

July 4, 2013

**Comments from United Kingdom on Approval by Mail: CTF Colombia  
Technological Transformation Program for Bogota's Integrated Public Transport  
System (IDB) - CTF**

Dear CIF Admin Unit,

We would like to thank IDB for their responses to our questions. We understand that the cost-effectiveness figure (i.e. investment cost per tonne) in the proposal takes into account the wider emissions reduction potential of the SITP. We are supportive of the overall SITP and think this looks strong. However the SITP appears to be in implementation already and in view of what the CTF is actually financing (i.e. specifically new hybrid / electric buses instead of new diesel buses), we remain concerned that the actual cost-effectiveness of this project does not meet the CTF investment criteria of below \$200/t. Please could you calculate the specific cost-effectiveness of the CTF financed project component? Could you also clarify the counterfactual (or base case) used in this calculation (as from our reading of the proposal this appears to be purchasing new diesel buses)?

We would be happy to discuss this further.

Kind regards

Kate Downen | International Climate Fund (ICF) | International Climate Change