



Federal Ministry  
for Economic Cooperation  
and Development



## PRESS RELEASE

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### **C40, Germany & IADB Achieve Major Breakthrough For Developing Cities: \$1 Billion In Green Infrastructure Unlocked Within Four Years**

*\$5.7 million committed to launch C40 Cities Finance Facility*

*CIFF commits \$5.3 million to help 30 cities measure and report greenhouse gas emissions*

Paris – Green infrastructure is no longer out-of-reach for cities in developing countries thanks to the launch of the C40 Cities Finance Facility, a major project by C40, Germany and Inter-American Development Bank (IADB) to provide the skills, technical assistance and connections to funding opportunities needed to unlock up to \$1 billion worth of sustainable infrastructure in cities across low and middle-income countries by 2020. This transformative partnership between C40, Germany and IADB, launched today at the C40 Forum, reinforces the joint commitment to bring practical solutions to unlock the potential of all cities to deliver action on climate change.

Also announced today is funding from the British philanthropy, the Children's Investment Fund Foundation, to ensure take up of a new system for transparently measuring and reporting city emissions.

The C40 Cities Finance Facility, with €3.5 million (US\$3.7m) funding from the German Federal Ministry for Economic Cooperation and Development (BMZ) and \$2 million from the IADB, will provide technical assistance to cities within the C40 network to help them prepare sustainable infrastructure projects for investment.

"The C40 Cities Finance Facility represents a massive opportunity for cities, particularly those in the Global South," said **C40 Chair and Rio de Janeiro Mayor Eduardo Paes**. "The project represents a significant step forward in delivering one of my strategic aims as C40 chair, and will allow cities to leverage significant public and private financing for green infrastructure projects, enabling cities to accelerate their ambitious emissions reductions."

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The **German Federal Minister for Economic Cooperation and Development, Dr Gerd Müller** said, "Cities will play a vital role in efforts to achieve our climate and development goals. And the German government wants to ensure that they are able to play that role. Part of that is ensuring they have the necessary funding. That is why, together with the C40 network and the Inter-American Development Bank, we have developed the C40 Cities Finance Facility. The aim is to advise cities on issues of financing."

"We've worked with mayors in more than 50 Latin American and Caribbean cities, helping them manage urban growth more sustainably. We need to develop pipelines of climate-smart projects where social, environmental, legal, regulatory, and exchange risks are adequately addressed. Even the best ideas won't get financed if we don't address risks properly," said **IADB President, Luis Alberto Moreno**. "The C40 Cities Finance Facility will help our cities bridge exactly this problem. The IADB is proud to join this initiative to help our cities do what they need to do."

### **The first step towards \$1billion of green infrastructure**

The first round of funding for the C40 Cities Finance Facility was announced at the C40 Forum held today in Paris alongside the COP21 climate negotiations. The initial \$5.7 million is expected to ultimately reach as much as \$20 million in technical assistance for cities, unlocking up to \$1 billion worth of green projects worldwide within four years.

The C40 Cities Finance Facility will not only reduce greenhouse gas emissions – sustainable infrastructure investment will also improve urban life, public health and economic growth, targeted at cities in the Global South.

Lima's highly popular bus rapid transit (BRT) system was developed after the city received support from international experts, which in turn led to loans from Spanish bank BBVA and Banco del Credito de Peru. The Cities Finance Fund Facility will provide support to cities looking to develop similar projects that will help reduce their emissions and increase their resilience to climate change.

### **New resources to measure and report city emissions**

C40 also announced at the Forum new funding from the British philanthropy the Children's Investment Fund Foundation (CIFF), who will provide \$5.3 million to help a minimum of 30 C40 cities in the Global South to conduct accurate inventories of their greenhouse gas emissions, set targets and develop action plans. The aim of the investment is to create a critical mass of cities across the world quantifying their urban emissions and setting robust reduction targets using an international gold standard - Global Protocol for

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Community Scale Greenhouse Gas Emissions Inventories (GPC) - and thereby supporting the implementation of the Compact of Mayors.

"To protect and secure a healthy and sustainable future for children, we support the urgent global transition to a low carbon economy," said Graeme Sweeney, a CIFF trustee and chairman of its climate investment committee. "We are supporting the adoption of a new global system for transparently measuring and reporting greenhouse gases emissions, which will allow mayors to identify and seek finance for the most cost-effective opportunities for climate action."

The funding will increase the number of cities in every region of the world that are measuring and reporting their emissions on a consistent basis. This will enable comparison between regions and provide examples for other cities to follow.

If 30 cities identified as eligible for this support were to act in three areas - building energy, transport and planning - this has the potential to decrease global GHG cumulative emissions by around 4.8 GtCO<sub>2</sub>e by 2030 - improving the chances of keeping temperature rises below the 2°C target.

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#### **About the C40 Cities Climate Leadership Group**

The C40 Cities Climate Leadership Group, now in its 10th year, connects more than 80 of the world's greatest cities, representing 600+ million people and one quarter of the global economy. Created and led by cities, C40 is focused on tackling climate change and driving urban action that reduces greenhouse gas emissions and climate risks, while increasing the health, wellbeing and economic opportunities of urban citizens. The current chair of the C40 is Rio de Janeiro Mayor Eduardo Paes; three-term Mayor of New York City Michael R. Bloomberg serves as President of the Board. C40's work is made possible by our three strategic funders: Bloomberg Philanthropies, Children's Investment Fund Foundation (CIFF), and Realdania. To learn more about the work of C40 and our cities, please visit [www.c40.org](http://www.c40.org), follow us on Twitter @c40cities and like us on Facebook at <http://www.facebook.com/C40Cities>.

#### **About BMZ**

The German Federal Ministry for Economic Cooperation and Development (BMZ) develops the guidelines and the fundamental concepts on which German development policy is based. The BMZ's main focus is on bilateral official development cooperation, i.e. direct cooperation with a partner country. This cooperation may take the form of loans on favourable terms, consultancy and training services, the promotion of private sector investment, grants and scholarships, but also emergency aid. The BMZ commissions the German implementing organisations with executing these projects and programs, and monitors the results of their work. The BMZ also

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manages Germany's contributions at international level, including its shares in the World Bank and the regional development banks as well as its financial support for the different funds and programmes of the United Nations. The BMZ is headed by the Minister, Dr. Gerd Müller, the Parliamentary State Secretaries, Mr. Hans-Joachim Fuchtel and Mr. Thomas Silberhorn, and the State Secretary, Dr. Friedrich Kitschelt.

To learn more about the work of BMZ, please visit [www.bmz.de](http://www.bmz.de), follow us on Twitter @BMZ\_Bund and like us on Facebook at <https://www.facebook.com/BMZ.Bund>

#### **About IADB**

IADB works to improve lives in Latin America and the Caribbean. Through financial and technical support for countries working to reduce poverty and inequality, IADB helps improve health and education, and advance infrastructure. IADB's aim is to achieve development in a sustainable, climate-friendly way. With a history dating back to 1959, today IADB is a leading source of development financing for Latin America and the Caribbean. IADB provides loans, grants, and technical assistance; and conducts extensive research. IADB maintains a strong commitment to achieving measurable results and the highest standards of increased integrity, transparency, and accountability.

#### **About CIFF**

The Children's Investment Fund Foundation is an independent philanthropic organisation, headquartered in London with offices in Nairobi and New Delhi. It funds bold ideas to transform the lives of poor and vulnerable children in developing countries. Areas of work include children and mothers' health and nutrition, children's education and welfare, and smart ways to slowdown and stop climate change. CIFF places significant emphasis on quality data and evidence to measure and evaluate progress with partners to achieve large scale and sustainable impact. More information at [ciff.org](http://ciff.org)

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