

October 28, 2009

Approval of CTF Financing for the Public-Private Sector Proposal for Mexico's Renewable Energy CTF Program

Dear Colleagues:

Please find attached the *IDB Public-Private Sector Proposal for Mexico's Renewable Energy CTF Program*, for your review and approval of an allocation of USD 53.377 million in co-financing from the CTF. The breakdown of costs is as follows:

- USD 50 million for an envelope of private sector renewable energy investments
- USD 1.54 million non-reimbursable public and private sector technical assistance necessary to support and facilitate the transformative impact of the investments (see annex 1)
- USD 1.837 million as a maximum for implementation and supervision budget (this maximum assumes investment in 4 projects under the envelope, and will reduce if the number of projects are less, annex 2 includes explanation of minimum and maximum figures)

The Committee is requested to approve the following decision:

"The CTF Trust Fund Committee approves a CTF allocation of USD 53.377 million for the *IDB Public-Private Sector Proposal for Mexico's Renewable Energy CTF Program* circulated for approval on October 28, 2009".

For your information the following table summarizes the allocation of CTF resources for Mexico under its endorsed investment plan.

| Mexico: CTF Investment Plan | USD million |
|--|--------------------|
| Endorsed CTF Allocation (Approved January 30, 2009) | 500.0 |
| Projects Approved | |
| (Private Sector Private Sector Wind Development) | 15.6 |
| (Urban Transport Transformation Project) | 200.0 |
| Project Submitted for Approval | |
| (IDB Public-Private Sector Proposal for Mexico's Renewable Energy CTF Program) | 53.38 |
| <i>Total Allocation remaining if above project is Approved</i> | 231.0 |

If the Administrative Unit has not received an objection to this proposed decision by November 11, 2009, the decision will be approved.

The Public Information Document can be found on IDB's webpage via the following link:

<http://www.iadb.org/topics/climateChange/secci/index.cfm>

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