

August 15, 2012

Comments from Clean Air Institute (CSO Observer) on Approval by mail: CTF-IDB "Ecocasa" Program (Mexico Energy Efficiency Program Part II) (IDB)

Dear Patricia,

We thank previous comments and questions from the Trust Fund Committee and the answers provided by IADB about the Eco Casa Project. After carefully reviewing IDB's answers, we would like to present the following comments on the CTF-IDB "Eco Casa" program.

1. The IDB's response to Germany's questions on how the project supports the GoM's current urbanization policies, detailed different ways to do so including:

- The SHF requirement that housing projects be built in municipalities that comply with planning and other urban development preconditions,
- Access to CONAVI subsidies,
- SHF active participation in the **Integral Sustainable Urban Developments (DUIS) Program**, and finally
- A model for determining the reduction of transport-related GHG emissions as a function of the location of the house.

We would like to recommend that criteria and incentives be established as part of the program to favor sustainable houses to be located preferably in **DUIS developments and similar schemes**, to prevent dwellers to spend a considerable amount of time and fossil fuel energy (and therefore avoid GHG and air pollution emissions) in transportation.

Additionally we would appreciate some clarification on how the results of the model referred by IDB will be used in the decision making process for resource allocation purposes under this program.

2. Finally considering the large role and amount of abandoned housing (5 million dwellings in 2010 according to the recent report from SEDESOL titled Current Housing Situation in Mexico 2011), we recommend that the program establish a provision to prevent the abandonment of sustainable houses funded through Eco Casa.

With my best regards,

Sergio