

 Early Warning System

IIC-12105-01

Project Termo - Mexico City Waste-to-Energy PPP



## Quick Facts

<b>Countries</b>	Mexico
<b>Specific Location</b>	Municipalities of Texcoco, Nezahualcóyotl and Chimalhuacán in the State of Mexico.
<b>Financial Institutions</b>	IDB Invest (IDBI)
<b>Bank Risk Rating</b>	B
<b>Voting Date</b>	2018-07-31
<b>Borrower</b>	Termo WTE S.A. de C. V.
<b>Sectors</b>	Water and Sanitation
<b>Investment Type(s)</b>	Loan
<b>Loan Amount (USD)</b>	\$ 200.00 million
<b>Project Cost (USD)</b>	\$ 750.00 million



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## **Project Description**

According to the Inter-American Development Bank Invest (IDB Invest), formerly the Inter-American Investment Corporation (IIC), the project will directly support Mexico City's Zero Waste (Basura Cero) Program, the main objective of which is to reuse/recycle the majority of Mexico City's solid waste by 2020 through specific initiatives that aim to extract potential benefits from all waste which is being disposed of currently.

To this end, the project has the following specific objectives:

- (i) add 150 MW of energy capacity to the Mexican electricity system by processing residual urban solid waste )
- (ii) generate at least 965 GWh of electricity for consumption by the Mexico City Public Transport System (Sistema Colectivo de Transporte)
- (iii) process up to approximately 1,678,000 tons of non-organic urban waste annually.



### Early Warning System Project Analysis

The project is currently classified as a category B, but the Inter-American Investment Corporation says that it could change to an A rating depending on the extent of the impacts to air quality, contamination of soil, water and groundwater, barriers to bird migration (especially due to the power line), analysis of cumulative impacts, and on the public consultation and disclosure process in accordance with the Corporation's Disclosure of Information Policy.



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## Investment Description

- IDB Invest (IDBI)

According to the Inter-American Investment Corporation, the total cost of the project is expected to be approximately US\$ 750 million. It is expected that the financial plan will include loans from the Inter-American Investment Corporation and the Inter-American Development Bank for up to US\$ 200 million for a term of up to 20 years.



### Private Actors Description

This project includes a public-partner partnership. This consists of a 33-year contract with the Mexico City government through the Urban Services Management Unit. Practivo Medio Ambiente Mexico, S.A. de C.V. will be the operations and maintenance provider. On the Inter-American Development Bank Invest's website, they also list Termo WTE S.A. de C. V. as the company and Termoenergía CDMX Holding, S.A. de C.V. as a sponsoring agency. As of the time of writing, information on these two actors roles or even their websites was unavailable.

The borrower, Termo WTE S.A. de C. V., has signed a 33-year Public-Private Partnership (Proyecto para Prestación de Servicios) contract with the Mexico City government through the Urban Services Management Unit (Agencia de Gestión Urbana). The Equipment, Procurement and Construction contractor will be a global leader in energy from waste and the Operator and Maintenance Provider will be Proactiva Medio Ambiente Mexico, S.A. de C.V., which is a subsidiary of Veolia Environment S.A.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Proactiva Medio Ambiente, S.A.	Contractor	-
-	-	-	-	Termo WTE S.A. de C. V.	Undisclosed	-
-	-	-	-	Termoenergía CDMX Holding, S.A. de C.V.	Undisclosed	-
-	-	-	-	Veolia Environnement S.A.	Contractor	-



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## Contact Information

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### ACCOUNTABILITY MECHANISM OF IIC

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IIC)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IIC is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to [MICI@iadb.org](mailto:MICI@iadb.org). You can learn more about the MICI and how to file a complaint at <http://www.iadb.org/en/mici/mici,1752.html> (in English) or <http://www.iadb.org/es/mici/mici,1752.html> (Spanish).





### Bank Documents

- [Annexes Part I](#)
- [Annexes Part II](#)
- [Capitulo I: Datos Generales del Proyecto](#)
- [Capitulo II: Descripción de las obras](#)
- [Capitulo III: Vinculación con los Instrumentos de Planeación](#)
- [Capitulo IV: Descripción del Sistema Ambiental Regional](#)
- [Capitulo V: Identificación, Descripción y Evaluación de los Impactos Ambientales](#)
- [Capitulo VI: Estrategias para la Prevención y Mitigación de Impactos Ambientales](#)
- [Capitulo VII: Pronósticos Ambientales Regionales](#)
- [Capitulo VIII: Identificación de los Instrumentos Metodológicos](#)
- [Resumen Ejecutivo](#)
- [Revista Termo](#)