



Access to Financing Program (AFP) Proposal

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Contents

1. Introduction.....	1
2. Program Justification.....	1
3. Market Analysis and Implementation Strategy.....	2
4. AFP Objectives and Additionality.....	3
5. AFP Guidelines.....	4
6. Program Limits	4
7. Eligibility Criteria.....	5
7.1. Qualified Borrower.....	5
7.2. Project Location.....	5
7.3. Financial Risk Assessment.....	5
7.4. Performance Risk Management System Classification Requirements.....	6
7.5. Permitted Use of Funds	6
7.6. Financing Options.....	6
8. Eligible Subproject Categories.....	7
9. AFP Loan Approval Procedures	7
10. Use of Proceeds Validation.....	8
11. Evaluation of Environmental Benefits	9
12. Program Reporting.....	9
13. Public Consultation	10
14. Management Recommendations	10
Table 1 Eligible Subprojects Categories	11
Table 2 Environmental Indicators by Sector	14

Access to Financing Program (AFP) Proposal

1. Introduction

The proposed Access to Financing Program (AFP or the “Program”) updates and supersedes the Green Loan Program (GLP), approved by the Board through Board Resolution BR 2022-6, to strengthen NADBank’s ability to deliver its environmental and human health mandate in the U.S.–Mexico border region. The AFP retains key programmatic approval, oversight, and use-of-proceeds controls, including programmatic certification by the Board, intermediated lending through qualified financial intermediaries, eligibility limited to environmental infrastructure sub-projects within NADBank’s jurisdiction, Managing Director and Chief Environmental Officer ratification of each project and loan, and contractual use-of-proceeds requirements with mandatory prepayment for unvalidated funds. In addition, the Program specifies clear reporting requirements, including reporting the related benefits of the subprojects. The AFP addresses structural and operational constraints identified during GLP program execution that limited efficiency, scalability and market responsiveness, consistent with the Board’s direction to improve programmatic efficiency.

NADBank is requesting Board approval of the AFP, which provides a risk-aligned and scalable programmatic vehicle to finance environmental infrastructure projects across priority sectors, including water and wastewater management, solid waste management, air quality improvement, and energy. Consistent with Board priorities, the AFP is intended to emphasize water and wastewater infrastructure while maintaining flexibility to support other mandate-aligned environmental sectors.

Approval of the AFP will include Board certification on a programmatic basis for projects meeting the eligibility requirements under the Program, as well as approval of a financing commitment of up to \$300,000,000 for the Program. Pursuant to this certification and financing approval, Bank Management would be authorized to award individual loans to qualified financial intermediaries, subject to the procedures, guidelines and limitations established under the Program.

Since its launch, the GLP has served as a framework for the financing of six financial intermediated (“FI”) transactions totaling approximately US\$63.0 million, which in turn have supported more than 600 subprojects.¹ Despite this positive impact, nearly four years of implementation revealed structural and operational constraints that reduced program efficiency and limited scalability.

2. Program Justification

NADBank’s mandate is to finance projects that preserve, protect and enhance the environment and human-health in the U.S.–Mexico border region, particularly in the sectors of water and wastewater management, solid waste management, air quality improvement, energy supply, and energy efficiency. Execution of this mandate depends in large part on the

¹ 135 subprojects financed through GLP approved transactions and 489 subprojects from transactions approved by the Board using the GLP framework.

development of infrastructure at the local level, where smaller scale projects play a critical role in addressing service and public health needs along the border.

In implementing this, NADBank has identified a persistent financing gap affecting mandate-aligned subprojects. These projects often face structural constraints, including: (i) limited access to funding, (ii) commercial financing with maturities typically of three to five years that cannot adequately support equipment and infrastructure investments with useful lives of ten to fifteen years, and (iii) disproportionately high transaction costs relative to project size.

Local financial intermediaries (FIs) are well positioned to address these constraints. Their proximity to sponsors and familiarity with local markets allows them to originate and manage portfolios of smaller, geographically dispersed projects, using tailored financial structures that manage variable cash flows and limited collateral. However, the ability to sustain and scale this activity is constrained by insufficient access to stable, diversified, and reliable long-term funding—a challenge that has become more pronounced amid Mexico’s current macro-financial environment.² This persistent financing gap creates a clear opportunity for NADBank to advance its mandate by partnering with capable FIs under a standardized, certifiable programmatic framework.

The proposed updated program, AFP, preserves NADBank’s core principles of financial discipline, credit soundness, and environmental integrity, while expanding its reach into underserved but mandate-critical market segments.

3. Market Analysis and Implementation Strategy

The Access to Financing Program (AFP) is designed to operate across the U.S.–Mexico border region. However, market outreach to date indicates that intermediated lending opportunities are concentrated primarily on the Mexican side of the border. In Mexico, local financial intermediaries—particularly non-bank financial institutions—continue to face structural constraints in accessing long-term funding,³ making NADBank’s FI-based financing model both relevant and competitive.

Based on this assessment, NADBank has identified more than US\$600 million in potential financial intermediary transactions across commercial banks, regulated non-bank financial institutions (NBFIs), and unregulated NBFIs operating in the Mexican border region, which could be approved under this proposal. To date, the Bank has initiated engagement with fifteen FIs representing approximately US\$369 million in prospective transactions expected to materialize in subsequent years.

In contrast, given the depth of U.S. capital markets and the broad availability of commercial financing, NADBank has not identified significant market gaps requiring its intervention. The Bank will continue to monitor market conditions and is ready to deploy the program should mandate-aligned financing gaps emerge.

² Source: Banxico, Reporte de Estabilidad Financiera – Segundo Semestre 2025 [Financial Stability Report for the second half of 2025].

³ Ibid.

The proposed changes to the program will ensure its consistent and timely execution while preserving strong credit discipline. By expanding approval capacity beyond the GLP's limitations, the updated program will allow NADBank to align deployment speed with prevailing market windows and support a substantially larger pipeline of FI-based transactions.

4. AFP Objectives and Additionality

The primary objective of the AFP is to expand access to long-term financing for mandate-aligned investments in water and wastewater management, solid waste, air quality, and energy efficiency in the U.S.-Mexico border region. A significant portion of these investments, particularly smaller and medium-scale projects, face limited financing options and are not well served by commercial banks. At the same time, NADBank is not structured to directly finance large volumes of small, geographically dispersed projects, leaving a significant segment of environmental infrastructure and equipment projects underserved, particularly in the U.S.-Mexico border region. Financial intermediaries are uniquely positioned to bridge this gap due to their local presence, and ability to originate and manage smaller transactions; however, their capacity to do so at scale is constrained by limited access to stable, long-tenor funding and by the absence of standardized programmatic frameworks.

The AFP addresses these two constraints by supporting financial intermediaries as NADBank's delivery channel, providing long-term funding and a scalable framework aligned with risk appetite, which enable greater deployment of capital to priority infrastructure investments while maintaining sound credit discipline.

Value added through financial intermediaries

Building on NADBank's experience under the GLP, the AFP delivers financial and institutional additionality through the programmatic framework described above, while NADBank's direct participation provides institutional credibility and stronger oversight that strengthens the funding structures of the FIs and can catalyze additional capital. Additionality is delivered through three principal channels:

a. *Provision of long-term, stable funding*

AFP provides long-term, predictable financing that enables intermediaries, and in turn, their borrowers, to undertake mandate-aligned investments that would otherwise be constrained or infeasible.

b. *Improved Asset-Liability alignment*

AFP supports better matching FIs' asset and liability profiles, particularly for institutions serving underserved segments with long-tenor, equipment-based financing needs. This reduces rollover risk, strengthens portfolio stability, and contributes to broader financial-system resilience, consistent with issues highlighted in Mexico's financial stability assessments.

c. *Standardized measurement, verification, and reporting (MRV)*

The AFP embeds standardized MRV requirements that enhance consistency and transparency across intermediary portfolios, including:

- a defined and streamlined list of eligible project types aligned with NADBank's priority sectors;
- uniform documentation requirements; and
- consistent, simplified verification process.

5. AFP Guidelines

The AFP operates within a defined programmatic structure that ensures consistent execution, sound credit discipline, and alignment with NADBank's environmental mandate. This structure is organized around three core components: (i) Program Limits, which establish binding caps on the overall program size, individual loan, maximum tenor, and availability periods; (ii) Eligibility Criteria, which set the requirements for qualified borrowers, project location, minimum credit ratings, environmental and community risk classification, and permitted uses of funds; and (iii) Eligible Subprojects, which are specified in the predefined list of mandate-aligned project types across NADBank's priority sectors of water and wastewater management, solid waste management, mobile equipment, energy supply, energy efficiency, and efficient buildings. Together, these parameters provide NADBank with the controls necessary to manage program risk and oversight while preserving the operational flexibility required for efficient and timely deployment across a diverse pipeline of transactions.

6. Program Limits

- a. Designated Program Amount.** The AFP shall not exceed a cumulative approval amount of US\$300.0 million applied exclusively to NADBank loan financing.⁴ For peso-denominated loans, the dollar equivalent shall be determined using the exchange rate for purposes of settling obligations denominated in foreign currency payable in Mexico, published in the official Mexican gazette, *Diario Oficial de la Federación*, on the business day prior to the disbursement request. The cumulative amount shall equal the sum of all disbursements made under the AFP.
- b. Individual Loan Limits.** All Loan financing proposals must comply with the following limits:
- i. *Loan Maturity.* The loan tenor shall not exceed 180 months, allowing for monitoring of operational performance over the expected useful life of the financed infrastructure.

⁴ The amount designated for this program is the same level designated for the GLP.

- ii. Principal Amount Limits. The principal amount per approval shall not exceed US\$50 million or its equivalent in pesos,⁵ which will be reduced based on risk level.⁶
- iii. Availability Period. Borrowers may access loan proceeds during a maximum period of forty-eight (48) months from the date of first disbursement.

7. Eligibility Criteria

7.1. Qualified Borrower

Eligible sponsors/borrowers comprise a broad range of counterparties, including: (i) Commercial banks; (ii) Non-bank financial intermediaries; (iii) private companies;⁷ and (iv) specialized investment vehicles such as: use-of-proceeds bonds, real estate investment trusts (REITs) , and other structured vehicles⁸ capable of aggregating and financing selected project types.

All eligible borrowers and/or sponsors must fulfill NADBank's Know-Your-Customer (KYC) requirements and provide satisfactory evidence of their legal existence.

For private counterparties with Mexican nationality, eligibility is subject to confirmation of compliance with applicable tax obligations. As part of NADBank's due-diligence process, the sponsor shall provide a tax-compliance opinion issued by the competent authority, confirming fulfillment of this requirement.

7.2. Project Location

Eligible subprojects financed through this program must be located within the U.S.-Mexico border region, defined as the area within 100 kilometers north and 300 kilometers south of the international boundary between the two countries (the "border region"). Pursuant to its Charter, NADBank may finance a subproject located outside the defined border region upon determination by the Board of Directors that the subproject addresses a transboundary environmental or human health problem.

7.3. Financial Risk Assessment

Sponsors and/or borrowers must demonstrate the technical and managerial capacity to implement and operate the project effectively. Each loan must achieve an internal

⁵ Based on the exchange rate for the settling of obligations denominated in foreign currency payable in Mexico, published in the *Diario Oficial de la Federación* the business day prior to the disbursement request.

⁶ In accordance with the exposure limits determined by the NADBank risk area.

⁷ Acting as financial intermediaries, such as leasing companies, factoring or trade financing companies, warehouse financing and Fintechs, among other categories.

⁸ Such as: special purpose vehicles (SPV), collateral management trusts, asset-backed financing funds, structured investment funds, etc.

credit rating of BB- or higher in accordance with NADBank's internal credit-risk assessment methodology.⁹

7.4. Performance Risk Management System Classification Requirements

Under NADBank's Performance Risk Management System (PRMS), all subprojects financed through the AFP must be classified as Category FI-2 or FI-3 (medium to low risk), typically involving projects with limited or no significant adverse environmental impacts.¹⁰

7.5. Permitted Use of Funds

AFP financing may be used to finance FI's lending and/or leasing operations, which in turn channel resources to eligible subprojects. Eligible uses include construction and associated costs; design, project management, and supervision; acquisition and/or installation of equipment or inputs; and loan fees and reserve accounts.

AFP proceeds may also be allocated to eligible subprojects financed by an FI prior to NADBank disbursement, provided that: (i) the subproject originated within a defined look-back period of up to twelve (12) months prior to the NADBank loan signing or disbursement date; (ii) the underlying loan or lease agreement remains outstanding and in good standing at the time of validation; and (iii) the subproject fully complies with AFP eligibility criteria and documentation requirements. No proceeds may be allocated to loans or leases that have been prepaid, written off, or otherwise terminated prior to validation. If AFP proceeds are not fully validated by the end of the Availability Period, the borrower shall reimburse the unvalidated amount shortly after the conclusion of the up to 48-month period.

7.6. Financing Options

Loans under the AFP may be structured as senior secured corporate loans, senior unsecured corporate loans, bond issuances or structured corporate financing through special-purpose vehicles (SPV) or with asset-backed securities (ABS). NADBank shall determine the appropriate structure at its sole discretion, based on the borrower's characteristics, the nature of the underlying project or portfolio, and prevailing market conditions. Any alternative transaction structures not explicitly described above shall be subject to NADBank's standard due diligence and internal review processes applicable to all NADBank financing, including submission to the Board of Directors where required.

⁹ This requirement provides a derisking strategy. In addition to minimum acceptable credit quality, it helps improve liquidity gaps and diversify payment sources (relative to financing a particular project).

¹⁰ Adherence to the "Do No Significant Harm" principle is ensured through eligible categories, requirements regarding applicable regulations and the PRMS rating.

8. Eligible Subproject Categories

To ensure alignment with NADBank's mandate, the AFP establishes a predefined list of eligible subprojects, detailed in Table 1. All subprojects financed under the program must comply with federal and local regulations. If a sponsor proposes to finance a subproject type not included in the predefined list, the sponsor must submit for NADBank's consideration a third-party technical analysis and/or documented technical evaluation demonstrating that the proposed project prevents, reduces, or remediates environmental or human-health impacts consistent with NADBank's mandate. In all cases, NADBank staff will review the submitted documentation and confirm subproject's eligibility under the AFP, during the validation period.

Subprojects that do not meet Program eligibility criteria or NADBank standards will not qualify as eligible uses of proceeds. In such cases, the FI must reallocate the corresponding funds to eligible subprojects prior to the end of the validation period; otherwise, the unallocated amount shall be prepaid.

9. AFP Loan Approval Procedures

By approving AFP, the Board will programmatically certify and approve AFP loans meeting the eligibility requirements of the Program. NADBank will then be authorized to award individual AFP Loans through its internal due diligence and approval process and upon ratification of the Managing Director and Chief Environmental Officer.

Each financing request shall be subject to NADBank's established due diligence and internal approval procedures, as outlined below:

- a. NADBank Due Diligence Process.** Consistent with NADBank's standards and practices, NADBank will review each financing request to ensure compliance or their ability to comply with AFP certification criteria and NADBank loan policies. The review will consider, as applicable:
 - i. The FI's capacity to originate loans/leases aligned with the subprojects listed in Table 1;
 - ii. the FI's technical capacity and ability to comply with applicable environmental laws and regulations;
 - iii. the FI's origination process and portfolio- management practices;
 - iv. the FI's compliance with NADBank's definition of a Qualified Borrower; and
 - v. a financial review, including the analysis of the FI's financial statements.
- b. Loan Ratification.** Upon successful completion of the due diligence process through the approval of the corresponding committees, each loan must be ratified by the Managing Director and Chief Environmental Officer, confirming that the proposed transaction complies with all applicable AFP guidelines and requirements.
- c. Financing Execution.** Following ratification, NADBank may proceed to close the financing transaction with the FI under the approved terms and conditions. Financing

agreements shall include binding obligations related to program compliance, use of proceeds, monitoring and operational performance.

- d. **Reporting to the Board.** Management shall report to the Board of Directors on each loan ratified under the AFP within thirty (30) business days of ratification. Such reporting shall include a summary description of the loan, the expected environmental and community benefits, and the general terms of the financing.

10. Use of Proceeds Validation

After the contract execution and disbursement of funds, NADBank will validate that the loan proceeds are used to finance subproject deemed eligible under the program.

Aligned with applicable banking provisions in both countries, NADBank shall require the following documentation for the validation process. For subprojects involving construction and/or installation, required documentation includes technical project description, applicable permits, technical data sheets and other information deemed relevant by NADBank, such as construction invoices, relevant certifications, etc. For all other subprojects, required documentation shall include invoices, loan or lease agreements, and, when specified in Table 1, the corresponding manufacturer certifications or technical notes.

If a sponsor seeks to finance a project type not included in the predefined list, the sponsor must submit for NADBank's consideration a third-party technical analysis and/or documented technical evaluation demonstrating that the proposed project prevents, reduces, or remediates environmental or human-health impacts consistent with NADBank's mandate.

For all subprojects, NADBank staff will review submitted documentation and confirm eligibility under the AFP. The amount subject to validation shall correspond to the underlying loan or lease amount related to the financing of the eligible subprojects, either listed in Table 1 or acceptable by NADBank, after the examination and/or review of the third-party technical evaluation.

The validation period shall not exceed the Availability Period (the "Validation Period"). If the Availability Period is extended, the borrower or sponsor shall be required to allocate the total outstanding amount to new eligible subprojects.¹¹

Together with the evidence of use of funds, and for as long as any loan remains outstanding, the FI shall submit a list of financed subprojects to NADBank including, at a minimum, the following information:

- Description of financed subprojects;
- Total financing amount, outstanding balance, origination date, and maturity;
- Subfinancing status;¹² and

¹¹ The Bank may consider extending the Validation Period where there is evidence of an established and verifiable effort to originate eligible loans in line with the program's requirements.

¹² Sub-financings should be active.

- Evidence, as required under this Section, demonstrating compliance with Program requirements.

The sponsor shall commit to providing all documentation required under the AFP.¹³ NADBank and the sponsor will agree on scope, content and frequency of such reporting requirements based on the type of subproject, and the Validation Period.

Documentation required under this section shall be submitted regularly beginning on the date of first disbursement; however, in no case shall more than twelve (12) months elapse after the first disbursement without submission of documentation evidencing the use of funds.

11. Evaluation of Environmental Benefits

After the eligibility of a subproject has been validated, NADBank staff, utilizing information provided by the FI, will estimate the environmental benefit anticipated from each subproject. In addition, environmental benefits will be aggregated at the loan level. All subprojects must comply with applicable environmental laws and associated environmental and community risks are identified and assessed at this stage.

The evaluation will be based on the performance and outcome indicators presented as guidance in Table 2, based on the subproject category. These indicators support monitoring of the subprojects' alignment with AFP objectives, facilitate consistent reporting across intermediary portfolios, and allow NADBank to estimate the benefits of the subprojects, the loans, and the overall program.

One year after the full allocation of the proceeds of the loan to eligible subprojects, NADBank will prepare a closeout report in accordance with its Results Measurement System and per the current practice for all projects.

12. Program Reporting

NADBank Management will provide the Board of Directors with a consolidated summary of projects financed under the AFP, including estimated environmental benefits as part of the Bank's quarterly status report. NADBank will also encourage FIs to publish similar information on their websites, social media channels, and client communications, highlighting NADBank's role as the lender. In addition, NADBank will participate in FI-organized client gatherings, industry association conferences and other relevant public events to ensure ample visibility of the program.

¹³ See documentation requirements at beginning of this section.

13. Public Consultation

Prior to formal Board action, the AFP proposal will be released for a 30-day public comment period, in accordance with NADBank policies. Management will compile and report to the Board on any comments received during the consultation period.

14. Management Recommendations

Following the conclusion of the public comment period, and subject to consideration of any comments received, Management will request that the Board of Directors approve the AFP in accordance with the structure, eligibility criteria and guidelines established herein. In approving the AFP, the Board is also being asked to:

1. Certify and approve for financing projects meeting the eligibility requirements of the AFP; and
2. Provide a financing commitment of up to US\$300.0 million to fund the financial intermediated Loans under the Program.

Table 1
Eligible Subprojects Categories

Category	Subprojects
Water and Wastewater Management	1. <u><i>Drinking Water Infrastructure</i></u>: Construction, maintenance, improvement, and equipment of efficient water management systems, including but not limited to: ▪ desalination plants; ▪ drinking water treatment plants; ▪ pumping stations; ▪ distribution lines; ▪ storage structures; ▪ water reuse systems; and ▪ equipment and machinery for the operation and maintenance of drinking water infrastructure 2. <u><i>Wastewater Infrastructure</i></u>: Construction, maintenance, improvement, and equipment of wastewater treatment systems including: ▪ wastewater treatment plants; ▪ lift stations; ▪ collection lines; and ▪ equipment and machinery for the operation and maintenance of wastewater infrastructure. 3. <u><i>Water Resource Conservation</i></u>: Construction, maintenance, improvement, and equipment of water resource conservation systems, including: ▪ improvements to water distribution infrastructure; ▪ measurement, control, and monitoring systems; and ▪ Systems that improve physical efficiency in water distribution (e.g., macro-and-micro measurement, sectorization, and infrastructure improvements, etc.) 4. <u><i>Efficient irrigation systems</i></u> that demonstrate water savings or improved water-use efficiency, including but not limited to: ▪ irrigation canal lining; ▪ conversion of irrigation canals to pipes; ▪ drip/trickle irrigation systems; ▪ center pivot/lateral move (including precision systems or LEPA); and ▪ micro-sprayers ▪ installation of fixtures or equipment that conserve water, such as greenhouses, macro-tunnels, etc.

Category	Subprojects
Solid Waste Management	1. <u><i>Non-Hazardous Waste Facilities</i></u>: Design, construction, modernization, technological upgrades, operation, and maintenance of facilities for the collection, sorting, reuse, and disposal of non-hazardous waste (municipal waste and waste requiring special handling), including: ▪ separation and recycling facilities and equipment; ▪ shredding or grinding facilities and equipment; ▪ landfills and auxiliary equipment (e.g., compactors, containers, operation stations, etc.); ▪ methane recovery systems; and ▪ monitoring, traceability, logistics, and operations-optimization systems. 2. <u><i>Waste Collection Vehicles</i></u>: Purchase and/or lease, of waste collection vehicles (Municipal waste collection vehicles).
Mobile Equipment	1. <u><i>Purchase and/or lease of lower-emission vehicles and mobile equipment</i></u> for public sector, commercial fleet, and freight applications, including but not limited to: ▪ Public transportation vehicles that meet recognized emission performance standards and, where diesel-powered, operate on ultra-low sulfur diesel; or hybrid vehicles that meet applicable emission standards; ▪ Natural gas vehicles for public, commercial, and freight transport that comply with applicable regulations; ▪ Hybrid vehicles for public, commercial and freight transport; ▪ New industrial electric or hybrid equipment that reduces particulate emissions relative to existing equipment (e.g. forklifts, cranes, and telescopic or articulating aerial-work platforms); ▪ Other technologies resulting in lower emissions than the mobile equipment currently in service. 2. Related infrastructure improvements to allow the adoption of lower-emission vehicles and mobile equipment, such as dedicated roads or lanes, signage, etc.
Energy Supply	1. Purchase, lease, and/or installation of small-scale power generation equipment, and auxiliary equipment. 2. Purchase, lease, and/or installation of energy storage systems. 3. Efficient cogeneration systems (combined heat and power).
Energy Efficiency¹⁴	1. <u><i>Lighting Systems</i></u>: Purchase, lease, installation and/or maintenance of lighting systems in compliance with applicable norms and regulations, using the following technology: ▪ public lighting using LED luminaires;

¹⁴ Energy-efficiency projects must include appropriate manufacturer certification or a technical note to validate their eligibility.

Category	Subprojects
	▪ LED luminaires for industrial, commercial, and residential applications; and ▪ lighting management and control systems. 2. <u><i>Efficient Electrical Equipment</i></u>: Purchase, lease, and/or installation of efficient electrical equipment in compliance with applicable norms and regulations, including: ▪ smart-control systems for industrial, commercial, and residential applications; ▪ high-efficiency HVAC, refrigeration (walk-in coolers, industrial chillers, refrigerated warehouses) or heating equipment for residential, industrial and commercial applications demonstrating compliance with recognized third-party certification or technical evidence demonstrating measurable efficiency improvements;¹⁵ ▪ electrical equipment for commercial and industrial applications that improve energy efficiency by reducing energy losses, optimizing electricity use, and enhancing system performance (e.g. power factor correction, energy management and monitoring systems, high-efficiency transformers, and related electrical solutions); and ▪ other electrical specialized equipment for industrial and medical applications demonstrating compliance with recognized third-party certification or technical evidence demonstrating measurable efficiency improvements.¹⁶ 3. <u><i>Thermal Equipment</i></u>: Purchase, lease, and/or installation of electrical and/or natural gas equipment and auxiliary systems, including: ▪ heating systems; and ▪ water-heating systems.
Efficient Buildings¹⁷	Construction or retrofit of industrial, commercial, or residential structures that achieve measurable improvements in energy and water efficiency compared to conventional baseline practices. Eligible buildings shall incorporate design features and systems that reduce water consumption, improve energy performance, reduce air pollution emissions and/or improve indoor air quality, while maintaining functionality and safety. Validation requires recognized third-party certification or technical evidence demonstrating measurable reductions in water use, energy consumption, pollution reduction, or indoor air quality improvements..

¹⁵ If the equipment does not comply with recognized third-party certifications, the sponsor may submit evidence demonstrating at least a 20% efficiency improvement relative to recognized standards.

¹⁶ Ibid.

¹⁷ An efficient building is an industrial, commercial, or residential structure designed, constructed, or retrofitted to achieve measurable improvements in energy and water performance compared to conventional baseline practices. Such buildings incorporate design features, and systems, that reduce water consumption, improve energy performance, reduce air pollution emissions and/or improve indoor air quality, while maintaining functionality and safety.

Table 2
Environmental Indicators by Sector

Sectors	Outputs	Outcomes
Water and Wastewater Management	a. Drinking water distribution lines installed (miles)	a. New, additional or improved water treated (mgd)
	b. Number of residential drinking water connections installed	b. Water supply available from new sources (mgd)
	c. Drinking water storage tanks (number)	c. Urban water reuse (mgd)
	d. Drinking water storage capacity (Mgal)	d. Stormwater captured or infiltrated (mgd)
	e. Water meters installed (number)	e. Water losses eliminated (mgd)
	f. Water treatment systems (number)	f. Water savings (mgd)
	g. Water treatment capacity (mgd)	g. Wastewater collected (mgd)
	h. Water booster stations (number)	h. Wastewater discharges eliminated (mgd)
	i. Equipment and machinery for the operation and maintenance of drinking water infrastructure (number)	i. Increased or additional wastewater flows treated (mgd)
	j. Wastewater collection lines (miles)	j. Improved quality of wastewater treated (mgd)
	k. Wastewater connections installed (number)	k. Households protected from flooding (number)
	l. Wastewater lift stations (number)	l. Area protected from flooding (sq miles)
	m. Wastewater treatment systems (numbers)	
	n. Wastewater treatment capacity (mgd)	
	o. Wastewater reuse systems (number)	
	p. Wastewater reuse capacity (mgd)	
	q. Equipment and machinery for the operation and maintenance of wastewater infrastructure (number)	
	r. Improved irrigation canals (miles)	
	s. Culverts, levees, ditches built for stormwater protection (number)	
	t. Capacity of new stormwater reservoir/detention infrastructure (acre-feet)	
	u. Stormwater pump stations (number)	
	v. Efficient irrigation systems (number)	

Sectors	Outputs	Outcomes
Solid Waste Management	a. Solid waste treatment facilities (number) b. Solid waste transfer stations (number) c. Solid waste collection, sorting, reuse, and disposal of non-hazardous waste (municipal waste and waste requiring special handling) facilities (number) d. Equipment for solid waste collection, sorting, reuse, and disposal of non-hazardous waste (municipal waste and waste requiring special handling) (number) e. Solid waste collection vehicles (number), f. Facilities for the recovery of methane and/or renewable natural gas from landfills (number)	a. New, additional or improved waste managed (metric tons/day) b. Solid waste removed from improper disposal sites (tons) c. Area of dumpsites closed (acres) d. Solid waste recovered for beneficial reuse (metric tons/day)
Mobile Equipment	a. Lower-emission vehicles and mobile equipment (number) b. Vehicle-support infrastructure (number) c. Commercial transportation vehicles (number)	a. Reduction in nitrogen oxide (NOx) emissions (metric tons/year) b. Reduction in sulfur dioxide (SO₂) emissions (metric tons/year) c. Reduction in particulate matter PM_{2.5} and PM₁₀ emissions (metric tons/year)
Energy Supply	a. Energy generation systems (number) b. Energy generation capacity (MW) c. Combined heat and power systems (number) d. Combined heat and power capacity (MW) e. Energy storage facilities (number and capacity MW)	a. Energy generated (GWh/year) b. Reduction in NOx emissions (metric tons/year) c. Reduction in SO₂ emissions (metric tons/year) d. Reduction in PM_{2.5} and PM₁₀ emissions (metric tons/year)
Energy Efficiency	a. Energy efficiency equipment and/or appliances (number) b. Households/people/enterprises with access to energy efficient systems and appliances (number)	a. Energy savings (MWh/year) b. Reduction in NOx emissions (metric tons/year) c. Reduction in SO₂ emissions (metric tons/year) d. Reduction in PM_{2.5} and PM₁₀ emissions (metric tons/year)
Efficient Buildings	a. Efficient buildings (number) b. Efficient residential buildings (number)	a. Water savings (mgd) b. Energy savings (MWh/year) c. Reduction in NOx emissions (metric tons/year) d. Reduction in SO₂ emissions (metric tons/year) e. Reduction in PM_{2.5} and PM₁₀ emissions (metric tons/year)