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June 15, 2015

The Honorable Patrick Leahy
Committee on Appropriations
Room S128, The Capitol
Washington, DC 20510

Dear Senator Leahy,

On behalf of the San Diego Regional Chamber of Commerce we urge support for the proposed general capital increase for North American Development Bank (NADB). The shared border between the United States and Mexico is a vibrant region with the potential to increase its prosperity, opportunities, and quality of life for its residents. Therefore, it is imperative to encourage and support bilateral initiatives that address environmental challenges, improve living conditions in the border region, strengthen the economic ties between our two countries, and foster growth in U.S.-Mexico trade, which surpassed \$500 billion in 2014.

Since the establishment of the NADB and the Border Environmental Cooperation Commission (BECC) two decades ago as part of the NAFTA negotiations, these institutions have provided more than \$2.5 billion in loans and grants to support the implementation of 211 environmental infrastructure projects throughout the border region. The total investment represented by these projects exceeds \$7.6 billion--evidence that NADB is succeeding in its intended goal of complementing and leveraging other sources of funding, including private capital as well as other public resources. These vital projects in the areas of water and wastewater, solid waste management, road improvement and clean and renewable energy are having a substantial and measurable impact in the U.S.-Mexico border region. It is important to note that roughly half of NADB's financing—US\$1.18 billion—has been invested in 99 projects located in U.S. border communities.

Through its international work, the San Diego Regional Chamber of Commerce drives the development of global policies that boost the economy through efficient cross-border commerce and robust international business, political, and cultural relationships. As we continue exploring ways our bi-national mega region can maximize opportunities for growth and global competitiveness, NADB stands as an ideal partner for tremendous opportunities to showcase the potential and the value that exists in our region. Just recently, our Chamber team and members partook in a tour with NADB to visit projects the bank has financed as well as potential projects in our region such as the new Otay Mesa East Port of Entry.

In a January 6 White House meeting between Barack Obama and Enrique Peña Nieto, both presidents agreed to support a doubling of the bank's capital to US\$6 billion, which would be apportioned by both governments over an estimated period of five years, and include US\$450 million in paid-in capital and the rest in callable capital.

Due to its strong capitalization and support from the U.S. and Mexican governments, NADB has maintained a high credit rating which has played a crucial role in its ability to access the capital markets at low interest rates. The benefit of those low rates has been transferred to project sponsors and hence to the development of infrastructure in the border region. The additional capital will enhance the capacity of the Bank to support the financing of a robust project pipeline for several years while maintaining its strong financial position.

We are writing to express our support for a general capital increase for NADB, an institution that has demonstrated its vital role in fortifying our relationship with Mexico through financing environmental infrastructure and development. By addressing the critical issue of a capital increase, NADB will be bolstered and positioned to continue playing a crucial role in the advancement and improvement of our bilateral relationship and quality of life for residents of the border region through sustainable and affordable infrastructure. NADB investments in our region play a vital role for our regional economy, culture and quality of life and look forward to the organization's further involvement in local projects.

Sincerely,



Jerry Sanders
President & CEO
**San Diego Regional
Chamber of Commerce**



Paola Avila
Vice President
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**San Diego Regional
Chamber of Commerce**