



INTEGRATING ENVIRONMENTAL
SOLUTIONS FOR THE U.S.-MEXICO BORDER

ANNUAL REPORT
2008

In Memoriam



US Commissioner Carlos Marin (right) and Mexican Commissioner J. Arturo Herrera Solís (left) of the International Boundary and Water Commission (IBWC).

The Border Environment Cooperation Commission (BECC) lost two great colleagues and friends in 2008 with the tragic deaths of US Commissioner Carlos Marin and Mexican Commissioner J. Arturo Herrera Solís of the International Boundary and Water Commission (IBWC). The two Commissioners were on their way to view flood conditions on the Rio Grande and Conchos River when the small chartered plane in which they were passengers crashed in mountainous terrain near Presidio, Texas-Ojinaga, Chihuahua.

Both men played key roles at the IBWC in support of the BECC, especially Commissioner Herrera who served on the BECC's first Board of Directors and helped to establish operating procedures for the new binational institution, nearly 15 years ago. IBWC also provided early leadership in securing office space and contracting the initial personnel under the guidance of both Commissioners as representatives of the BECC's Board.

Commissioners Marin and Herrera were esteemed leaders who devoted their careers to improving the quality of life of residents along the US-Mexico border. Their passing is an irreplaceable loss for the IBWC and the BECC. It is a measure of both Commissioners' dedication and service that they were working together to develop a binational solution to Rio Grande flood conditions when their lives were tragically cut short. BECC honors their memory with the dedication of this report.

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Message from the General Manager and Deputy General Manager

In 2008, the Border Environment Cooperation Commission (BECC) began to prepare to celebrate its 15 year anniversary, along with its sister institution, the North American Development Bank (NADB). Indeed, at the beginning of 2009, it will be just over 15 years since both governments formalized the creation of these paired institutions, designed to address the backlog of infrastructure affecting the environment and human health that existed along the U.S.-Mexico border region.

This report is an ideal opportunity to reflect upon the events that have taken place over these 15 years, during which the BECC has gone through cycles similar to those experienced by any living organism, with the nuance that the BECC, as a binational institution, had to



Daniel Chacon, General Manager

deal with a hybrid origin that presented many challenges in terms of its definition and operation.

The origins of the institution, as so accurately documented by Dr. Oscar Ibañez¹ in his doctoral thesis, demonstrate an origin full of uncertainties and unclear in terms of purpose, tasks and resources. The intent was for a commission unique in origin to work in a bicultural and diverse environment, with numerous infrastructure and funding backlogs on both sides of the border, different in nature and scale.

In searching for the why's and how's, there were many actions undertaken, as many as the diversity of personalities that passed through the BECC's ranks; there was strong skepticism by those who observed from a distance, and even anxiety and uneasiness

by those on the inside experiencing the pains associated with the institution's physical and emotional growth. Particularly absent and vague were the "how's", further made unclear by the dual cultures, asymmetries and lack of precedents for such particular tasks.

For a long time, these difficulties caused the institution to face recurring cycles of profound existential crises that lead to a need to think and rethink its role on the border, as well as the definition of the tools used to meet the expectations of those that would be benefited by its work. Those were times of repeated focus on obstacles with obvious solutions as well as others that seemed insurmountable.



Maria Elena Giner, P.E., Deputy General Manager

Gradually, during the second third of its existence, the Commission began finding its path with the support of those who believed in this project and were committed to making it work. Finally, during the last third of BECC's existence, several events allowed the leveling of the rudder of a ship that worked to find

a course amid strong winds and the occasional perfect storm. Most relevant among these events was the establishment of a single Board of Directors for BECC and NADB, which brought consistency to the joint work and the unprecedented mission of these institutions. The integrated Board also brought joint institutional strategies and greater efficiency in project approval. Also worth noting was the effort lead by EPA with CNA's support to increase the efficiency of the process for granting assistance to water and wastewater infrastructure projects, a process to which a significant portion of the institution's human resources was devoted to; this effort allowed to promote a culture of timeliness and efficiency in BECC and NADB's work that has continued to be perfected each year.

¹ Ibañez, Oscar Fidencio; Policy Change and Environmental Governance at the U.S.-Mexico Border: The Creation and Development of the Border Environment Cooperation Commission/North American Development Bank; Colorado State University; 2008

Together with these initiatives, at the end of 2005, BECC started an institutional strengthening process with a strategic vision that redefined a variety of issues, including the reduction and redirection of BECC's staff; enhancement of staff through well-prepared, highly skilled new employees; a new relationship between staff and Management; the development of an unprecedented spirit of teamwork; a greater level of expectations and professional development for staff; direct involvement of staff in community activities; the upcoming implementation of a professional development program for staff; the achievement of sound finances, with technical assistance funds from BECC's own budget; diversification of funding sources for project studies and planning; the expansion and remodeling of facilities to ensure a more satisfying and productive work environment; the development of crucial strategic planning efforts as a basis for internal and external efforts, along with the consequential system for results measurement; providing supplemental services to support its mission through initiatives such as Border 2012; the strengthening of capacities in communities and a renewed public participation format; a renewed role for BECC as facilitator of numerous federal and local government initiatives related to environmental issues on the border; a diversity of productive working relationships with local governments, as well as border-wide and national institutions; a more notable profile among stakeholders from the border and from the capitals of both countries; the redirection of BECC to more productive work that offers added value, especially regarding its pipeline of infrastructure projects and other environmental projects; an institution-wide approach to continuous improvement and a culture of quality and excellence; the development and use of modern tools of operation that help achieve more and higher quality projects with the same available resources; the effective coordination of processes between BECC and NADB; incorporating BECC's vast technical information into worldwide digital libraries and achieving greater dissemination of its work; and several other initiatives.

The hard work undertaken during this third stage of BECC's existence has prepared the Commission to face the difficult challenges being presented by current events in the financial and environmental fields. In the financial area, we find a difficult economic situation that began to show its severity at the end of 2008 and which could affect the level of project investments. On the environmental front there is the difficult issue of climate change, which will demand from our institution timely and convincing responses that help the border to adapt to the severe climate conditions that await us, as well as to contribute responsibly to mitigating this phenomenon full of somber predictions and uncertainties. The change of Federal administration in the United States, with its firm commitment to addressing both challenges, serves as an incentive to look forward with hope. In Mexico, the Federal Administration has placed special attention on the financial problem and, with the leadership of SEMARNAT, has long been very active in the area of climate change. The position of both Governments encourages us to view the future with optimism and to transform our hope into concrete actions that will allow the region to emerge gracefully from both situations. Our many years of combined experience in the private, technical-scientific, academic, governmental and civil society sectors allow us to affirm that BECC's staff, decidedly supported by its Board of Directors, its sister institution and government agencies, is today at a very progressive level of organizational maturity; we are convinced, with all certainty, that this maturity will soon take the Commission's staff to achieve levels of excellence. Esteemed reader, throughout the following pages you will find the description of the fruits of our labor during 2008. This description helps appreciate the joint efforts by BECC staff, both Federal Governments, but especially, the efforts of the border's residents, institutions and governments, who, concerned about improving the region's quality of life, have been enthusiastic partners to the Commission and have made possible, with their generosity, the achievements that we report with honor.

Performance and Result Highlights

Since its inception, the BECC has worked in cooperation with its sister institution, the North American Development Bank (NADB), and many other border stakeholders to advance the development and implementation of environmental infrastructure projects in the US-Mexico border region. The more than **\$3.2 billion of infrastructure investment developed with BECC's participation has directly benefitted approximately 12 million people with new or improved services for water, wastewater, and/or solid waste management as well as air quality improvements related to new road pavement and other emission reduction efforts.** This progress has led to an overall improvement in the environmental and human health conditions of both nations, in and beyond the defined border region.

More than 90% of the border population has experienced better living conditions related to the implementation of infrastructure projects certified by BECC.

In just less than fifteen years, **152 environmental infrastructure projects have achieved BECC certification.** With each certification, BECC has gained tremendous experience in facilitating the advancement of projects to meet its certification criteria while at the same time complying with the requirements of funding partners and regulatory authorities. In parallel, BECC works with project sponsors to strengthen their institutional capacity through the use of standard project management tools and coordination techniques.

Private-sector energy projects certified in 2008 advanced to certification in an average of only 12 months.

While sufficient time is required to apply this comprehensive project management approach, BECC continues to design operational improvements to accelerate timelines to achieve certification. The ability to advance projects efficiently through

BECC's process is critical to expedite the delivery of environmental services to border communities and to support private-sector investment in these sectors. **BECC has realized this task through an accountable and transparent process that is supported by innovative management tools,** many of which were fully developed in 2008, including:

- State-by-state environmental infrastructure planning efforts which support earlier identification of needs and optimization of resources.
- Standardized and fully automated project documents to maintain consistency in quality and in data management capabilities.
- A well defined BECC/NADB joint project cycle, which allows certification and financing of every project to occur simultaneously.
- A results measurement framework that guides project development through the logic results chain to identify outcomes of every certified and financed project.

Since June 2006, the first meeting of the BECC/NADB Board, 47 projects have been certified, achieving an efficiency rate equivalent to 1 project every 2.7 weeks.

Building from the foundation of the results measurement system for projects, BECC and NADB worked in 2008 to achieve a joint framework for strategic planning, aimed at shifting the institutions from a strictly project-driven approach to a strategic approach, through objective evaluation of performance and the use of feedback mechanisms². The implementation of these two joint efforts complements other results-oriented practices already formalized at BECC and instituted into its culture such as the ISO 9000:2001 certification it holds for its project development process and the Balanced Scorecard (BSC) method of driving its institutional performance.

² For more information on the joint results measurement and strategic planning efforts, go to the section: Managing for Results in the US-Mexico Border Region on page 24.

During 2008, BECC continued to advance its mission through **significant accomplishments in each of its seven institutional programs, evidenced by the successful achievement of 80% of its 17 defined BSC objectives**. Notable program activities and a brief recap of performance results for the related performance objectives are highlighted below.

Program 1: Technical Assistance and Project Certification

Offering technical services and/or financial assistance to support high-quality project development efforts and achieve certification for environmental infrastructure projects

- **Certified 17 environmental infrastructure projects**, representing an estimated infrastructure investment of more than \$293 million and benefiting over 1 million border residents.
- Managed more than 85 projects at any one period, **representing a 25% increase in project load compared to 2007**.
- **Advanced 37 projects selected for funding from BEIF and/or PDAP³** available in Fiscal Years (FY) 2007/2008 and implemented a new prioritization cycle for funds anticipated to be available in (FY) 2009/2010.

In 2008, BECC certified its first US private-sector project, which was also its first biodiesel project in the border region.

- **Awarded of 21 technical assistance grants totaling nearly \$500,000** from its operating funds to support the development of projects.
- **Two of the studies resulting from these allocations are already being utilized for the implementation of nearly \$6.97 million in new infrastructure supported by other financing sources.**

Program 1 BSC Review	Objective	Target	Actual
	High Quality Projects/Services	15 certify-ready projects	17
	Diverse Portfolio of Financial Sources	17 projects receiving non-PDAP TA	21
	Control/Improve Operational Procedures	100% Projects with Risk Assessment	100%
	Control/Improve Operational Procedures	100% Process integrated in Joint Cycle	100%
	High Quality Projects/Services	Achieve 80% customer satisfaction	89%

Program 2: Environmental Project Management

Advancing efforts, other than infrastructure projects, to improve the human health and environment along the US-Mexico border

- **Managed 83 Border 2012 projects supported by \$5 million in grants from EPA.**
- Hosted, in coordination with the environmental agencies, **the fifth annual Border 2012 National Coordinators Meeting (NCM) in Cd. Juarez, Chihuahua with some 300 participants over two days.**
- Worked with EPA to **define BECC's role in strategic planning**
- **and results measurement for Border 2012 projects funded by EPA, starting in 2009.**
- Lead the **completion of pre-feasibility studies for capturing methane at landfills in Nogales, Sonora and Saltillo, Coahuila as well as the development of guidelines to implement Methane to Market programs** along the border, in support of EPA and SEMARNAT efforts.

Program 2 BSC Review	Objective	Target	Actual
	Diverse Portfolio of Financial Sources	17 projects receiving non-PDAP TA	21
	High Quality Projects/Services	Achieve 80% customer satisfaction	89%

³ The Project Development Assistance Program (PDAP) and Border Environmental Infrastructure Fund (BEIF) are funded through resources provided by the U.S. Environmental Protection Agency's (EPA) US-Mexico Border Program.

Program 3: Strategic Planning

Identifies needs, develops/prioritizes solutions, and optimizes resources to achieve local, state and regional environmental and human health goals

- Completed environmental infrastructure assessments in four border states of Mexico - Tamaulipas, Nuevo Leon, Chihuahua, and Baja California - as well as one US border state - New Mexico. The reports are available at www.cocef.org.
- Actively participated in the Border Governor's Conference work tables related to environment, energy and water, assisting in coordination, strategy development, funding identification, all in accordance with the proven bi-national process for planning and project development founded by the institutions.
- Invested in capacity building opportunities in emerging environmental sectors such as air quality, clean and efficient energy, and renewable energy project development.
- Designed and implemented results measurement system for projects certified in 2008 and initiated a plan to define results metrics in past and future projects.

Program 3 BSC Review	Objective	Target	Actual
	Compliance in Project Development	Results measurement framework developed	100%
	Compliance in Project Development	Complete 5 project close-out processes	6 (drafts)
	Develop Environmental Infrastructure Regional / Sectoral Planning	Environmental infrastructure assessments for 10 border states	6 MEX/ 1 US

Program 4: Knowledge Management

Identifies needs, develops/prioritizes solutions, and optimizes resources to achieve local, state and regional environmental and human health goals

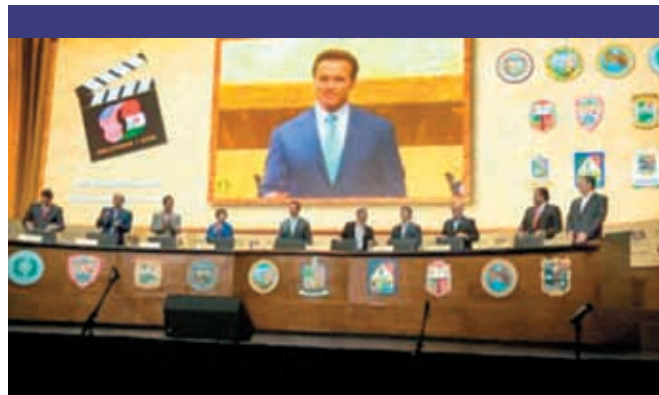
- Issued 14 Border Environmental Flash reports, a brief publication focused on current environmental events occurring in the border region, to an email registry of more than 1,000 subscribers
- Began redesign the BECC webpage and design a new joint splash page with NADB, a unified link to both institutions
- Offered certified project information world-wide as part of
- the US-Mexico Border Health Virtual Library and World Cat, as part of a collaborative effort with the Pan American Health Organization
- Worked to expand geo-reference tools to include energy infrastructure in Mexico to assist in the evaluation and development of potential energy projects

Program 4 BSC Review	Objective	Target	Actual
	Become an Information Resource	Establish baseline - # website visitors	1,340
	Public Outreach and Information	Develop comprehensive contact database Implement new web page design Publish monthly BECC Flash	On-Going In Progress 100%
	Develop Shared Information System	100% new documents/studies digitalized	100%

Program 5: Public Participation and Capacity Building

Promotes sustainable development along the border through efforts aimed at inspiring community-based support for a project, providing transparency in each border initiative and strengthening the institutional capacity of border communities and utility providers

- Shared knowledge and expertise as invited participants in **more than 50 environmental infrastructure and border policy forums**, such as: the XXVI Border Governors' Conference; the V Border 2012 National Coordinators Meeting; Good Neighbor Environment Board; Governors' Global Climate Summit; and others
- **Provided 3 to 4 updates throughout the year on border conditions and performance results** to important border stakeholders such as congressional and other elected officials
- **Received \$25,000 grant from EPA to support the implementation of a pilot program for training water utility operators in Mexico**
- **Conducted a sustainability index assessment of more than 200 municipalities** in Mexico to support prioritization of infrastructure investments
- Assisted project sponsors in working with **20 new community steering committees and conducting 24 public meetings** for projects
- Increased awareness of BECC's role and contributions in the border region, evidenced by **media participating at 100% of BECC events**



“...borders are important. They honor and they protect the sovereignty and the security of individual states and nations. But when it comes to the real ties that unite our people, no border or line on a map can divide us, because there is no divide to the air that we all breathe, or the clean water that we all depend on. There is no divide when it comes to the healthy environment...” Governor Schwarzenegger, California, XXVI Annual Border Governors Conference Opening Ceremony, 08/14/2008

Program 5 BSC Review	Objective	Target	Actual
	Strengthen Project Sponsor Capacity	Implement sustainability index - 100% MEX	100%
	Strengthen Image and Credibility	BECC ≥10% of border environment articles Media coverage at ≥ 50% of events	15% 100%
	Build and Strengthen Stakeholder Relationships	Approve 1 interagency agreement per year Conduct at least 1 meeting per year with State and Federal Stakeholders	2 3-4 average
	Capacity Building - Border Stakeholders	Develop 1 pilot training program	Under development

Program 6: Performance Improvement

Identifies, develops, and implements institutional improvements to optimize BECC's human and financial resources, thus enhancing its capacity to achieve high-quality products and services

- Worked cooperatively with NADB to develop a joint strategic plan, as described in the feature article of this publication - Managing for Results
- Implemented a fully automated process for the Project Application, Project Strategic Plan, and Project Certification Document, fostering efficiencies including cost and time savings as well as improved consistency and quality
- Prepared BECC's Border 2012 project management and logistics processes for ISO 9001 Certification
- Continued a strong commitment to high quality and institutional responsibility by initiating activities to achieve ISO 14000 Certification (expected in 2009) based on implementing objectives related to minimizing the environmental impacts of its operations

Program 6 BSC Review	Objective	Target	Actual
	Build and Strengthen Stakeholder Relationships	Submit BECC/NADB joint strategic plan to Board in October 2008	Nov 08
	Control/Improve Operational Procedures	80% compliance to man-hour budget 100% PDAP document automated	100% 63%
	Staff Strategic Conscience, Team Work and Alignment	Initiate ISO 14000 Certification Achieve ISO certification - B2012	Done In Progress

Program 7: General Support

Provides responsive and high quality services important to the daily operations of BECC

- Efficiency in resource allocation and more focused management efforts have resulted in a significant shift in priorities, with **60% of BECC's human and financial resources now devoted to project certification and technical assistance (Program 1), 22% to innovation and strategy (Programs 2-6), and only 18% to administrative tasks and support (Program 7)**
- Successfully completed its fifth annual audit cycle to maintain **ISO 9001 Certification** for its project development and certification process
- Averaged more than 70 training hours per employee throughout the year

BECC's Social Responsibility Committee implemented a \$10,000 bathroom reconstruction effort at 4 Juarez elementary schools supported by employee financial contributions.

- Six cross-directorate committees are charged with evaluating institutional efforts to optimize the use of financial resources; to improve consistency and quality of products and services; to strengthen image and credibility; to promote environmental awareness and social responsibility; and to create a stimulating working atmosphere.

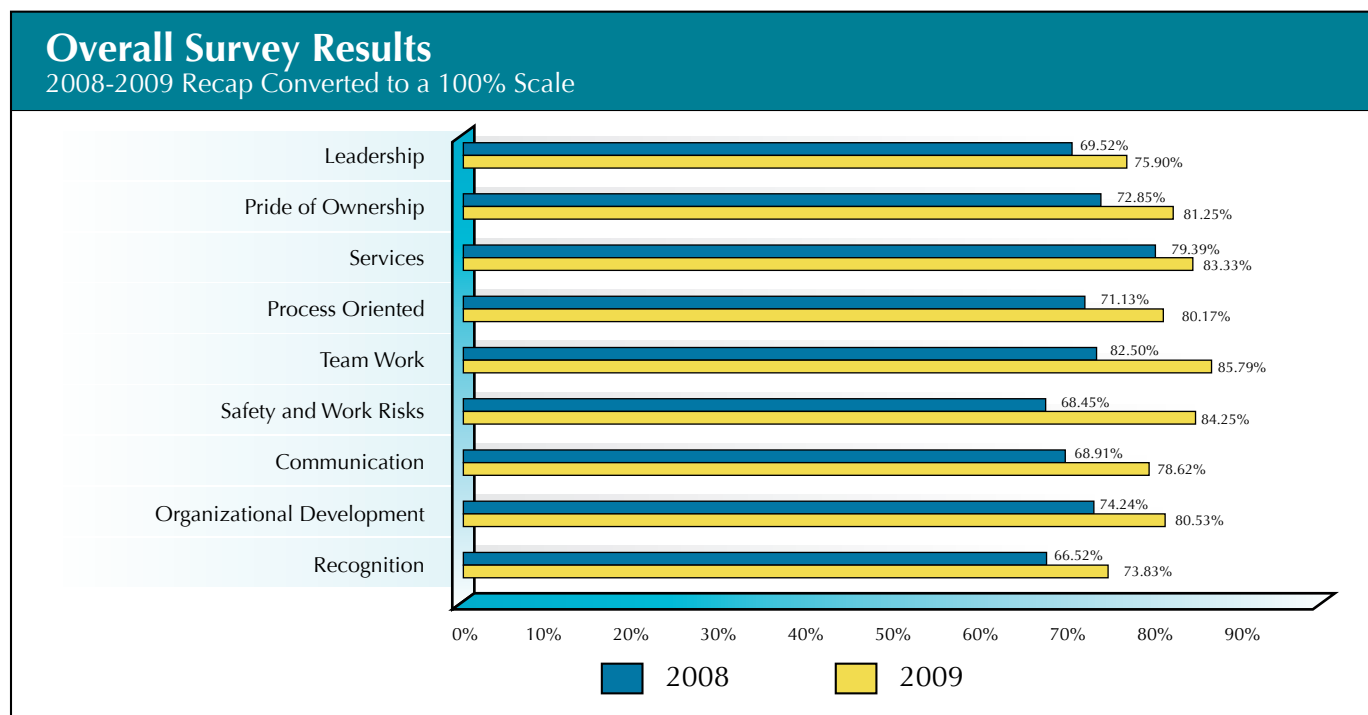
Program 7 BSC Review	Objective	Target	Actual
	Strengthen Image and Credibility	100% timely/accurate info to Board	98%
	Recruit/Develop/Retain Competent and Service-oriented staff	50% performance ≥ fully competent 1 Brown Bag training presented per staff	100% 83%
	Staff Strategic Conscience, Team Work and Alignment	2 full-staff management updates per year 1 social responsibility activity per year	2 ≥5
	Optimize Resource Management	10% reduction from non-payroll expenses *Due to security enhancements to BECC facilities, the target was not obtained.	*
	Increase Financial Resources	Gain ≥ 2 new sources per year	100%

Additional information about each program is available in the **Year in Review: BECC Performance and Results 2008** report available on our website, www.cocef.org. These institutional objectives established the basis for defining directorate and staff goals and performance targets as part of a revamped employee evaluation process. Through this process, staff is more clearly aware of management's expectations and understands their contributions to the overall success of the institution. Hand-in-hand with the commitment of each employee, BECC's management strives to create a work environment which induces professionalism, innovation and excellence. To ensure that this latter responsibility was sufficiently met, BECC management sought the assessment of the institution's working atmosphere with a survey of its employees.

BECC's Institutional Vision
BECC is a strategic, visionary and innovative organization capable of leading the efforts of border communities to accomplish their environmental and public health goals. Our leadership arises from technical excellence, team work and effective programs and projects management.

The results highlighted strong competencies in the areas of "Pride of Ownership/Image", "Teamwork", "Organizational Development", and scored highest in regard to "Employee Services." Through this survey, employees expressed their craving for strengthened communication throughout the organization and increased opportunities for performance recognition. Based on these results, management made great efforts to appropriately respond to the valuable feedback expressed by its internal stakeholders. Working directly with the employee-based Working Atmosphere Committee, an action plan was developed which called for activities to improve communication exchange, create more training opportunities, renew objective means of employee recognition, and address concerns about security at the workplace.

Subsequently, a second survey was conducted to re-assess the staff's opinion of BECC's work environment. **The positive change in employee perception was evidenced with improved survey results for 100% of the categories and showed an 8.5% increase in the overall score for the institution.**



BECC will continue to self-evaluate its performance through various internal and external methods with the intent of identifying additional ways to enhance and optimize its ability to manage its strategic initiatives and gauge the results of the products and services it provides in the border region. Feedback at the Board of Directors' December 2008 meeting included the idea that, "one of the challenges [with measuring results] is willingness to document not only where the institutions succeed, but also where they fall short, and to be open to the self-criticism and the feedback loop." As it strives to achieve its institutional vision, BECC welcomes this challenge with open arms. As a reflection of this perspective, performance and results are a continuing theme throughout the 2008 annual report beginning with a review of outcomes anticipated for the projects certified during the year and, later, with a discussion of the achievements obtained for each of our seven institutional programs.

2008 Project Report / Map

BECC and NADB were established to help address critical environmental and human health conditions in the border region related to the lack of adequate **environmental infrastructure**. To achieve this objective, the BECC works to facilitate projects, conceived by local, state, federal and private-sector sponsors, through an appropriate project development process aligned with its Project Certification Criteria, NADB financing prerequisites, and other applicable regulatory or funding requirements. This well-balanced process evaluates the environmental, technical, financial, and social feasibility of the proposed infrastructure investment and seeks long-term project sustainability for the sponsor, investors and the intended beneficiaries. Once a project sufficiently satisfies these elements, it is presented to the Board of Directors for certification.

Environmental Infrastructure is intended to prevent, control or reduce environmental pollutants or contaminants, improve the drinking water supply, or protect flora and fauna so as to improve human health, promote sustainable development, or contribute to a higher quality of life.

In 2008, the Board of Directors approved BECC certification and NADB financing for 17 environmental infrastructure projects. Each of these projects is expected to achieve project-specific outcomes related to improving the environmental and human health conditions at the project location. The accumulated results present an impressive advancement of the institution's mandate to improve the quality of life of border residents through the implementation of environmental infrastructure. As of December 31, 2009, the collective environmental and human health outcomes for the border region include:

- ▣ 152 certified projects representing nearly **\$3.2 billion in environmental infrastructure investment, directly benefiting 12 million border residents**. Of those projects, 77 are located in the US and 75 certified projects are in Mexico.
- ▣ 129 projects approved for NADB financing-118 projects had executed financing agreements for a total of \$870.9 million, and agreements for an additional \$97 million in approved financing for 11 projects were in development. With a construction value of \$2.72 billion, these **projects have leveraged approximately \$3.00 from other sources for every \$1.00 of construction financing provided by NADB**.
- ▣ **Water and wastewater projects valued at \$1.6 billion will provide improved or first-time drinking water and wastewater collection and treatment services to 11 million border residents, many of which live in designated colonia communities of the US.** The certified wastewater projects have supported these noteworthy results:
 - **Improved health and environment of the border region due to a decreased risk of exposure to direct human contact and pollution to US/Mexico water resources caused from untreated and inadequately treated wastewater.**
 - **Capacity to treat 300 million gallons per day, equivalent to the wastewater discharges of approximately 6.8 million persons or more than 50% of the border region population.**

- **Wastewater treatment coverage in the 100 km northern border of Mexico has increased from 31% to 82.5% from 1995 to 2008**, significant in comparison to the existing national average of less than 36%.

Wastewater treatment coverage on the northern border of Mexico, from Ciudad Juarez east, increased from 0% in 1995 to 90% in 2008. The new treatment capacity will prevent the disposal of more than 130 MGD of untreated wastewater into shared water bodies.

- ▣ **Water conservation** projects are estimated to save energy and **to decrease water losses by approximately 330 million gallons per day**, a quantity sufficient to serve the average drinking water demands of more than 4 million people.
- ▣ **Solid Waste** projects will benefit nearly 2.9 million border residents. These projects accommodate approximately **1,550 tons per day of waste previously disposed of in open or uncontrolled sites**, mitigating the severe health risks associated with improper waste disposal and related fire, vector, and other threats.
- ▣ **Air Quality** projects related to paving will eliminate approximately **100,000 tons per year of PM₁₀**, caused primarily by vehicular traffic on unpaved roadways. These important projects will directly **benefit 4.8 million residents**.
- ▣ **Energy** projects will prevent greenhouse gas emissions equivalent to **630,000 tons of CO₂ per year** through the use of alternative energy and fuel sources. The first methane energy (Mexico) and bio-diesel production (US) projects in the border region were certified and financed in 2008.

From 2007 to 2008, the percentage of certified air quality projects increased from 10% to 30% in the BECC's portfolio of certified projects.

Basic Eligibility Requirements:

Environmental Sectors

- Potable Water Supply*
- Wastewater Treatment*
- Water Conservation*
- Municipal Solid Waste Management*
- Air Quality Improvement
- Clean and Renewable Energy
- Energy Efficiency
- Industrial and Hazardous Waste
- Public Transportation

* Priority Sectors

Geographic Jurisdiction

Eligible projects must be located:

- Within 100 kilometers (about 62 miles) north of the international boundary in the four U.S. states of California, Arizona, New Mexico, and Texas; or
- Within 300 kilometers (about 186 miles) south of the border in the six Mexican states of Baja California, Sonora, Chihuahua, Coahuila, Nuevo Leon, and Tamaulipas.

Projects beyond this area may be eligible if they remedy a transboundary environmental or health problem

The 17 projects certified and approved for financing in 2008 include six water/wastewater projects, two water conservation projects, four solid waste projects, and five air quality/energy projects. A brief description of each project is provided in the following sector sub-sections.

Drinking Water and Wastewater Infrastructure

Reducing the risk of water-borne disease and water pollution

The fundamental objective of water and wastewater projects is to eliminate exposure to unsanitary water conditions, which can have immediate and severe health and environmental impacts. Because of the multitude of shared water bodies along the border and the movement of goods, people, and services back and forth across the border, the investment to improve these conditions in either country provides a benefit to the human health of the residents in the neighboring country that can be associated with risk of water-borne contagious diseases. The level of investment for this infrastructure type has been greatly influenced by the availability of grant funding provided through PDAP and BEIF.

Together, the six water and wastewater projects certified in 2008 are intended to benefit more than 150,000 border residents or more than 37,000 households, including first-time drinking water services to nearly 4,000 households and first-time wastewater collection and treatment services to nearly 19,000 households. These projects are anticipated to reduce the disposal of approximately 8 million gallons per day of untreated or inadequately treated wastewater currently polluting community streets, irrigation systems and shared water bodies in the border region. Water and wastewater projects certified during 2008 are described as follows:

Ciudad Rio Bravo and Nuevo Progreso, Tamaulipas

Water distribution and wastewater collection and treatment system improvements

Benefited Population:	93,603
Project Cost:	US\$29.2 million
Funding Partners:	NADB BEIF (EPA); NADB loan; Federal (CONAGUA); State; Local
Existing Condition:	Residents exposed to unsanitary drinking water conditions and untreated wastewater in unserved areas; wastewater treatment is unavailable.
Anticipated Outcome:	Increase access and use of safe drinking water services, sanitary wastewater collection services and wastewater treatment; reduced exposure to untreated discharges.
Measurement:	3,650 new water connections, 8,500 new sewer connections, and 2,273 connections with first-time wastewater treatment services; eliminating discharge of 4.12 MGD untreated wastewater.

Ciudad Mier, Tamaulipas

Water distribution and wastewater collection and treatment system improvements

Benefited Population:	6,539
Project Cost:	US\$3.37 million
Funding Partners:	NADB BEIF (EPA); Federal (CONAGUA)
Existing Condition:	Residents exposed to unsanitary drinking water conditions and untreated wastewater in unserved areas; wastewater treatment is unavailable.
Anticipated Outcome:	Increase access and use of safe drinking water services, sanitary wastewater collection services and wastewater treatment; reduced exposure to untreated discharges.
Measurement:	200 new water connections, 581 new sewer connections, and 2,273 connections with first-time wastewater treatment services; eliminating discharge of 350,000 GPD untreated wastewater.



Barreales and Juarez y Reforma, Chihuahua

Wastewater collection and treatment system improvements

Benefited Population:	1,969
Project Cost:	US\$2.62 million
Funding Partners:	NADB BEIF (EPA); State.
Existing Condition:	Residents exposed to untreated wastewater in unserved areas; wastewater treatment is unavailable.
Anticipated Outcome:	Increase access and use of sanitary wastewater collection and wastewater treatment services; reduced exposure to untreated discharges.
Measurement:	515 new sewer connections and 600 connections with first-time wastewater treatment services; eliminating discharge 164,000 GPD untreated wastewater.



Tijuana, Baja California

Wastewater collection system improvements - Coastal Areas

Benefited Population:	2,705
Project Cost:	US\$1.40 million
Funding Partners:	NADB BEIF (EPA); NADB Loan; Federal (CONAGUA); State; Local
Existing Condition:	Residents exposed to untreated wastewater in unserved areas.
Anticipated Outcome:	Increased access and use of sanitary wastewater collection services; reduced exposure to untreated discharges.
Measurement:	644 new sewer connections; eliminating discharge of 120,000 GPD untreated wastewater.



Tijuana, Baja California

Wastewater collection system improvements - Tijuana River basin

Benefited Population:	33,915
Project Cost:	US\$8.98 million
Funding Partners:	NADB BEIF (EPA); NADB Loan; Federal (CONAGUA); State; Local
Existing Condition:	Residents exposed to untreated wastewater in unserved areas.
Anticipated Outcome:	Increased access and use of sanitary wastewater collection services; reduced exposure to untreated discharges.
Measurement:	8,075 new sewer connections; eliminating discharge of 1.60 MGD untreated wastewater.



Sonoyta, Sonora

Wastewater collection and treatment system improvements

Benefited Population:	12,439
Project Cost:	US\$2.61 million
Funding Partners:	NADB BEIF (EPA); State; Local
Existing Condition:	Residents exposed to untreated wastewater in unserved areas.
Anticipated Outcome:	Increased access and use of sanitary wastewater collection services; reduced exposure to untreated discharges.
Measurement:	720 new sewer connections (1,774 improved service); eliminating discharge of 570,000 GPD partially treated or untreated wastewater.



Water Conservation and Reuse

Secure water resources

Explosive growth in the border region, coupled with several years of severe drought, has increasingly strained existing water supplies in the US-Mexico border region. Important for sustainability measures, every water and wastewater infrastructure project must consider opportunities for water conservation and/or reuse concepts for certification; however, in specific response to water shortages experienced at the beginning of this decade, the two governments agreed to authorize the use of \$80 million of NADB retained earnings to provide grant funding for prioritized projects aimed at increasing efficiency in water management and maximizing water savings in water conveyance systems. These funds have been exhausted with the two water conservation projects certified in 2008, which include:

Imperial Irrigation District, Imperial County, California

Improvements to water delivery system

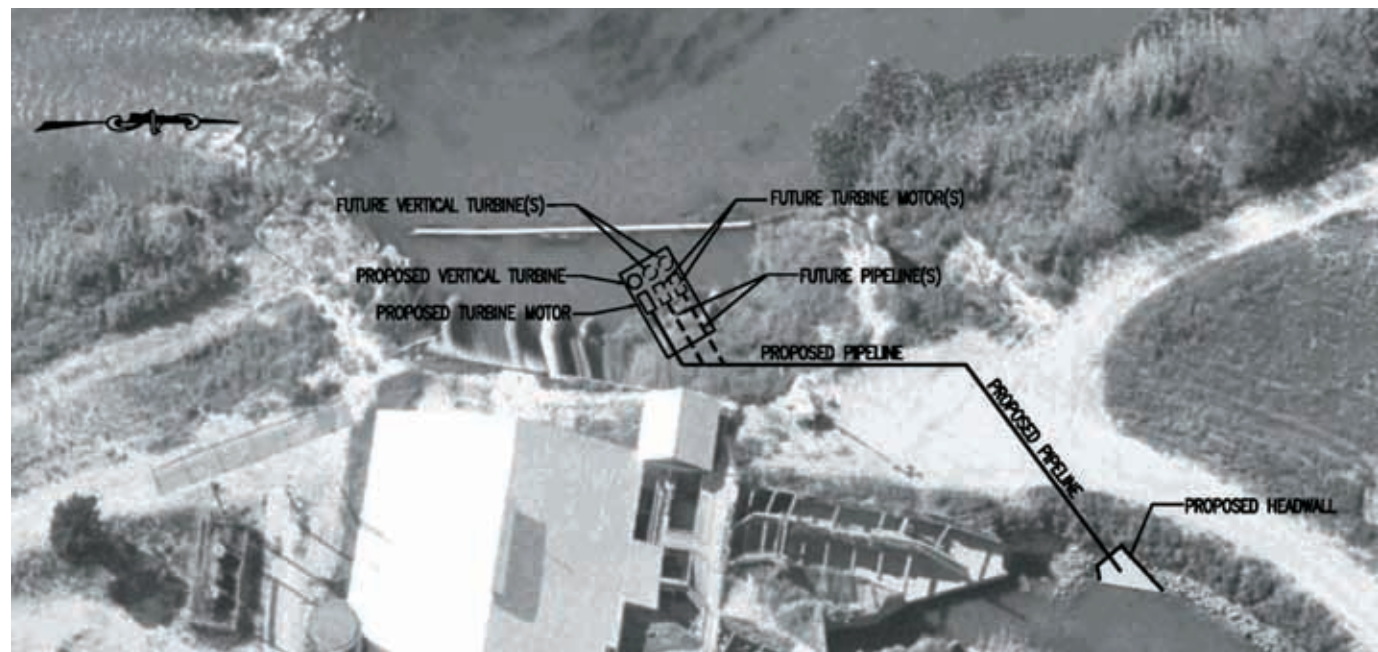
Project Cost:	US\$2.52 million
Funding Partners:	NADB WCIF; Local
Existing Condition:	Water losses caused by operational spills related to over-charging the canal system and leaks from gate structures.
Anticipated Outcome:	Achieve water savings.
Measurement:	912.5 acre-feet of water savings annually.



Cameron County Irrigation District #6, Texas

Improvements to pumping system

Project Cost:	US\$1.98 million
Funding Partners:	NADB WCIF; Irrigation District
Existing Condition:	Water and energy losses due to inefficient equipment.
Anticipated Outcome:	Achieve water and energy savings.
Measurement:	13,385 acre-feet water savings annually and 832,030 KWH/yr energy savings.



Waste Management

Reduce waste generation and risks of waste/vector-related disease and harmful environmental effects of improperly disposed waste

The four solid waste management projects certified in 2008 will result in the proper closure of a landfill cell and six sub-standard dumpsites, the construction of new landfill capacity and the purchase of new solid waste collection equipment.

The projects will provide the capacity to properly dispose of nearly 100 tons of garbage per day. All four projects were supported in part by grant funding from NADB's Solid Waste Environmental Program (SWEP).

Ascension, Chihuahua

Comprehensive solid waste management

Benefited Population:	12,429
Project Cost:	US\$617,509
Funding Partners:	NADB SWEP; State; Local
Existing Condition:	Inadequate solid waste disposal, soil and groundwater contamination, and the risk of vector-related disease and other harmful effects.
Anticipated Outcome:	Increase access and use of solid waste disposal services; decreased exposure to improperly disposed waste.
Measurement:	100% population with access to proper solid waste collection and disposal (8.28 tons/day); closure of 1 open air dumpsites.



Dr. Gonzalez, Nuevo Leon

Solid waste landfill

Benefited Population:	3,218
Project Cost:	US\$131,813
Funding Partners:	NADB SWEP; State
Existing Condition:	Inadequate solid waste disposal, soil and groundwater contamination, and the risk of vector-related disease and other harmful effects.
Anticipated Outcome:	Increase access and use of solid waste disposal services.
Measurement:	100% population with access to proper solid waste disposal (2.24 tons/day).



Los Herreras, Nuevo Leon

Solid waste landfill

Benefited Population:	1,764
Project Cost:	US\$110,507
Funding Partners:	NADB SWEP; State
Existing Condition:	Inadequate solid waste disposal, soil and groundwater contamination, and the risk of vector-related disease and other harmful effects.
Anticipated Outcome:	Increase access and use of solid waste disposal services.
Measurement:	100% population with access to proper solid waste disposal (1.36 tons/day).



Frontera Ribereña, Tamaulipas

Regional solid waste

Benefited Population:	67,035
Project Cost:	US\$3.43 million
Funding Partners:	NADB SWEP; State
Existing Condition:	Inadequate solid waste disposal, soil and groundwater contamination, and the risk of vector-related disease and other harmful effects.
Anticipated Outcome:	Increase access and use of solid waste disposal services; decreased exposure to improperly disposed waste.
Measurement:	100% population with access to proper solid waste disposal (85 tons/day); closure of 5 open dumpsites.



Air Quality, Energy and Transportation

Improve air quality, reduce risks of respiratory diseases, and reduce demand on fossil-fuels

Supported by the vast experience gained in successfully developing core sector projects related to water, wastewater and solid waste infrastructure, the institutions are developing specific strategies to address concerns related to natural resource protection, reduction in greenhouse gas emissions and mitigation of climate change effects that may be influenced by projects falling within this infrastructure sector. BECC will continue to define a clear role and contribution which adds value to the implementation of this project type in the upcoming year learning from each new project opportunity and taking advantage of the research and efforts of other experts in this area. As experienced in 2008, BECC expects its portfolio of projects to increasingly reflect infrastructure needs related to this emerging environmental sector and is preparing to effectively manage this anticipated trend.

The majority of the air quality projects certified by BECC to date entail paving roadways to reduce PM10 exposure in densely populated communities, which poses significant risks for asthma and other poor respiratory conditions. In 2008, BECC certified its first two energy-sector projects and a port-of-entry project, all of which are intended to influence air quality improvements through the decrease of harmful emissions. In addition, two new paving projects were certified. The description of these projects and outcome expectations for each are presented below.

Global Alternative Fuels, LLC, El Paso, Texas

Clean and renewable energy

Project Cost:	\$26.65 million
Funding Partners:	NADB Loan; Private Funding
Existing Condition:	Traditional energy (fuel) production depletes fossil fuel resources; harmful emissions are emitted due to petrol-diesel consumption.
Anticipated Outcome:	Displaced petrol-diesel consumption; reduction of CO2 emissions.
Measurement:	25 million gallons of biodiesel sold per year; elimination of 9,300 tons of CO2 emissions per year.



Energia Lactea S.A. de C.V., Delicias, Chihuahua

Methane capture and power generation

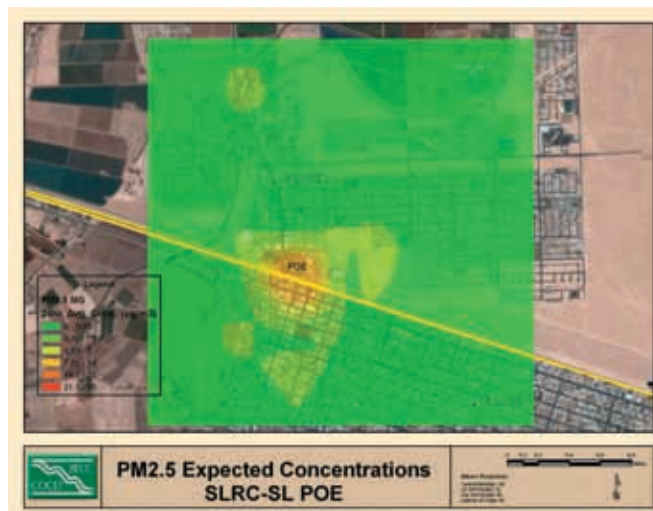
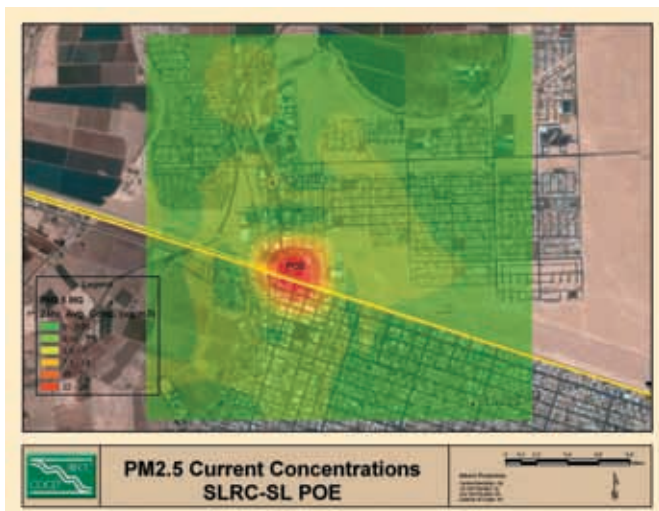
Benefited Population:	US\$2.58 million
Project Cost:	NADB Loan; Private Capital
Funding Partners:	Traditional energy production depletes fossil fuel resources and produces harmful emissions;
Existing Condition:	inadequate treatment and disposal practices of animal waste (73,000 tons per year).
Anticipated Outcome:	Capture and reduction of greenhouse gas emissions and generation of electricity.
Measurement:	Elimination of 26,914 ton/year of methane (equivalent to 620,000 tons of CO2 per year) and generation of 5.1 million KWH/yr of electricity.



San Luis Rio Colorado, Sonora

Relocation of commercial port of entry

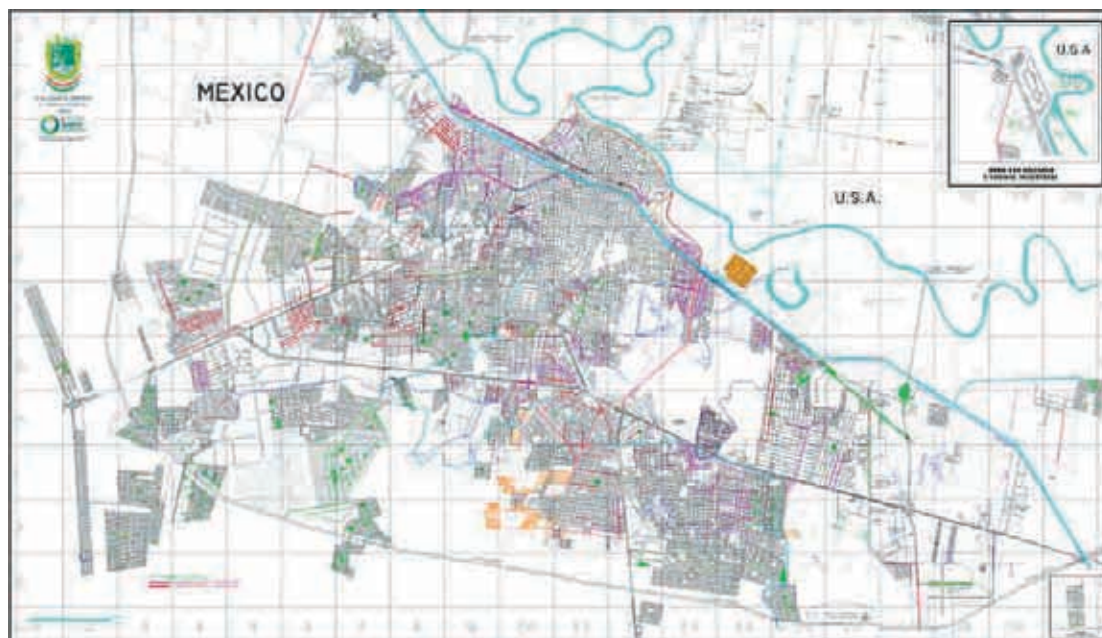
Benefited Population:	180,886
Project Cost:	\$15.39 million
Funding Partners:	NADB Loan; Federal; State; Local
Existing Condition:	Harmful emissions are produced due to long idling times caused by congestion of passenger and commercial vehicles entering the U.S. from Mexico at the San Luis Rio Colorado Port-of-Entry.
Anticipated Outcome:	Decrease idling time and related emissions.
Measurement:	Avoid 177 tons/year of PM2.5; 20 tons/year of VOC; 4 tons/year of NOX from idling vehicles in year 2011.



Reynosa, Tamaulipas

Street paving

Benefited Population:	160,000
Project Cost:	\$142.93 million
Funding Partners:	NADB Loan; Federal; State; Local
Existing Condition:	Only 40% of roadways are paved contributing to high incidence of respiratory health problems.
Anticipated Outcome:	Reduced PM10 concentrations.
Measurement:	Avoid 22,150 tons/year of PM10



Nuevo Laredo, Tamaulipas

Street paving

Benefited Population:	120,000
Project Cost:	\$47.49 million
Funding Partners:	NADB Loan; Federal; State; Local
Existing Condition:	Only 58% of roadways are paved contributing to high incidence of respiratory health problems.
Anticipated Outcome:	Reduced PM10 concentrations.
Measurement:	Avoid 7,300 tons/year of PM10.




United States



Certified Projects 1995-2008

	U.S. México Total		
Water & Wastewater	47	43	90
Solid Waste	5	16	21
Water Conservation	24	1	25
Air Quality	0	14	14
Energy Efficiency	1	1	2
Totals	74	75	152

Total Cost: \$ 3.2 billion

Air Quality 

Water 

Wastewater 

Water/Wastewater 


Water Conservation 

Solid Waste 

Energy Efficiency 

Capitals 

Twin Cities 

Townships 



Managing for Results in the US-Mexico Border Region: BECC/NADB Results Measurement System and Joint Strategic Planning Efforts

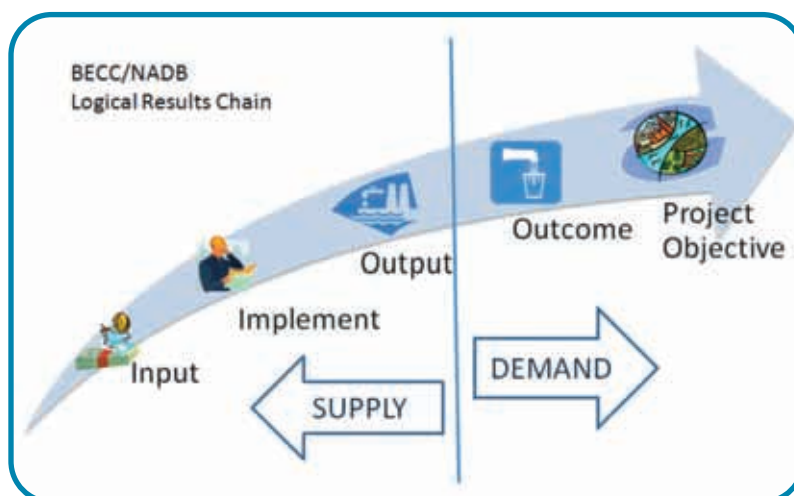
To say that the BECC has certified 152 infrastructure projects in less than 15 years does not adequately describe the contributions that have been achieved toward advancing BECC's mission. Even to add that the more than \$3 billion of infrastructure investment, represented in these certifications, has supported construction related to 90 water and wastewater projects, 25 water conservation projects, 21 solid waste projects, 14 air quality projects and 2 energy projects **does not effectively reveal the environmental and human health benefits** experienced by border residents because of this work. Nor do these significant output statistics recognize the change in the quality of life which has occurred in the border region due to the efficient and effective management by the institutions of resources from both countries. Those of us living and working in the border see these changes every day and realize two things: 1) additional environmental infrastructure needs continue to exist in the region and 2) it is critical to document the results (outcomes) of investments related to environmental and human health conditions in order to earn the confidence needed to motivate the continued investment of resources to meet these needs.

In 2008, the BECC and NADB designed and implemented a results measurement framework for their projects and initiated essential joint strategic planning efforts. These tasks formalize the joint focus of the institutions on systematically establishing, monitoring and documenting the achievement of results related to the environmental infrastructure project investments as well as the programs and services offered by the institutions in the US-Mexico border region. In addition to serving as a tool for reporting results to stakeholders, this information is expected to influence program and resource strategies of the institutions.

In the development of the results measurement system, the institutions worked together to understand how other organizations, particularly multilateral development banks (MDB), measure performance and focus on results in their operations. Similar to these existing systems, the BECC/NADB results framework follows a logical results chain, as shown in the diagram. Elements of the results chain are developed from right-to-left, adjusting the focus of projects from simply identifying and funding actions to assuring that project investments (inputs) support the accomplishment of outputs and outcomes that contribute to the well-being of residents.

The proposed results framework has been designed to take advantage of the existing activities of the project cycle, supplementing the efforts as necessary to engage a results focus, preparing for new monitoring tasks, and formally presenting

the expectations for the project in a **Results Matrix**. To facilitate the implementation of this new process and development of matrices, the institutions carefully defined general objectives for each project sector with outcomes and indicators related to environment and health, financial self-sustainability and sustainable development concepts such as institutional capacity, compatibility with community planning and natural resource conservation. These sector-related measures can be adapted, in consultation with the project sponsor, to accommodate a specialized focus but, ultimately, the idea is to maintain a set of standardized indicators which will support the ability to aggregate results and better document the cumulative contributions that projects make toward achieving a broader environmental and human health impact in the border region.



Development of the results measurement system provided a strong foundation to begin the joint strategic planning efforts by the institutions, which were also initiated in 2008. The formalized system of measures and sector-related objectives help to reinforce the alignment of BECC and NADB toward improving the environmental and human health conditions in the border region. As a reflection of this alignment and to guide the integrated efforts of the institutions, the following joint vision was formed:

Border Vision

The United States-Mexico border region offers a clean and healthy environment for the well-being and sustainable prosperity of its residents.

Promoting a clean and healthy environment in the border region is at the core of the BECC/NADB vision, and contributing to this end is the primary objective of each project developed, certified and financed. BECC and NADB have integrated the environmental and health objective of each sector as the initial elements of their strategic planning framework, beginning with four sector-specific goals. Also, BECC and NADB have defined two inter-related institutional strategies which recognize the importance of the contributions of other border stakeholders and the responsibilities of the institutions to provide quality operations, products and services. **The four strategic goals and two institutional strategies of their joint strategic plan are:**

Goal 1:

Water and Wastewater

Reduce the risk of water-borne disease and water pollution.

Goal 2:

Water Conservation and Reuse

Secure water resources.

Goal 3:

Waste Management

Reduce waste generation and risks of waste/vector-related disease and harmful environmental effects of improperly disposed waste.

Goal 4:

Transportation, Energy and Air Quality

Improve air quality, reduce risks of respiratory diseases, and reduce reliance on fossil-fuels.

Institutional Strategy 1: Institutional Capacity - Improve financial and long-term operational sustainability of sector-related entities and facilitate the contributions of other border stakeholders.

Institutional Strategy 2: Operational Excellence - Support the achievement of the Border Vision through results-oriented programs, projects, and initiatives.

Implementation of the results measurement system and joint strategic planning efforts is expected **to enhance accountability and transparency, support effective management of public resources, and promote a results-oriented culture** in both institutions. A results-oriented culture focuses on the effective joint management of inputs and outputs to achieve desired outcomes. Hand-in-hand the results measurement framework and joint strategic planning tasks are expected to ensure the continued success of the institutions in cooperatively addressing their mandate as they look forward to 2009, their 15-year anniversary, and the emerging environmental infrastructure investment opportunities influenced by the ever-changing conditions in and beyond the border region.

Binational Mandate and Structure

BECC, headquartered in Ciudad Juárez, Chihuahua, Mexico, is a binational institution created in 1993 by the Governments of the United States and Mexico, under a side-agreement

BECC's Mission

"To preserve, protect and enhance human health and the environment of the US-Mexico border region, by strengthening cooperation among interested parties and supporting sustainable projects through a transparent binational process in close coordination with NADB, federal, state and local agencies, the private sector, and civil society."

to the North American Free Trade Agreement (NAFTA). BECC along with its sister-institution NADB, established by the same agreement and headquartered in San Antonio, Texas, are charged with helping to improve the environmental conditions of the US-Mexico border region in order to advance the

well-being of residents in both nations. The scope of their mandate and the specific functions of each institution are defined in the agreement between the two governments (the "Charter"), as amended in August 2004.

Operating to advance the intent of this important binational agreement, originally signed 15 years ago, the institutions

continue to fulfill an essential role in effectively applying binational policies and programs that support the sustainable development of environmental infrastructure on both sides of the US-Mexico border. BECC works in close coordination with NADB and other border stakeholders including federal, state, and local agencies, the private-sector and civil society to identify, develop, certify and implement environmental infrastructure projects in five key sectors: **Water, Wastewater, Waste Management, Air Quality, as well as Clean and Efficient Energy.** BECC focuses on the technical, environmental, and social aspects of project development, while NADB concentrates on project financing and oversight for project implementation. Both entities offer various types of technical assistance to support the development and long-term sustainability of these projects.

The Charter also establishes a single, ten-member Board of Directors to govern the two institutions. The binational Board is comprised of three representatives from each government, a representative of a border state from each country, and a representative of the general public who resides in the border region from each country. The chairmanship alternates between the U.S. and Mexico each year.

BECC - NADB Board of Directors 2008

Mexico

Secretary of Finance and Public Credit
Dr. Agustin Guillermo Carstens Carstens

Secretary of Foreign Relations
Lic. Patricia Espinosa Cantellano

Secretary of the Environment and Natural Resources
Ing. Juan Rafael Elvira Quesada

Mexican Border State Representative
Government of Baja California

Mexican Border Resident Representative
Ing. Roberto Zambrano Villarreal

United States

Secretary of the Treasury*
Henry M. Paulson, Jr.

Secretary of State
Condoleezza Rice

Administrator of the Environmental Protection Agency
Stephen L. Johnson

U.S. Border State Representative
Lorenzo A. Larrañaga

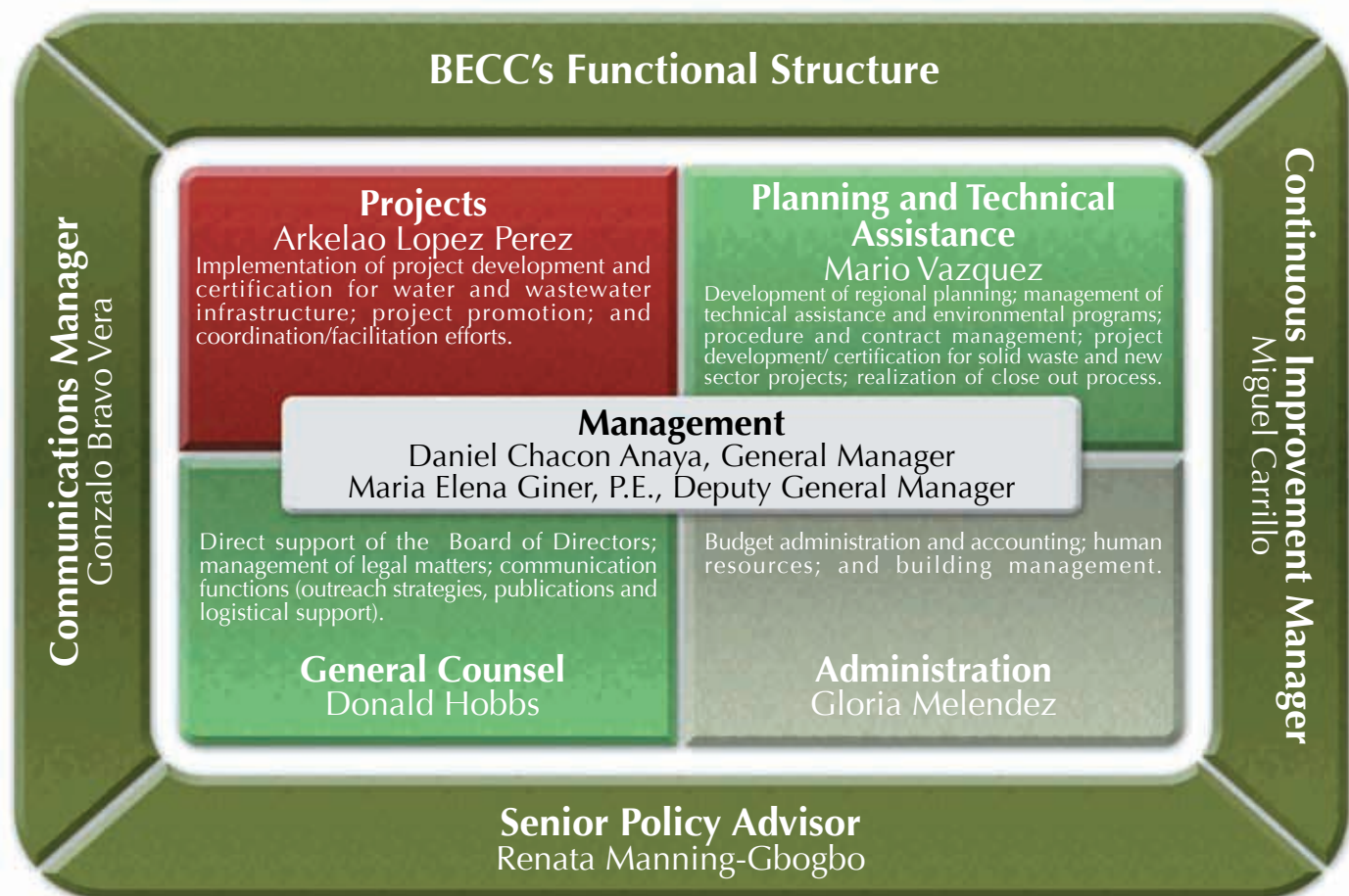
U.S. Border Resident Representative
Jacob M. Monty

* Board Chair, 2008

Organization

Under the general direction of the joint BECC-NADB Board of Directors, day-to-day operations at BECC are overseen by a General Manager and a Deputy General Manager. This leadership team, each distinctly a national of either the US or Mexico, creates a model for binational teamwork which permeates the entire organization. BECC staff is organized into four primary work groups or directorates charged with facilitating projects, implementing programs and coordinating initiatives related to its mission throughout the border region. **The multi-disciplinary talents within each group form intra- and inter-directorate teams, resulting in synergies effective for responding to new demands posed by emerging environmental issues such as mitigating climate change and developing sustainable energy resources.**

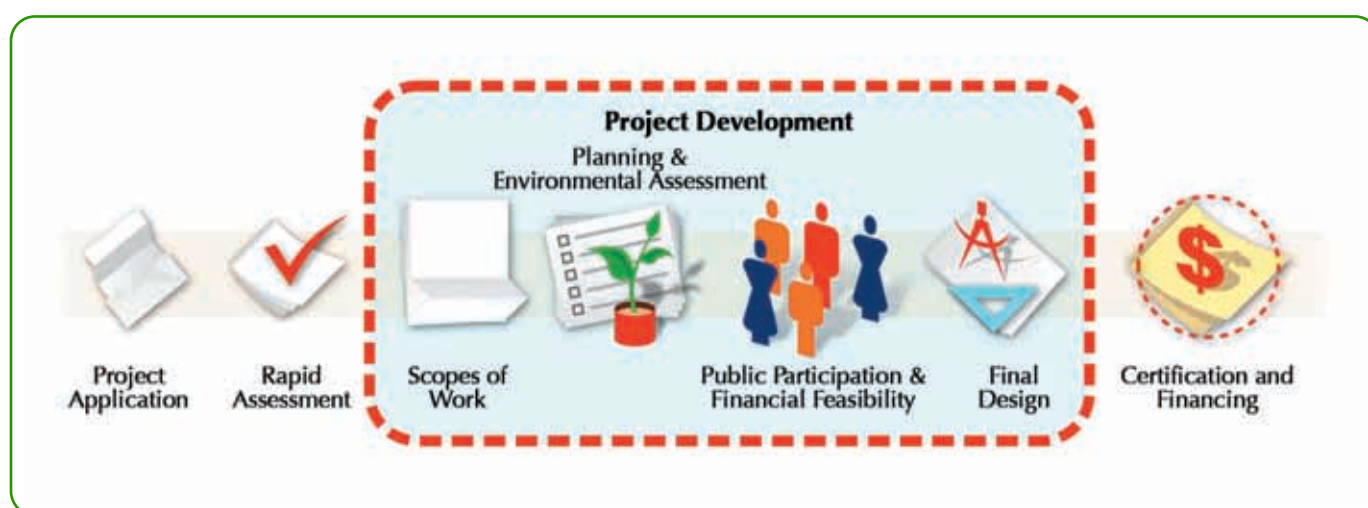
The General Managers and directors are also supported by four senior staff members: Senior Policy Advisor, Continuous Improvement Manager, and Communications Manager. These key advisory positions are responsible for facilitating tasks related to the development of policy, programs and procedures; response requirements related to the Board and other external partners; the implementation of BECC's internal and external strategic planning efforts; the advancement of improvement initiatives identified through BECC's quality management system; as well as government and media relations.



BECC strives to be an organization that induces effectiveness and efficiency, fosters professional and personal development, and encourages innovation and excellence. As BECC enters its **15th year of service** to the border, its organizational structure promotes teamwork and allows adaptability in consideration of the vibrant region and dynamic sectors in which it works.

Project Development and BECC Certification

BECC's project development process has supported the certification of 152 environmental infrastructure projects, representing a construction investment value of more than \$3 billion in the border region. The BECC's process, which is ISO 9000-certified, is designed to meet a top-quality development standard for the broad spectrum of environmental infrastructure project types promoted by both public- and private-sector sponsors, taking into account industry standards, regulatory or funding-source requirements and specific sponsor needs. Projects may be submitted to BECC at varying levels of development, from concept to final design; therefore, the pending development requirements are determined on a project-by-project basis and the defined tasks directly influence the time and effort required to complete this process. In general, the process includes the tasks displayed in the flow diagram⁴.



BECC is committed to assisting every project in its advancement toward certification; however, the development process must focus, not only on achieving certification, but also on assuring that a project is ready to be implemented. Key to this approach is the fact that BECC and NADB have adopted standardized operating procedures, and that project certification and financing approval occur at the same time. When necessary development tasks are complete, BECC is charged with verifying that a project is ready to be considered for certification and financing approval by evaluating these summarized requirements:

General: Meets requirements for appropriate project type, location, legal authority, and purpose.

Human Health and Environment: Preserves, protects and enhances human health and the environment, satisfies any environmental laws and addresses any anticipated cross-border effects.

Technical Feasibility: Demonstrates technical feasibility by performing sufficient technology selection analyses, incorporating accepted industry design standards and showing that the selected technology matches the sponsor's capacity to implement, operate and maintain the infrastructure.

Financial Feasibility: Defines a viable financing structure

and on-going fiscal requirements to implement the project, to operate and maintain the resulting infrastructure and to meet debt and reserve obligations for the short- and long-term.

Public Participation: Ensures appropriate project information is made accessible to the public through formal and informal activities, and encourages an interactive relationship between the project sponsor and those impacted by the project, aimed at inspiring community-based support.

Sustainable Development: Addresses aspects such as operations and maintenance, building institutional capacity, eliminating risks that can threaten the long-term viability of a project, and increasing opportunities for greater well-being in the community.

⁴ A detailed explanation of the project development tasks and certification criteria is available on the BECC website, www.cocof.org.

Budget and Financial Statements

BECC's operating budget is funded by contributions from Mexico, through the SEMARNAT, and from the United States, through the Department of State. In addition to its operating budget, BECC manages the PDAP, which is funded by EPA's US-Mexico Border Program, as well as several environmental management initiatives funded by EPA through the Border 2012 Program. To off-set the resources required to manage these important border programs, EPA provides an administrative subsidy to BECC, which supplements its normal operating budget.

The annual operating budget is developed by BECC staff and reviewed and approved by the Board of Directors. For fiscal year 2008, the Board authorized a budget of \$5.64 million, which included \$3.5 million to support general operating expenses and nearly \$2.1 million reserved for BECC's Technical Assistance program. The operating budget

was subsidized by EPA funds in an amount just under \$2 million, offsetting the expenses related to administering PDAP and Border 2012 activities. Additionally, BECC budgeted just over \$4 million of EPA funds for PDAP and Border 2012 grants to support projects, technical studies, and activities during 2008.

BECC has pledged to continuously achieve cost-saving efforts with the intent of transferring those administrative savings to technical assistance resources available to assist project sponsors in the development of critical environmental infrastructure projects. Supplemented by extraordinary contributions in the budget from existing and new sources, BECC's efforts to contain spending in fiscal year 2008 have resulted in an opportunity to carry-over approximately \$2.6 million to the technical assistance reserve fund for use in fiscal year 2009.



BECC/NADB Board of Directors, Public Meeting, December 16, 2008, Ciudad Juarez.

Financial Statements

BECC's consolidated financial statements as of December 31, 2008 were audited by the accounting firm of Galaz, Yamazaki, Ruiz, Urquiza, S.C. (Deloitte) in conformity with generally accepted auditing standards in Mexico. A summary of the financial statements is presented below. A copy of the auditor's report with the consolidated financial statements and accompanying notes is available on BECC's website at www.cocéf.org.

Statement of Assests, Liabilities and Fund Balance

- As of December 31, 2008 (In US dollars)

Assets

Current Assests	\$21,488,482
Furniture and equipment - net	\$126,008

Total Assests	\$21,614,490
----------------------	---------------------

Liabilities and Fund Balance

Current Liabilities - Total	\$2,783,021
Employee retirement obligations	\$72,133
Unbilled granted funds	\$18,179,099
Fund balance	\$580,237

Total Liabilities and Fund Balance	\$21,614,490
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Statement of Revenues, Expenses and Changes in Fund Balance

- Year ended December 31, 2008 (In US dollars)

Revenues

Contributions - US/Mexico	\$3,952,018
Contributions - EPA	\$13,101,655
	\$17,053,673

Expenses

Salaries and benefits	\$3,239,310
Fixed travel and transportations	\$257,165
Technical Assistance and fees	\$3,440,206
Other expenses	\$1,613,184
	\$8,549,865

Other income - Net	\$208,303
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Interest income - Net	\$338,118
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Excess revenues over expenses	\$9,050,229
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Unbilled granted funds at beginning of year	\$7,353,600
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Fund balance at beginning of year	\$2,355,507
--	--------------------

Total authorized funds at end of year	\$18,759,336
--	---------------------

Unbilled granted funds at end of year	\$18,179,099
--	---------------------

Fund balance at end of year	\$580,237
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Need



Infrastructure



Result





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