



**European  
Investment  
Bank**

*The EU bank*

A circular arrangement of twelve blue stars, representing the European Union flag, positioned to the right of the text 'The EU bank'.

INTPA INFOPOINT Conference 28 Jun 2021

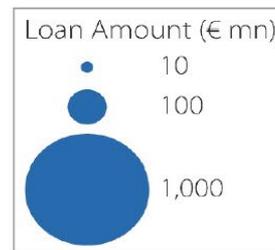
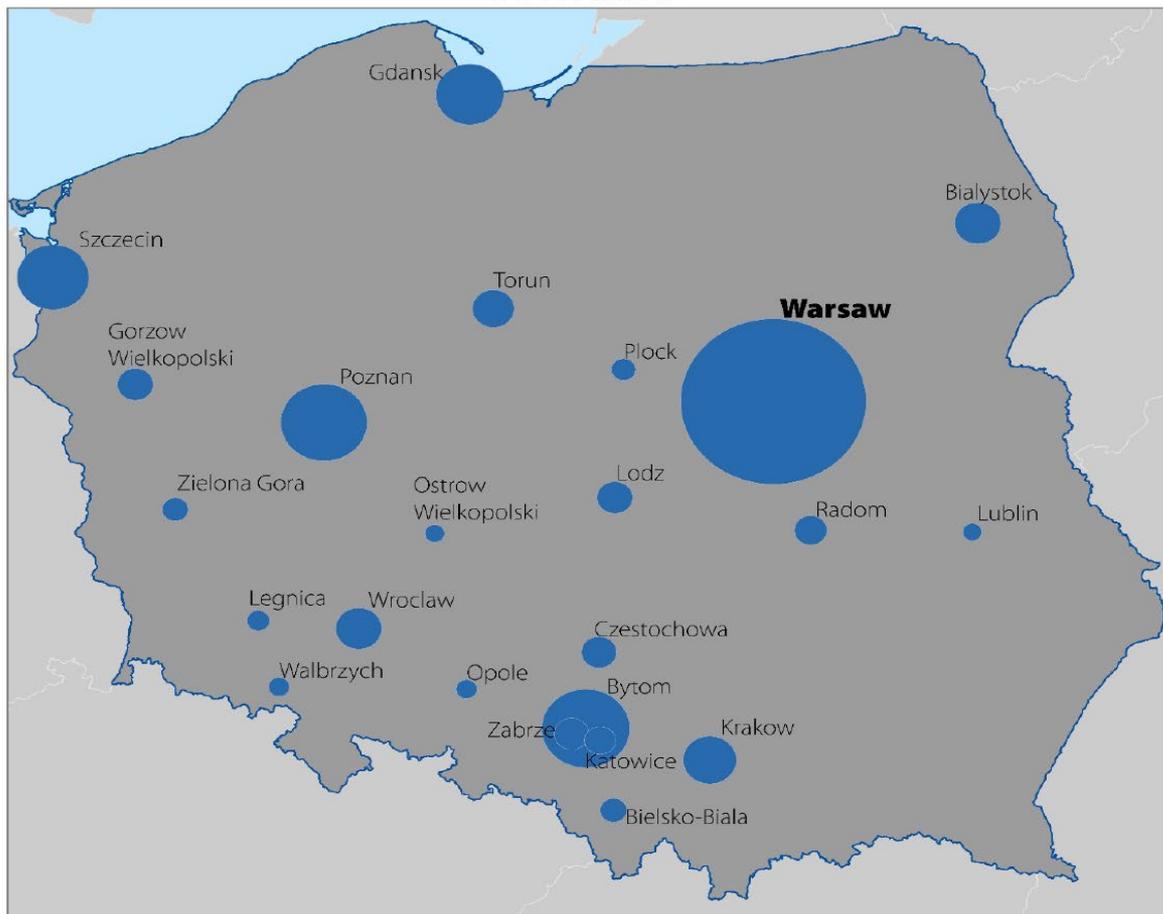
Financing Sustainable Urban Development

Gerry Muscat, Head, Urban Development Division

# EUR 5 billion in non-sovereign lending to Polish cities in the past 5 years...

## EIB Urban Lending - Poland: 2016 - 2020

Direct Loans



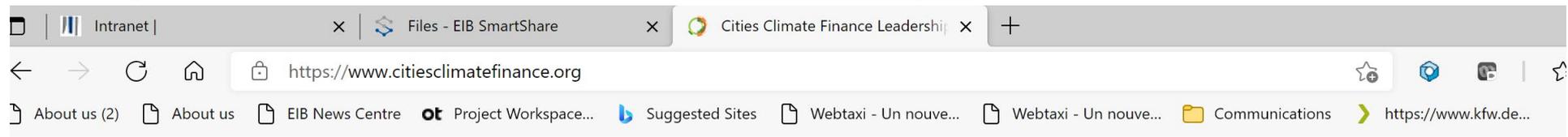
Total Loan Amount: 5.7 € Bn  
 Direct Loans: 5.1 € Bn  
 Indirect Loans: 0.7 € Bn  
 No. Operations: 97



# Moving forward on financing Sustainable Urban Development

- ▶ Using Urban Climate Finance as a driver
- ▶ Putting bankability and local revenue considerations into project preparation and implementation
- ▶ Mobilising the private sector
- ▶ Engaging with national development banks

# City Climate Finance Leadership Alliance



- [ABOUT](#) ▾
- [MEMBERS](#) ▾
- [RESOURCES](#) ▾
- [ACTION GROUPS](#) ▾
- [COMMITMENTS](#)
- [NEWS & EVENTS](#)
- [M](#)

The Cities Climate Finance Leadership Alliance is a coalition of leaders committed to deploying finance for city level climate action at scale by 2030.

[Join Us](#)

Trillions of dollars will be required to help cities build the low-emissions, resilient infrastructure necessary to combat and react to climate change. The Cities Climate Finance Leadership Alliance is the only multi-level and multi-stakeholder coalition aimed at closing the investment gap for urban subnational climate projects and infrastructure worldwide.

# CCFLA Green City Finance Directory



- [ABOUT](#) ▾
- [MEMBERS](#) ▾
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- [ACTION GROUPS](#) ▾
- [COMMITMENTS](#)
- [NEWS & EVENTS](#)
- [M](#)

## Green City Finance Directory

Does your city need funding for climate-friendly projects?

The Green City Finance Directory helps subnational governments and stakeholders identify [project preparation facilities](#) that can support them in developing green and resilient infrastructure, including implementing more efficient heating and cooling systems, building renewable energy, setting up sustainable transit, or climate-proofing resilient infrastructure.

Sort By

Sort Results By ▾

Country

Sector +

Support Type +

Project Stage +

[Contact us with suggestions](#) or

### Africa50 Project Development

Africa50 is a infrastructure investment platform that focuses on medium to large scale infrastructure projects that have a significant development impact while offering an appropriate return to investors. It not only invests in fully developed projects, but also... [Learn More](#)

### African Water Facility (AWF)

The African Water Facility (AWF) is a multilateral fund that provides grants and technical assistance to enable governments, NGOs and private-public partnerships to secure investments and implement sustainable water projects throughout Africa. Typically, AWF focuses... [Learn More](#)

### C40 Cities Finance Facility

The C40 CFF facilitates access to finance for climate change mitigation and resilience projects in urban areas by providing technical assistance to develop cities' sustainability priorities into bankable investment proposals. The CFF aims to deliver project... [Learn More](#)

### CDP Matchmaker

CDP Matchmaker works with cities to highlight projects in flood control

### CICLIA (Cities and CLimate In Africa)

CICLIA is a EUR 12 million project

### Cities Development Initiative for Asia (CDIA)

CDIA is a multi-donor trust fund

# City Climate Finance Gap Fund

## The City Climate Finance Gap Fund



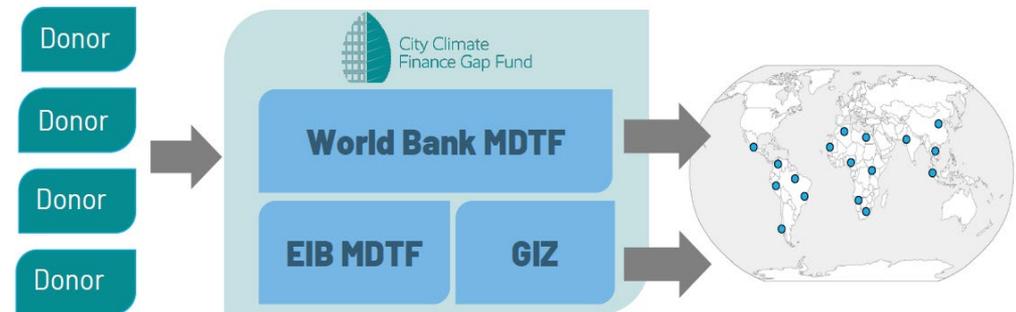
City Climate  
Finance Gap Fund

The Gap Fund paves the way  
for low-carbon, resilient  
and liveable cities.

The Gap Fund – one initiative, different  
implementing partners



- **Implementing Partners:** World Bank, European Investment Bank and GIZ
- **Cooperation partners:** GCoM, C40, ICLEI, CCFLA

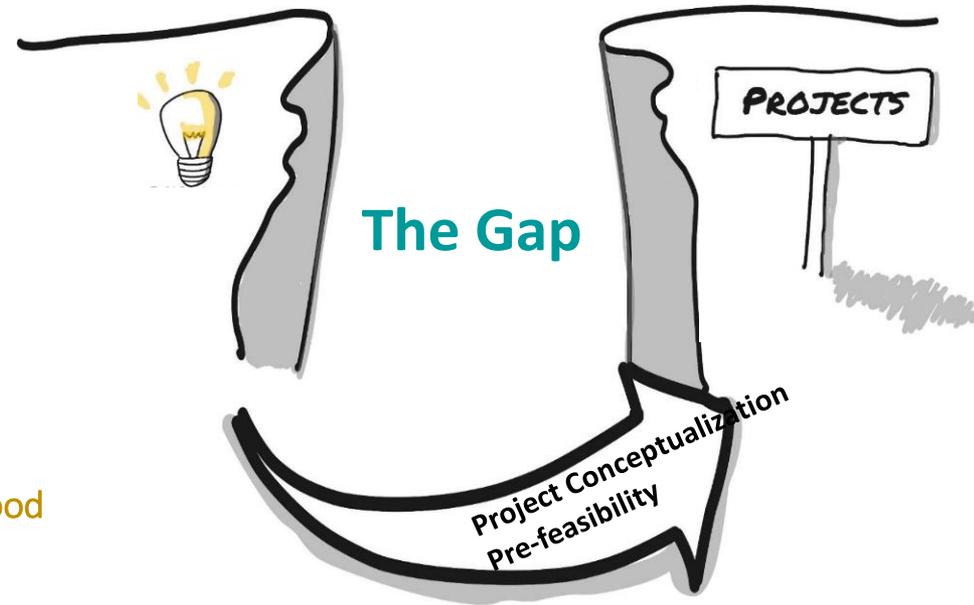


# First round of City Climate Finance Gap Fund

## 6 Project Proposals

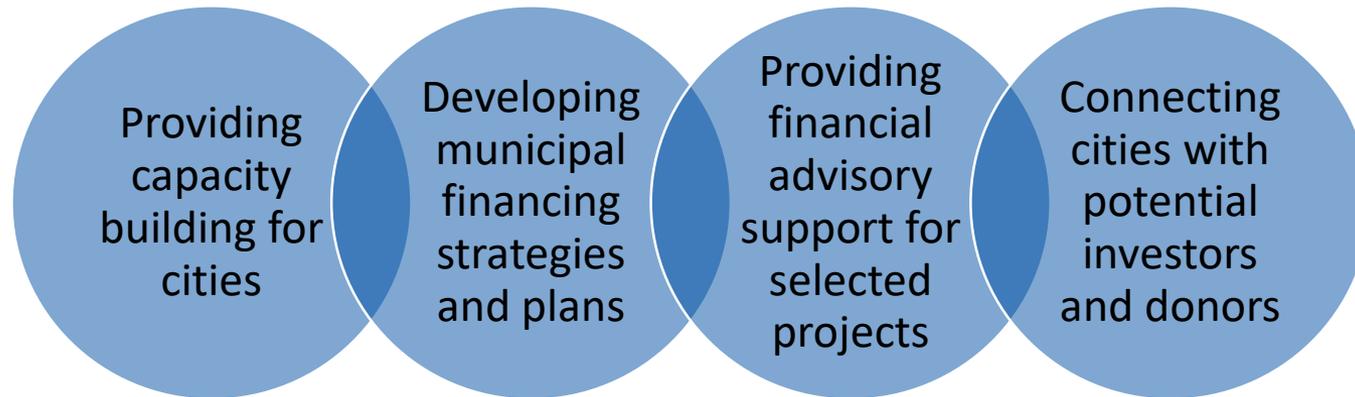


- **Mbombela** (South Africa) – **Stormwater MS and flood protection measures**
- **Podgorica** (Montenegro) – **Green roofs**
- **Cuenca** (Ecuador) – **Water management system**
- **Port Vila** (Vanuatu) – **Solid waste management**
- **Naucalpan** (Mexico) – **Light rail transit**
- **Lviv** (Ukraine) – **Sustainable urban mobility**



# EIB African Sustainable Cities Initiative (ASCI)

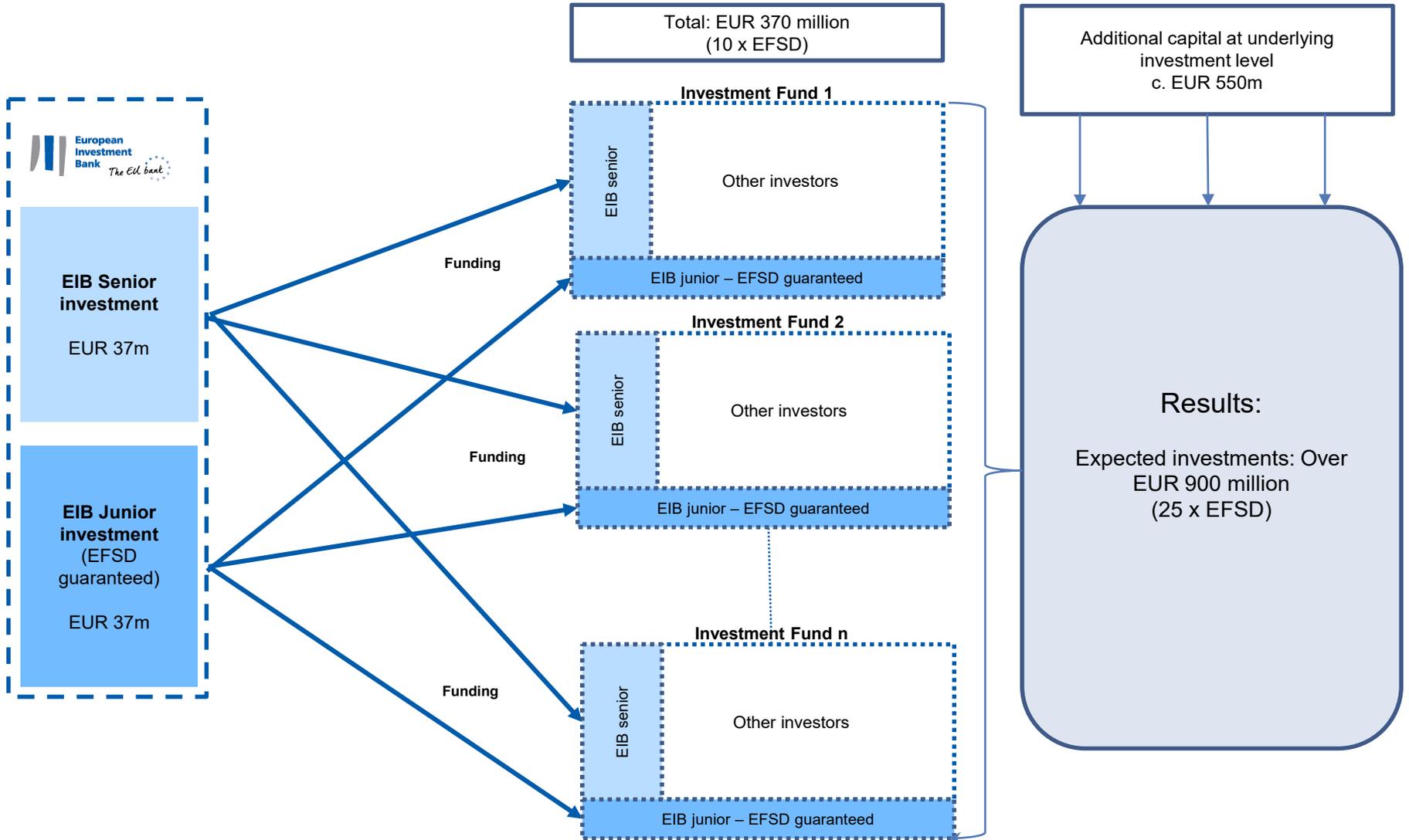
- ▶ EIB will enhance its efforts to localize the global development agenda and explore subnational financing structures through:



- ▶ ASCI will build a pipeline of projects that can be supported by later stage TA and potentially be financed by EIB in the future
- ▶ Many constraints exist for financing projects in cities, e.g. low creditworthiness, and ASCI will explore possible options

# EIB African Sustainable Cities Initiative (ASCI)

- ▶ EIB has launched a new municipal finance TA programme in H2 2020 to support cities in Sub-Saharan Africa
- ▶ EUR 7m over three years for ten cities in Sub-Saharan Africa
- ▶ Secondary cities are the focus because they are often neglected and yet have high development needs
- ▶ Local ownership and complementarity to other initiatives are key
  - ▶ Cities selected through a participatory process involving EIB stakeholders and central governments and cities
  - ▶ Complementary initiative to the Gap Fund and will connect to later stage project preparation facilities



# EIB Urban Financing Tools

Types, Framework Loans

Via Intermediaries



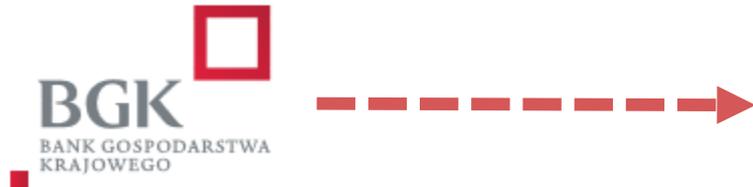
## Smart Cities in Belgium

Innovative projects to promote smarter, more sustainable cities across Belgium



## Urban Development Programmes in Brandenburg

Local authorities and Social Housing Associations are Eligible Applicants



## Investment Platform

Social and Affordable Housing Investments in Poland



## Greek Local Authorities

Municipal Infrastructure Projects with Several Municipalities in Greece

# EIB urban lending: examples

## Zenata : Building the first eco-city in Morocco



- EUR 150m loan (with AFD and EU grant) to develop a carefully planned, mixed use, sustainable city
- Designed to mitigate climate change impact
- Up to 30% of the land reserved for public parks to moderate high temperatures and promote biodiversity

## Affordable Green Housing via Private Sector, Kenya



- EUR 180m investment fund
- Rental + right to buy housing
- EDGE compliant – 100% climate action
- Location linked with transport axes
- Eligibility: govt.-defined max. monthly income of EUR 1300 per household;
- max unit cost EUR 35,000

## Tunisia – Rehabilitation of informal settlements

Répartition des projets du PRIQH II



- Upgrade of 146 informal settlements in 100 municipalities across Tunisia
- Implemented by Agency for Urban Renovation and Regeneration ARRU
- EIB-AFD-EU: EUR 196m
- Total cost EUR 250m

# Thank you!

More information at: [www.eib.org/urban](http://www.eib.org/urban)  
[g.muscat@eib.org](mailto:g.muscat@eib.org)