

## **Obama launches 'green' train plan for Mexico**

By <u>Steve Peacock</u> November 23, 2014

One day before President Obama announced his independent action allowing illegal aliens to roam the U.S., his administration separately launched a plan to ensure Mexicans who stay in their own country will transport goods in environmentally friendly trains.

The U.S. Trade & Development Agency, or USTDA – a White House agency – unveiled the Green Locomotive Technologies Project in response to a call for help from the Asociación Mexicana de Ferrocarriles, A.C., Mexico's train industry association.

This technical assistance endeavor starts with a relatively small grant of about \$600,000, according to planning documents WND located through routine database research. USTDA activities, however, typically lead to more comprehensive – and, for U.S. taxpayers, more expensive – aid and financing through governmental institutions like the U.S. Export-Import Bank, or Ex-Im, and the Overseas Private Investment Corporation, or OPIC.

The green train initiative is designed to boost the ability of Mexican corporations to "adopt modern motive power technologies to improve the efficiency of the country's freight locomotives, while at the same time lowering air emissions," <u>the solicitation document says</u>.

USTDA on behalf of the rail association will hire a U.S. contractor to assess the availability of such "green" technologies and upgrades, eventually helping to put in service more "freight locomotives that comply with stringent air emissions criteria."

U.S. taxpayers likewise will help the Mexican rail group to "retrofit older freight locomotives, emissions control systems, idle reduction technologies, computerized remote monitoring systems, information systems and software for asset management, and voice/data communications systems."

The USTDA "green" train project also aims to sparking additional investments into the Mexican rail industry. The agency hopes to accomplish that goal by paying a contractor to "examine the potential development of federal- and state-level government incentive programs in Mexico."

The U.S.-provided technical assistance likewise will help Mexican companies to take advantage of potential pilot programs, particularly those that may demonstrate the benefits of using nondiesel fuels like liquefied natural gas. This Mexican assistance program is just the latest in a string of U.S.-funded aid activities that WND has exclusively reported in recent years.

Indeed, <u>one of those WND reports</u> shed light on how USTDA took its corporate-welfare road show directly to Mexico, where it funded a three-day conference intended to simultaneously subsidize U.S. industry while helping Mexico tap into the U.S. Treasury to fund its national infrastructure plan – a multi-hundred-billion-dollar venture.

The agency during that event had announced its intention to fund the green locomotive project, but had not publicly disclosed details or costs until recently.

Likewise, though the USTDA unveiled a "Resource Guide for U.S. Industry on Priority Infrastructure Projects" at ConnectMEX – the U.S.-Mexico Transport and Telecom Conference – it did not make the guide publicly accessible until late October.

Vice President Joe Biden and USTDA Director Leocadia Zak jointly unveiled the document during the North American Strategic Infrastructure Leadership Forum in Washington, D.C.

Despite this delay in its public release, <u>WND discovered</u> more than a year ago that the project was under development and that the guide's production alone would cost taxpayers \$100,000.

Though the administration touts the document as beneficial to U.S. industry, found buried in the project's Scope of Work was a requirement to "submit an overview of the relevant financing options" the Mexican government may pursue. Those options include borrowing from U.S. entities such as Ex-Im and OPIC.

Those international aid organizations – as well as USTDA – are viewed by critics such as the Cato Institute as among the most egregious examples of "corporate welfare waste." Consequently, Cato concluded in a 2005 report that these and similar organizations "should be terminated."

## Debate over aid to Mexico

Despite the continued provision of U.S. assistance to Mexico through USTDA, overall annualaid requests for that nation have dropped under Obama. The administration's FY 2015 budget request for Mexico is \$136.9 million, contrasted to \$757.6 million appropriated in 2010, according to ForeignAssistance.gov.

Obama reportedly seeks to cut overall aid to Western Hemisphere nations by 10.1 percent, while increasing aid to South and Central Asia by 13.2 percent.

U.S. House leaders, however, not only reject the administration's proposed cuts in this hemisphere, but instead seek to increase such regional aid to address needs "related to the surge of undocumented migrants at the U.S.-Mexico border," according to <u>a Congressional Research</u> <u>Service, or CRS, report</u> made available by the Federation of American Scientists.