



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 08-Aug-2020 | Report No: PIDC29538



BASIC INFORMATION

A. Basic Project Data

Country Mexico	Project ID P173570	Parent Project ID (if any)	Project Name Mexico: Resilient Social Housing Support Project (P173570)
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date Nov 02, 2020	Estimated Board Date Feb 25, 2021	Practice Area (Lead) Urban, Resilience and Land
Financing Instrument Investment Project Financing	Borrower(s) United Mexican States	Implementing Agency National Housing Commission (CONAVI)	

Proposed Development Objective(s)

To improve housing quality for vulnerable households in selected municipalities.

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	150.00
Total Financing	150.00
of which IBRD/IDA	150.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Bank for Reconstruction and Development (IBRD)	150.00
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Environmental and Social Risk Classification
Moderate

Concept Review Decision
Track II-The review did authorize the preparation to continue



Other Decision (as needed)

B. Introduction and Context

Country Context

1. **The country is experiencing supply and demand shocks to the economy that will generate impacts on firms, employment, and households.** In this context, the implementation of economic and social policies to improve the business environment, protect jobs, and support the overall economic fabric are critical.
2. **Improving the quality of housing is an important driver of development that stimulates the economy, reduces poverty and promotes inclusion in cities.** Mexico has successfully expanded the supply of affordable and formal housing to low-income families over the last decades. However, significant challenges remain in terms of ensuring housing quality and adequate living conditions amongst the poor and most vulnerable population.

Sectoral and Institutional Context

3. **Mexico's housing deficit is concentrated among the poor and vulnerable population and reflects regional imbalances in the country.** Among the bottom-40 of income-earners in Mexico, the majority (58%) of homes require substantial upgrades, expansions or a complete replacement. In households in which at least one person speaks an indigenous language, the housing deficit amounts to 79.1%. Households headed by women, the elderly or disabled are particularly likely to live in inadequate homes. The housing deficit also reflects state-level divides and urban-rural inequalities, with 3.5 million households in the southern states of Chiapas, Guerrero and Oaxaca living in inadequate homes.
4. **The current administration has continued to support Mexico's long-standing commitment to expand access to affordable housing in the country.** The current Government has redefined the focus of Mexico's housing policies and prioritized reconstruction, resilience and social inclusion as its most important goals. This operation is the result of a long-standing partnership between the World Bank and Mexico to strengthen housing support in the country and will accompany the Government in the implementation of an important shift in housing policy towards increased targeting of lower income and highly vulnerable households, especially the south and southeast of the country.

Relationship to CPF

5. **The proposed project aligns with the Country Partnership Strategy for the period 2020-2025.** The project contributes to enabling sustainable infrastructure and climate action, especially in the south and southeast of the country through *Objective 6: Provide more inclusive and sustainable infrastructure services*, by supporting Government efforts to provide greater access to low-cost, resilient housing, while supporting relevant institutions in comprehensive urban planning for equitable access to public services; and *Objective 7: Support the government in reaching its climate change goals*, by strengthening systemic measures and policies in place to reduce energy consumption and emissions in the residential housing sector.



C. Proposed Development Objective(s)

- 6. To improve housing quality for vulnerable households in selected municipalities.

Key Results (From PCN)

Increase in the number of vulnerable families, including indigenous people, female-led households, persons with disability, migrants, and displaced families, receiving direct housing support (female-headed households as a percentage of beneficiaries)

Number of people provided with improved urban living conditions

D. Concept Description

- 7. The proposed project supports the the scaling-up of CONAVI's Social Housing Program in selected municipalities. This program aims to provide vulnerable groups that have been largely excluded from the housing market with the resources they need to build or upgrade their homes and improve their quality of life.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No
Summary of Screening of Environmental and Social Risks and Impacts	

CONTACT POINT

World Bank

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Implementing Agencies

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APPROVAL

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