

FRENCH DEVELOPMENT AGENCY AND GERMAN DEVELOPMENT BANK GRANT FINANCIAL ASSISTANCE TO THE MEXICAN GOVERNMENT

- Their EUR 200 million grant earmarked for implementing the water sector reform.
- Actions will be developed on drinking water service regulation and operation, and basin management and planning

David Korenfeld, Director General of the National Water Commission, jointly announced with the Ambassadors of France, Ms. Elisabeth Beton-Delègue, and of Germany, Dr. Edmund Duckwitz, the signing of two credit agreements to support the sector reform process, through cooperation with the French Development Agency (AFD) and the Development Bank of Germany KfW, for a total of 100 million euros respectively.

This took place under the framework of the IWA Water, Climate and Energy Conference 2014 held in Mexico City, which brings together a large number of international experts in the drinking water, sewerage and sanitation sector.

Jean Marc Liger (AFD) and Pablo Obrador Alvarez (KfW) attended the event representing their institutions, as well as the Deputy Head of the Delegation of the European Union, Mr Stephen Vavrik.

The resources from this credit, signed in the second week of April 2014, will be allocated to support the implementation of the water sector reform, in line with the provisions of the National Water Programme, approved by decree of President Enrique Peña Nieto on 7 April 2014, and the corresponding array of public policies developed by Conagua; it will contribute to the strengthening of water and sanitation services provided by utilities, promoting sustainable water management and consolidating the security of water supply for the entire population.

The credit is part of the long-term cooperation between AFD and KfW with Mexico for the water sector, which could be extended according to the needs of our country. The AFD and KfW contribute, through this financing, to Conagua's investments towards ensuring the sustainability, equity and efficiency in water supply and sanitation through the efficient basin water management, in a vulnerability context faced with natural disasters and climate variability.

In order to maximise the impact of this French and German support, the European Union through the Latin America Investment Facility (LAIF) is considering the contribution of a non-refundable technical cooperation programme of up to 10 million euros, which will allow Conagua to work nationwide

on drinking water service regulation and operation; basin planning and management, as well as a technical exercise in a pilot basin located in the metropolitan area of San Luis Potosi.

The AFD is the French government agency responsible for development cooperation, with presence in Mexico since 2010 and, in line with its mandate in emerging countries, works to promote "green growth and solidarity", i.e., eco and climate friendly, contributing to reducing inequalities.

The KfW is the executing agency of the German Financial Cooperation, commissioned by the German Ministry for Economic Cooperation and Development, finances development programmes in emerging and developing countries, present in Mexico since 2007, KfW's mission is to finance development projects to reduce poverty, protect the climate and ensure peace and equitable globalisation.

The French-German financing reaffirms the commitment that binds the AFD and KfW with the Government of Mexico.

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