop a water availability roadmap for the Rio Grande Valley, covering Cameron, Hidalgo, Starr and Willacy Counties. Following declarations of drought emergencies last year in Cameron and Hidalgo Counties and developed in collaboration with Cameron County Judge Eddie Treviño and Hidalgo County Judge Richard Cortez, the study will focus on protecting current water supplies, identifying new sources, preparing for the effects of ongoing droughts and supporting resilient water infrastructure across the Valley.





- ◆ **May 14<sup>th</sup> – Agro-Finances Event in Chihuahua, CHIH.** Hosted by the Mexican Association of Multi-purpose Financial Companies (ASOFOM), the event brought together national and international specialists and representatives from leading financial institutions to discuss the current challenges facing the agricultural sector, including access to financing. NADBank Associate Director of Infrastructure, David Díaz, participated on a panel that discussed how innovative financing can contribute to the future prosperity and sustainability of the agricultural sector. Conference attendees included ASOFOM members active in northern Mexico, public-sector financial institutions, government agencies with agribusiness programs, specialized vendors and other stakeholders.

- ◆ **May 15<sup>th</sup> – Arizona Border Congressional Briefing.** Jesse Hereford, Head of Strategic Partnerships & Stakeholder Engagement, joined partners from the Arizona Department of Environmental Quality, the City of Douglas, the City of San Luis and other stakeholders to highlight collaborative progress and ongoing challenges in binational water and environmental projects. He shared insights on its continued support for water investments along the Arizona-Sonora border and reaffirmed its commitment to strengthening cross-border water resilience and improving quality of life for border residents.



- ◆ **May 15<sup>th</sup> – 2025 Mexico Gas Summit in San Antonio, TX.** Managing Director John Beckham participated on the U.S.-Mexico Energy Dialogue panel, which focused on the importance of cross-border infrastructure, reliable energy trade and binational cooperation to enhance energy security and drive economic growth along the U.S.-Mexico border.

- ◆ **May 15<sup>th</sup> – Voices and Visions from the Border: A Data-Driven Dialogue in San Antonio, TX.** NADBank hosted the official launch of *Border Briefs*, a series of reports developed by the U.S.-Mexico Border Philanthropy Partnership (BPP) that explore the realities of life along the U.S.-Mexico border. Managing Director John Beckham welcomed attendees and highlighted how collaboration with organizations such as the BPP helps raise awareness of the needs and priorities of the region among broader audiences. Border Briefs on a variety of topics can be accessed on the [BPP website](#).



- ◆ **May 21<sup>st</sup> – Annual Conference of the University of Arizona Water Resources Research Center in Tucson, AZ.** Managing Director John Beckham delivered the opening keynote speech on the second day of the conference. With the theme “Shared Borders, Shared Waters: Working Together in Times of Scarcity,” the event convened thought leaders from across Arizona and the border to discuss water availability and diversification strategies to address the ongoing drought. Mr. Beckham talked about the strategic role NADBank plays in helping border states and communities secure reliable water resources for the future, highlighting its ongoing work in the Colorado and Rio Grande River basins.



- ◆ **June 3<sup>rd</sup> – Environmental Trade Fair and Conference in San Antonio, TX.** Managing Director John Beckham and Chief Environmental Officer Salvador López represented NADBank at this professional development and training forum hosted by the Texas Commission on Environmental Quality (TCEQ). Mr. Beckham talked about the evolution of the Bank with 30 years of impactful investment in the border region and its current focus on infrastructure and binational collaboration to ensure long-term water availability. Mr. López participated in a discussion on the 1983 La Paz Agreement, highlighting the key administrative role that NADBank performs in supporting the EPA border program.

- ◆ **June 4<sup>th</sup> & 5<sup>th</sup> – Meetings with California and Baja California State Leaders in Sacramento, CA.**

Managing Director John Beckham, Chief Environmental Officer Salvador López and Head of Strategic Partnerships & Stakeholder Engagement Jesse Hereford, along with Baja California State Treasurer Marco Moreno, met with CalePA Secretary Yana Garcia and the State Water Resources Control Board to explore opportunities for collaboration between NADBank, the State of Baja California and the State of California to enhance water quality and reduce transboundary wastewater flows in the New River and Tijuana River. Discussions centered on the status of California Proposition 4, which allocates funding to improve water quality in these critical cross-border rivers, including provisions to direct funds to projects in Mexico when they benefit California.



- ◆ **June 6<sup>th</sup> – Meetings with State Leaders in Sonora.**

Deputy Managing Director Alejandro Olivo-Villa and Director of Environmental Infrastructure Finance Carlos Carranza met with Sonora Governor Alfonso Durazo and other state leaders, including representatives from the State Treasury Department. The discussions focused on advancing the financing of priority projects identified in the memorandum of understanding signed earlier this year.



- ◆ **June 26<sup>th</sup> & 27<sup>th</sup> – 66<sup>th</sup> Summit of the Arizona-Mexico Commission.**

During the Water Committee breakout session, Jesse Hereford, Head of Strategic Partnerships and Stakeholder Engagement at NADBank, presented the proposed Water Resilience Fund, generating considerable interest and an opportunity for stakeholder engagement. Arizona Governor Katie Hobbs and Sonora Governor Alfonso Durazo delivered keynote remarks during the luncheon session.

## 6. Financial Report

**TABLE 14: FINANCIAL SUMMARY OF NADBANK ORDINARY CAPITAL RESOURCES**  
(Million USD)

	Six Months Ended June 30,		Year -end		
	2025	2024	2024	2023	2022
<b>Balance Sheet Data</b>					
<b>Total assets</b>	<b>\$ 2,460.6</b>	<b>\$ 2,256.5</b>	<b>\$ 2,401.6</b>	<b>\$ 2,287.9</b>	<b>\$ 1,994.1</b>
<i>of which</i>					
Cash and investments	1,095.2	1,107.9	1,240.8	1,078.1	1,118.9
Gross loans outstanding	1,219.2	1,066.9	1,132.8	1,049.2	920.3
Other assets	202.8	146.0	147.8	177.2	100.9
<b>Total liabilities</b>	<b>1,488.7</b>	<b>1,410.8</b>	<b>1,533.8</b>	<b>1,469.6</b>	<b>1,245.3</b>
<i>of which</i>					
Current liabilities	67.7	79.2	80.8	73.2	53.2
Deferred U.S. capital contribution	117.0	165.0	165.0	165.0	165.0
Debt (short & long term)	1,178.0	1,146.3	1,306.4	1,123.7	1,063.5
<b>Equity</b>	<b>971.9</b>	<b>845.7</b>	<b>867.8</b>	<b>818.3</b>	<b>748.8</b>
<i>of which</i>					
Paid-in capital	600.0	506.0	506.0	506.0	496.0
Retained earnings	343.1	330.0	331.7	310.0	286.6
Callable capital	3,655.0	3,037.3	3,037.3	3,037.3	2,980.7
<b>Income Statement Data</b>					
Loan interest income	42.6	40.8	82.7	72.0	42.2
Investment interest income	24.7	21.7	45.5	30.4	11.2
Interest expense	35.3	34.7	70.4	59.1	26.1
Net interest income	32.0	27.8	57.8	43.3	27.3
Provision for credit losses	(2.0)	2.9	10.5	(1.7)	0.0
Net interest income after provision for credit losses	34.0	24.9	47.3	45.0	27.3
Operating expenses	11.2	10.0	20.4	20.4	19.0
Net operating income	22.8	14.9	26.9	24.6	8.3
Non-interest and non-operating income (expense)	(7.4)	7.6	10.1	4.0	0.2
Transfer to Environment Investment and Capacity Facility (EICF)	4.0	2.5	15.3	5.1	7.5
Net income	11.4	20.0	21.7	23.5	1.0
<b>Ratios</b>					
Loans / Equity (%)	125.4	126.2	130.5	128.2	122.9
Assets/ Equity (%)	253.2	266.8	276.7	279.6	266.3
Debt (short & long term) / Callable capital (%)	32.2	37.7	43.0	37.0	35.7
Liquid assets / Short-term debt (%)	-	843.8	964.1	20,341.5	21,111.3
Net income (LTM) / Equity (%)	1.4	4.9	2.6	3.0	0.1
Net operating income (LTM) / Equity (%)	3.8	4.4	3.2	3.1	1.1
Non-accrual loans / Loans outstanding (%)	0.4	-	0.8	-	-
Operating expenses (LTM) per \$1 M outstanding loans (\$)	17,717	19,589	18,008	19,443	20,645
<b>Credit Ratings</b>					
Moody's Investor Service	Aa1	Aa1	Aa1	Aa1	Aa1
Fitch Ratings	AA	AA	AA	AA	AA+
<i>LTM = Last twelve months</i>					

Since 2023, all grant and technical assistance activities are reported under the Environment Investment and Capacity Facility (EICF), and all other operations of the Bank are reported



under Ordinary Capital Resources. Table 16 provides a summary of the EICF balance sheet as of June 30, 2025, along with a comparison to the 2024 year-end.

**TABLE 15: EICF SUMMARY BALANCE SHEET  
(USD)**

	June 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 30,440,647	\$ 20,143,378
Receivables	4,178,244	11,467,595
<b>Total assets</b>	<b>\$ 34,618,891</b>	<b>\$ 31,610,973</b>
Payables	\$ 175,994	\$ 165,841
Undisbursed grant funds	751,529	2,378,419
Fund balance	33,691,368	29,066,713
<b>Total liabilities and fund balance</b>	<b>\$ 34,618,891</b>	<b>\$ 31,610,973</b>

The following table summarizes all the disbursements made by the Bank for the year to date, along with a comparison of the past three years.

**TABLE 16: SUMMARY OF DISBURSEMENT ACTIVITY  
(Thousand USD)**

	Six Months Ended June 30,		Year-end		
	2025	2024	2024	2023	2022
<b>Total disbursements</b>	<b>\$ 133,942</b>	<b>\$ 108,754</b>	<b>\$ 283,057</b>	<b>\$ 236,355</b>	<b>\$ 104,307</b>
<b>By Program</b>					
Loans	\$ 129,327	\$ 95,796	\$ 258,673	\$ 218,829	\$ 90,030
Infrastructure financing grants:					
Community Assistance Program (CAP)	856	-	140	1,191	802
Border Environment Infrastructure Fund (BEIF)	2,349	11,493	20,232	12,473	11,334
Technical assistance grants:					
Technical Assistance Program (TAP)	732	671	2,014	1,300	501
Utility Management Institute (UMI)	33	2	19	72	38
COVID-19 Recovery Program (ProRec)	-	-	-	380	30
Project Development Assistance Program (PDAP)	535	469	1,467	1,197	1,080
Border 2025: U.S.-Mexico Environmental Program	110	219	331	726	467
Air Quality Monitoring Fund (AQ Fund)	-	104	181	144	17
Other	-	-	-	43	8
<b>Total</b>	<b>\$ 133,942</b>	<b>\$ 108,754</b>	<b>\$ 283,057</b>	<b>\$ 236,355</b>	<b>\$ 104,307</b>
<b>By Source</b>					
NADBank	\$ 129,327	\$ 95,796	\$ 258,673	\$ 219,209	\$ 90,060
Environmental Protection Agency (EPA) <sup>1</sup>	2,994	12,181	22,030	14,438	12,880
U.S. Department of State (DOS) <sup>2</sup>	1,621	673	2,173	2,564	1,342
Air Quality Monitoring Fund <sup>3</sup>	-	104	181	144	17
Other	-	-	-	-	8
<b>Total</b>	<b>\$ 133,942</b>	<b>\$ 108,754</b>	<b>\$ 283,057</b>	<b>\$ 236,355</b>	<b>\$ 104,307</b>

<sup>1</sup> EPA finances BEIF, PDAP and Border 2025. In 2023, EPA also provided a special grant classified under other programs

<sup>2</sup> Since 2021, NADBank has received DOS grants totaling US\$9.8 million that are being used to finance CAP and/or TAP disbursements.

<sup>3</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, developing renewable energy sources and promoting resilient communities, 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.nadbank.org](http://www.nadbank.org).

# **ANNEX**

## **ACTIVE PROJECTS BY STATE**

**JUNE 30, 2025**





# ANNEX

NADBANK QUARTERLY REPORT  
JUNE 30, 2025

## NORTH AMERICAN DEVELOPMENT BANK ACTIVE PROJECTS BY STATE June 30, 2025

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

### UNITED STATES

#### CALIFORNIA

1	1	Bali Express (San Diego County)	MO		3-Dec-24	Reserved	38.00	7.75	1.50		1
2	2	Calipatria	WW	3,200	22-Jan-24	0.37	0.25	0.25	0.18		1
3	3	Innecare Medical Complex	SB	21,233	6-Oct-23	Reserved	36.40	35.96	24.46		1
4	4	Pome BESS (San Diego County)	ES	353,700	14-Nov-24	Reserved	60.00	60.00	60.00		1
5	5	Wildcat Energy Storage	ES	283	2-Mar-20	Reserved	4.21	4.21	2.48		1
		<b>TOTAL CALIFORNIA</b>		<b>378,416</b>		<b>288.08</b>	<b>138.86</b>	<b>108.17</b>	<b>88.62</b>	<b>0</b>	<b>4</b>

#### NEW MEXICO

6	1	Anthony	W	1,795	11-Apr-23	5.00	4.80	4.80	4.14		1
7	2	Doña Ana County (Sleepy Farms)	WW	7,900	13-May-21	4.47	2.15	2.15	1.84		1
8	3	Sunland Park/Santa Teresa (LS)	WW	10,800	28-Aug-24	0.38	0.25	0.25			1
		<b>TOTAL NEW MEXICO</b>		<b>20,495</b>		<b>9.85</b>	<b>7.20</b>	<b>7.20</b>	<b>5.98</b>	<b>0</b>	<b>0</b>

#### TEXAS

9	1	Anzalduas Port of Entry (Mission)	AQ	999,260	8-Jun-22	81.86	63.00	63.00	63.00		1
10	2	Arroyo energy storage (Cameron Co.)	ES	116,142	8-May-24	Reserved	85.00	73.26	59.81		1
11	3	El Paso County (LWWD)	W / WW	9,000	29-Jun-21	23.05	23.05	23.05	23.05		1
12	4	Fort Duncan Energy (Maverick Co.)	ES	211,551	23-Sep-24	Reserved	60.00	56.05	46.25		1
13	5	Hidalgo County (MHWSC)	W	8,082	5-Feb-24	0.56	0.50	0.50	0.36		1
14	6	Jim Hogg County	W	4,558	12-Nov-20	4.26	4.05	4.05	4.05		1
15	7	Laguna Madre WD (Long Island Village)	W/WW	2,939	11-Apr-23	20.80	20.80	20.80	20.80		1
16	8	Palmview (Agua SUD)	WW	8,183	21-May-20	48.20	6.00	6.00	5.57		1
17	9	Sunray Solar Park	SE	38,870	5-May-23	Reserved	65.00	55.00	45.93		1
18	10	Vinton	WW	2,043	14-Nov-19	19.73	3.00	3.00	2.00		1
		<b>TOTAL TEXAS</b>		<b>1,400,628</b>		<b>837.68</b>	<b>330.39</b>	<b>304.69</b>	<b>270.80</b>	<b>0</b>	<b>7</b>

18		<b>TOTAL U.S.</b>		<b>1,799,539</b>		<b>1,135.61</b>	<b>476.45</b>	<b>420.06</b>	<b>365.40</b>	<b>0</b>	<b>11</b>
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### MEXICO

#### BAJA CALIFORNIA

1	1	Mexicali (Phase 1)	WW	557,000	21-May-20	7.76	4.37	4.37	4.30		1
2	2	Mexicali (Phase 2)	WW	37,000	30-Nov-22	4.96	2.42	2.42	2.28		1
3	3	Mexicali (force mains)	WW	753,000	19-Sep-23	6.80	3.40	3.40	2.60		1
4	4	State of Baja California	W/WW	3,263,496	1-Dec-22	150.07	150.07	150.07	130.98		1
5	5	Tijuana y Rosarito	W/WW	640,759	21-Jul-09	26.08	16.11	16.11	12.87		1
6	6	Tec.-La Gloria WWTP	WW	187,036	1-Feb-11	8.23	4.13	4.13			1
7	7	Tijuana (Oriente)	WW	154,000	21-Aug-20	1.99	1.00	1.00	0.88		1
8	8	Tijuana (River diversion)	WW	688,000	14-Dec-23	30.88	13.44	13.44	0.11		1
9	9	Tijuana (Agua Caliente Corridor)	MO	37,700	20-Feb-24	13.37	11.84	8.90	5.71		1
		<b>TOTAL B.C.</b>		<b>3,263,496</b>		<b>241.89</b>	<b>202.64</b>	<b>199.70</b>	<b>159.72</b>	<b>0</b>	<b>9</b>

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

NADBANK QUARTERLY REPORT  
JUNE 30, 2025

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
CHIHUAHUA											
10	1	Ciudad Juarez	WW	246,860	6-Jun-22	26.90	26.90	11.50	8.48	1	
11	2	Ojinaga (2)	WW	6,240	12-Nov-20	4.00	2.09	2.09	1.45	1	
	TOTAL CHIH.			253,100		30.90	28.99	13.59	9.93	0	2 0
NUEVO LEÓN											
12	1	Dinercap-Kelq green loan (Monterrey)	UD	33,500	14-Aug-24	Reserved	3.98	3.98	3.98	1	
13	2	Monterrey (hydropanels)	W	1,470	6-Nov-24	0.55	0.50	0.50		1	
	2	TOTAL N.L.		34,970		0.55	4.48	4.48	3.98	1	1 0
SONORA											
14	1	Imuris	WW	8,750	7-Nov-23	0.95	0.50	0.50	0.45		1
15	2	La Pitaya Citrus Farm (Hermosillo)	SFVC		26-Sep-24	Reserved	11.50	11.50	9.00	1	
16	3	Naco	W	6,150	29-Apr-24	1.50	0.50	0.50		1	
17	4	Nogales (SW colonias)	W/WW	16,701	17-Nov-16	10.48	5.26	5.26	5.24	1	
18	5	OSME Medical Complex (San Luis RC)	SB	33,800	22-Nov-21	Reserved	14.21	14.21	11.85	1	
19	6	Sana Frozen Food Plant (San Luis RC)	SFVC	199,021	3-Jan-23	Reserved	16.00	8.00	8.00	1	
	TOTAL SON.			264,422		86.52	47.97	39.97	34.54	0	5 1
TAMAULIPAS											
20	1	Gustavo Diaz Ordaz	WW	12,354	30-May-19	8.55	4.51	4.51	3.81	1	
21	2	José Silva Sánchez (Soto la Marina)	W	135	19-Jun-18	0.26	0.25	0.25	0.20	1	
22	3	Miguel Alemán	WW	1,463	5-Sep-24	5.80	2.70	2.70		1	
23	4	Nueva Ciudad Guerrero	WW	5,209	20-Mar-20	4.53	2.26	2.26	2.04	1	
24	5	Nuevo Laredo	WW	416,055	23-Jan-24	81.20	8.00	8.00	0.04	1	
25	6	Nuevo Progreso	WW	10,272	17-Apr-24	1.15	0.50	0.50	0.01	1	
	TOTAL TAMP.			445,488		101.49	18.22	18.22	6.11	0	6 0
MEXICAN BORDER REGION											
26	1	4 Fis Sustainability Bond	SFVC		4-Sep-24	Reserved	3.52	3.52	3.52	1	
27	2	Active Leasing Green Loan	GM		2-Nov-23	Reserved	15.00	15.00	15.00	1	
28	3	Altum CP Green Loan	GM		6-Nov-24	Reserved	11.17	11.17	5.26	1	
29	4	BIM Sustainable Housing	SB		8-Dec-23	Reserved	20.00	20.00	7.24	1	
30	5	Mercader Pilot Program <sup>3</sup>	MO		24-Jun-14	13.55	8.94	8.94	10.91	1	
31	6	Mercader Bus Program <sup>3</sup>	MO		13-Sep-16	76.02	44.27	44.27	58.78	1	
32	7	SOFPLUS Green Loan	SB		12-Jun-24	Reserved	10.00	5.00	5.00	1	
33	8	Value Bus Program	MO	76,700	26-Jun-20	28.62	24.33	6.95	6.95	1	
34	9	Vinte Sustainable Housing	SB	2,400	20-Dec-24	Reserved	40.00	40.00	40.00	1	
	TOTAL MX Border			79,100		235.47	177.22	154.85	152.66	0	9 0
34	TOTAL MEX.			4,261,476		700.80	479.52	430.80	366.93	1	32 1
52	TOTAL NADB			6,061,015		1,836.41	955.96	850.86	732.33	1	43 8

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; FI = Financial intermediary; ES = Energy storage; GM = Green manufacturing; MO = Mobility; SB = Sustainable buildings; SE = Solar energy; SFVC = Sustainable food value chain; SW = Solid waste; UD = Urban development; W = Water; WE = Wind energy; WWTP = Wastewater treatment plant