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**Climate Funds and Opportunities**

**November 2014**

**Acknowledgements**

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Edited by James Alexander

Content accurate to October 2014

**DISCLAIMER**: Whilst C40 Cities Climate Leadership Group has made every effort to ensure the information within this document is accurate, it is advised that any city or organisation wishing to make use of this information make further checks before committing significant resource to a project or programme.

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**Introduction**

This document displays a selection of international climate funds available to C40 cities looking for funding to support the development of sustainable municipal infrastructure. The featured funds have been selected on the basis of their ability to target city-based investments in environmental infrastructure projects, as well as their outspoken interest in tackling climate change-related issues. The funds presented are dedicated multilateral and bilateral initiatives emanating from international development and global climate change institutions as well as regional political and economic organizations; they offer a wide variety of financing solutions ranging from grants to loans, equity financing and investment guarantees.

We will continue to keep this up-to-date as new funds evolve and become available for cities.

We hope that this document will prove to be considerably valuable to C40 cities, and are keen for feedback on how you have used this information, or how it can be improved.

Please contact James Alexander, Head of the Finance and Economic Development Initiative at C40 on jalexander@c40.org to discuss further, and please do keep C40 informed of your successes and challenges in accessing these funds.

**Summary table**

| **Organisation** | **Name of the fund / programme**City officials can click link to visit page on C40 Exchange  | **Region** | **Priority Area** | **Description** | **Size of the fund** | **Can cities access the fund directly?** | **C40 city examples** | **Page number** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| European Union (EU) | [JESSICA](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BJESSICA) | Europe | None specified | JESSICA is a financial instrument managed by the European Investment Bank (EIB) which enables the blending of EU structural funds with additional private and public resources through the creation of urban development funds (UDFs). The EIB provides financial and technical guidance to implementing entities. |  |   | London | **15** |
| European Union (EU) | [ELENA](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BELENA) | Europe | Energy efficiency, renewable energy sources | ELENA is the technical assistance platform of the EIB. It provides grants to local authorities in order to support the preparation of energy efficiency and renewable energy projects, such as feasibility studies, so as to facilitate their later implementation. | Annual budget:  €15 million | Yes | Paris, London | **17** |
| European Union (EU) |  [LIFE Sub-programme for Climate Action](https://www.c40exchange.org/pages/viewpage.action?pageId=42959405)  | Europe and international | Climate change adaptation & mitigation | The LIFE fund is beginning its new term for the 2014-2020 period. The Sub-programme for Climate Action provides grants and additional financial instruments to innovative climate adaptation and mitigation projects. Projects may include participants from countries outside the EU. | 2014 -2020 budget: €864 million | Yes |   | **20** |
|  |  |  |  |  |  |  |  |  |
| European Union (EU) | [European Energy Efficiency Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BEuropean%2BEnergy%2BEfficiency%2BFund) | Europe | Energy efficiency, renewable energy sources | The European Energy Efficiency Fund (EEEF) is a financing platform managed by Deutsche Bank, which provides market-rate loans and other financial instruments (guarantees, equity) to local authorities and municipalities to implement proven-technology energy efficiency projects. | €146 million | Yes |   | **23** |
| European Union (EU) | [Horizon 2020](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BHorizon%2B2020) | Europe | Climate change adaptation & mitigation, energy efficiency, renewable energy sources, urban transportation, Intelligent city infrastructure  | Horizon 2020 is the most important research and innovation programme of the European Union. Managed by the European Commission, Horizon 2020 will provide grant funding to innovative projects with cutting-edge technology and approaches to tackling environmental issues and shifting to a low-carbon economy. Projects can be transnational and include participants from countries outside the EU. | 2014 -2020 budget: €80 billion | Yes |   | **26** |
| World Bank Group | [Joint IFC/IBRD Sub-National Finance program](https://www.c40exchange.org/pages/viewpage.action?pageId=42959486) | International | Water and wastewater; transportation; solid waste management; power, district heating, gas transmission and distribution other essential public services  | This program, led jointly by the International Finance Corporation (IFC) and the International Bank for Reconstruction and Development (IBRD), provides financing (loans) without sovereign guarantees for creditworthy local governments and public utilities in emerging markets.  |  | Yes (with consent of national authority) | Johannesburg | **29** |
| Joint Multilateral Organizations | [Clean Technology Fund (*Climate investment Funds*)](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BClean%2BTechnology%2BFund) | International (developing countries) | energy efficiency, renewable energy sources, urban transportation | The Clean Technology Fund is one of the two World Bank-managed Climate Investment Funds. It essentially provides concessional loans to scale up the demonstration, deployment, and transfer of low carbon technologies with significant GHG emission reduction potential in renewable energy, energy efficiency, and sustainable transport projects in middle-income and low-income countries. | USD 4.5 billion |  No - (national access) | Bangkok, Mexico City, Bogota, Cairo, Ho Chi Minh, Hanoi | **31** |
| Joint Multilateral Organizations | [Scaling Up Renewable Energy Program  (*Climate Investment Funds*)](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BScaling%2BUp%2BRenewable%2BEnergy%2BProgram) | International (developing countries) | energy efficiency, renewable energy sources | The Scaling Up Renewable Energy Program is a targeted initiative of the Climate Investment Funds aiming at funding projects that develop and spread low-carbon, renewable technology sources in low-income countries. | USD 318 million | No - (national access) |   | **34** |
| Green Climate Fund | [Green Climate Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGreen%2BClimate%2BFund)  | International (developing countries) | Climate change adaptation & mitigation | The Green Climate Fund is the financial mechanism of the UNFCCC. It aims to be the largest fund provider for climate change adaptation and mitigation projects in developing countries. The Fund is now operational and could start funding projects from early 2015 onwards. | initial budget of USD 10 billion for  year 2015 | In discussion at the time of writing. |   | **37** |
| Adaptation Fund | [Adaptation Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BAdaptation%2BFund) | International (developing countries) | Climate change adaptation | The Adaptation Fund provides grants to adaptation projects in developing country parties to the Kyoto Protocol. | between USD 300 - 500 million (2012) | No - (national access) |   | **39** |
| Global Environment Facility | [Global Environment Facility Trust Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGlobal%2BEnvironment%2BFacility%2BTrust%2BFund) | International (developing countries) | Climate change mitigation & adaptation, energy efficiency, renewable energy sources, urban transportation, urban agriculture and forestry, waste management | The Global Environment Facility Trust Fund is the main financial mechanism of the GEF. It offers grants, as well as technical support and capacity building to develop climate change adaptation and mitigation activities in developing countries parties to the UNFCCC. The GEF is currently undergoing its 6th phase (2014-2018) with six focal areas: Biodiversity, Climate Change Mitigation, Chemicals and Waste, International Waters, Land Degradation and Sustainable Forest Management. | USD 4.43 billion (2014-2018) |   No - (national access) | Jakarta | **42** |
| Global Environment Facility | [Special Climate Change Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGEF%2BSpecial%2BClimate%2BChange%2BFund) | International (developing countries) | Climate change adaptation | The Special Climate Change Fund provides funding opportunities as well as project assistance and capacity building support to developing country parties to the UNFCCC. It specifically targets adaptation activities. | USD 110 million | No - (national access) |   | **45** |
| Global Environment Facility | [Least Developed Countries Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGEF%2BLeast%2BDeveloped%2BCountries%2BFund) | International (least developed countries) | Climate change adaptation | The Least Developed Countries Fund offers grant, technical and capacity building support to the least developed countries parties to the UNFCCC. It specifically targets adaptation activities. | USD 485 million | No - (national access) | Dhaka | **47** |
|  |  |  |  |  |  |  |  |  |
| Asian Development Bank | [Urban Financing Partnership Facility](https://www.c40exchange.org/pages/viewpage.action?pageId=42959584) | Asia | Climate change mitigation and adaptation, urban transportation, water supply and sanitation, solid waste management and urban renewal projects. | The Urban Financing Partnership Facility aims to support the development of pro-poor environmental urban infrastructure in the Developing Member Countries of the Asian Development Bank. It provides technical assistance, capacity-building support and financing opportunities for early project investments (grants, loans, guarantees). | Initial funding of USD 14 million for grants and loans, USD 70 million for guarantees; 140 million for upcoming initiatives | No (ADB chooses internally) |   | **49** |
| Asian Development Bank | [Clean Energy Financing Partnership Facility](https://www.c40exchange.org/pages/viewpage.action?pageId=42959591) | Asia | Energy efficiency, renewable energy sources, urban transportation | The Clean Energy Partnership Facility provides grants, loans, guarantees and technical support for the development of clean energy projects in Developing Member Countries of the Asian Development Bank. | USD 143.4 million (2014) | No (ADB chooses internally) | Ho Chi Minh | **52** |
| Asian Development Bank | [Sustainable Transport Partnership Facility](https://www.c40exchange.org/pages/viewpage.action?pageId=42959596) (not yet operational) | Asia | Urban transportation | The Asian Development Bank plans to launch a Sustainable Transport Partnership Facility. Support will include policy advisory work on sustainable transport,  pre-feasibility and feasibility studies, and the financing of "add-on" components to existing projects that enhance sustainability. | USD 100 million (expected) |  Unknown |   | **54** |
|  |  |  |  |  |  |  |  |  |
| Asian Development Bank  | [Water Financing Partnership facility](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BWater%2BFinancing%2BPartnership%2BFacility) | Asia | Water supply, sanitation, wastewater management | The Water Financing Partnership Facility supports the development and expansion of urban water services in Developing Member Countries of the Asian Development Bank. It finances grant component of demonstration projects and provides technical assistance and capacity building to improve integrated water management. | USD 102 million (2013) |  Unknown | Delhi, Ho Chi Minh | **56** |
| Inter-American Development Bank | [Sustainable Energy and Climate Change Initiative](https://www.c40exchange.org/pages/viewpage.action?pageId=42959600) | Latin America | Climate change adaptation and mitigation | The Sustainable Energy and Climate Change Initiative is a fund set up by the Inter-American Development Bank to support climate change adaptation and mitigation projects and policies in its borrowing countries. It finances pre-project investments (feasibility studies), pilot projects and provides technical assistance to beneficiaries. | USD 8.35 million (2014, yearly budget) | Yes |   | **59** |
| Inter-American Development Bank | [InfraFund](https://www.c40exchange.org/pages/viewpage.action?pageId=42959607) | Latin America | climate change adaptation & mitigation, renewable energy sources, energy efficiency, urban transportation | The InfraFund provides technical assistance and grant opportunities to catalyze investment in urban infrastructure in Inter-American Development Bank borrowing countries. | USD 9.71 million (2014, yearly budget) | Yes | Rio de Janeiro | **61** |
|  |  |  |  |  |  |  |  |  |
| Inter-American Development Bank | [AquaFund](https://www.c40exchange.org/pages/viewpage.action?pageId=42959702) | Latin America | Water supply and sanitation, water resources management, solid waste management, wastewater treatment | The AquaFund aims at facilitating investment in water supply and sanitation, water resources management, solid waste management, and wastewater treatment in IDB borrowing countries. | USD 2.2 million (2014, yearly budget) | Yes | Rio de Janeiro, Bogota, Buenos Aires | **63** |
| European Bank for Reconstruction and Development | [Sustainable Energy initiative](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BSustainable%2BEnergy%2BInitiative) | Europe (Eastern) | Energy efficiency, renewable energy sources, urban transportation, waste and wastewater management | The Sustainable Energy initiative provides sovereign and sub-sovereign loans, technical assistance and capacity building support for clean energy projects in EBRD countries of operation. | Between €4.5 and €6.5 billion (2012-2014) | Yes |   | **65** |
| Japanese Ministry of Foreign Affairs | [Japan Fast Start Finance (Hatoyama Initiative)](https://www.c40exchange.org/pages/viewpage.action?pageId=42959801)  | International (developing countries) | Climate change adaptation & mitigation, energy efficiency, renewable energy sources | The Japan Fast Start Finance programme offers bilateral grants and loans to adaptation and mitigation activities in developing countries in consultation with Japanese development agencies. | USD 11 billion | Unknown | Delhi | **68** |
|  |  |  |  |  |  |  |  |  |
| German Federal Environment Ministry | [German International Climate Initiative](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGerman%2BInternational%2BClimate%2BInitiative) | International (developing countries) | Climate change adaptation and mitigation | The German International Climate Initiative, operated by Germany's Federal Environment Ministry, provides bilateral funding opportunities to adaptation and mitigation projects in developing countries and countries in transition (Eastern Europe). | €120 million (yearly budget) | No | Beijing | **70** |

**Table of Programmes by Priority Area**

| **Organisation** | **Name of the fund / programme**City officials can click link to visit page on C40 Exchange  | **Climate change adaptation** | **Climate change mitigation** | **Energy Efficiency** | **Renewable energy sources** | **Transportation** | **Intelligent city infrastructure** | **Water, wastewater and sanitation** | **Power** | **District heating** | **Gas transmission and distribution** | **Essential public services** | **Urban agriculture and forestry** | **Waste management** | **Urban renewal projects** | **Page number** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| European Union (EU) | [JESSICA](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BJESSICA) |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **15** |
| European Union (EU) | [ELENA](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BELENA) |  |  | ✓ | ✓ |  |  |  |  |  |  |  |  |  |  | **17** |
| European Union (EU) |  [LIFE Sub-programme for Climate Action](https://www.c40exchange.org/pages/viewpage.action?pageId=42959405)  | ✓ | ✓ |  |  |  |  |  |  |  |  |  |  |  |  | **20** |
| European Union (EU) | [European Energy Efficiency Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BEuropean%2BEnergy%2BEfficiency%2BFund) |  |  | ✓ | ✓ |  |  |  |  |  |  |  |  |  |  | **23** |
| European Union (EU) | [Horizon 2020](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BHorizon%2B2020) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |  |  |  |  |  |  |  |  | **26** |
| World Bank Group | [Joint IFC/IBRD Sub-National Finance program](https://www.c40exchange.org/pages/viewpage.action?pageId=42959486) |  |  |  |  | ✓ |  | ✓ | ✓ | ✓ | ✓ | ✓ |  | ✓ |  | **29** |
| Joint Multilateral Organizations | [Clean Technology Fund (*Climate investment Funds*)](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BClean%2BTechnology%2BFund) |  |  | ✓ | ✓ | ✓ |  |  |  |  |  |  |  |  |  | **31** |
| Joint Multilateral Organizations | [Scaling Up Renewable Energy Program  (*Climate Investment Funds*)](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BScaling%2BUp%2BRenewable%2BEnergy%2BProgram) |  |  | ✓ | ✓ |  |  |  |  |  |  |  |  |  |  | **34** |
| Green Climate Fund | [Green Climate Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGreen%2BClimate%2BFund)  | ✓ | ✓ |  |  |  |  |  |  |  |  |  |  |  |  | **37** |
| Adaptation Fund | [Adaptation Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BAdaptation%2BFund) | ✓ |  |  |  |  |  |  |  |  |  |  |  |  |  | **39** |
| Global Environment Facility | [Global Environment Facility Trust Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGlobal%2BEnvironment%2BFacility%2BTrust%2BFund) | ✓ | ✓ | ✓ | ✓ | ✓ |  |  |  |  |  |  | ✓ | ✓ |  | **42** |
| Global Environment Facility | [Special Climate Change Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGEF%2BSpecial%2BClimate%2BChange%2BFund) | ✓ |  |  |  |  |  |  |  |  |  |  |  |  |  | **45** |
| Global Environment Facility | [Least Developed Countries Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGEF%2BLeast%2BDeveloped%2BCountries%2BFund) | ✓ |  |  |  |  |  |  |  |  |  |  |  |  |  | **47** |
| Asian Development Bank | [Urban Financing Partnership Facility](https://www.c40exchange.org/pages/viewpage.action?pageId=42959584) | ✓ | ✓ |  |  | ✓ |  | ✓ |  |  |  |  |  | ✓ | ✓ | **49** |
| Asian Development Bank | [Clean Energy Financing Partnership Facility](https://www.c40exchange.org/pages/viewpage.action?pageId=42959591) |  |  | ✓ | ✓ | ✓ |  |  |  |  |  |  |  |  |  | **52** |
| Asian Development Bank | [Sustainable Transport Partnership Facility](https://www.c40exchange.org/pages/viewpage.action?pageId=42959596) (not yet operational) |  |  |  |  | ✓ |  |  |  |  |  |  |  |  |  | **54** |
| Asian Development Bank  | [Water Financing Partnership facility](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BWater%2BFinancing%2BPartnership%2BFacility) |  |  |  |  |  |  | ✓ |  |  |  |  |  |  |  | **56** |
| Inter-American Development Bank | [Sustainable Energy and Climate Change Initiative](https://www.c40exchange.org/pages/viewpage.action?pageId=42959600) | ✓ | ✓ |  |  |  |  |  |  |  |  |  |  |  |  | **59** |
| Inter-American Development Bank | [InfraFund](https://www.c40exchange.org/pages/viewpage.action?pageId=42959607) | ✓ | ✓ | ✓ | ✓ | ✓ |  |  |  |  |  |  |  |  |  | **61** |
| Inter-American Development Bank | [AquaFund](https://www.c40exchange.org/pages/viewpage.action?pageId=42959702) |  |  |  |  |  |  | ✓ |  |  |  |  |  | ✓ |  | **63** |
| European Bank for Reconstruction and Development | [Sustainable Energy initiative](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BSustainable%2BEnergy%2BInitiative) |  |  | ✓ | ✓ | ✓ |  | ✓ |  |  |  |  |  | ✓ |  | **65** |
| Japanese Ministry of Foreign Affairs | [Japan Fast Start Finance (Hatoyama Initiative)](https://www.c40exchange.org/pages/viewpage.action?pageId=42959801)  | ✓ | ✓ | ✓ | ✓ |  |  |  |  |  |  |  |  |  |  | **68** |
| German Federal Environment Ministry | [German International Climate Initiative](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGerman%2BInternational%2BClimate%2BInitiative) | ✓ | ✓ |  |  |  |  |  |  |  |  |  |  |  |  | **70** |

**Jessica**

**Description**

The Joint European Support for Sustainable Investment in City Areas (JESSICA) is an initiative developed by the European Commission (EC) with the European Investment Bank (EIB).  JESSICA aims to promote the creation of Urban Development Funds (UDFs) or Holding Funds (HFs) that will invest into public-private partnerships and other projects included in an "integrated plan for sustainable urban development" under the form of loans, equity capital or guarantees. This financial instrument is meant to establish and operate a revolving financing mechanism that enables the involvement and cooperation of public and private actors to implement projects.

The JESSICA initiative is primarily meant for European cities aiming to finance Medium / High risk environmental projects. PPPs are usually the preferred operational mode for developing such projects as they allow sharing of the risk between public and private stakeholders.

**Quick Facts**

|  |  |
| --- | --- |
| **Implementing institution** | European Commission & European Investment Bank |
| **Type of funding** | Loans, equity, guarantees. |
| **Priority Area** | none specified |
| **Scope** | none specified |

**Additional Benefits**

1) Recycling public funds

2) Leveraging private sector funds

3) Flexibility of financial instruments (equity, debt or guarantee investment)

4) Expertise from the banking and private sector, as well as of the EIB in the context of Holding Funds

|  |  |
| --- | --- |
| **Total Size of Fund** | N/A |
| **Maximum Funds Available for Individual Projects** | Depends on the financing structure of each project. |
| **Co-financing** | Required |

**Eligibility**

1) The project must be part of an “integrated plan for sustainable development”

2) The project must have a minimal level of commercial viability in order to retain private investment and allow the revolving of funds on a long term basis.

**Type of activities/projects that can be funded**

1) urban infrastructure: transport, water resources/waste water treatment, energy, etc.;

2) historical or cultural heritage, for tourist purposes or other sustainable uses;

3) conversion of abandoned industrial sites, including reclamation and decontamination work;

4) office space for small and medium-sized enterprises and for firms in sectors such as information technology and R&D;

5) university premises, including facilities for medical, biotechnology and other specialist activities;

6) improvements in energy efficiency.

**Application procedure**

See attached resources - [EU factsheet](http://www.eib.org/attachments/thematic/jessica_2008_en.pdf)

**Implementation structure**

See attached resources - [EU factsheet](http://www.eib.org/attachments/thematic/jessica_2008_en.pdf)

**Deadlines for application**

No deadline

**C40 Cities Examples**

* [The Greater London Authority implemented JESSICA through the creation of the London Green Fund](http://www.london.gov.uk/priorities/business-economy/championing-london/london-and-european-structural-funds/european-regional-development-fund/jessica-london-green-fund)

**Potential C40 Cities Recipients**

* C40 Cities part of the European Union.

### Resources

* [EU Factsheet](http://www.eib.org/attachments/thematic/jessica_2008_en.pdf)
* [JESSICA FAQ](http://www.eib.org/products/jessica/faq/?lang=en)

**Elena**

#### Description

The European Local Energy Assistance (ELENA) is a European Facility aiming, through financing technical assistance, to support regional or local authorities in accelerating their investment programmes in the fields of energy efficiency and renewable energy sources. It is embedded within the framework of the Intelligent Energy Europe programme (IEE II) and contributes to the environmental objectives set by the “20-20-20” initiative of the EU.

Eligible technical assistance include feasibility and market studies, structuring of programmes, business plans, energy audits, preparation of tendering procedures and contractual arrangements and project implementation units. The actions featured in the municipalities’ action plans and investment programs must be financed through other means, such as loans, ESCOs or Structural Funds.

There are different procedures to access ELENA funding, implemented jointly by the EIB and different partners, according to the size of the overall project and the total amount requested: ELENA-KfW, ELENA-CEB and EBRD-ELENA.

#### Quick facts

|  |  |
| --- | --- |
| **Implementing Institution** | European Investment Bank (EIB) and partnering institutions: KfW, CEB and the EBRD. |
| **Type of funding** | Grants |
| **Priority Area** | Energy Efficiency;Renewable Energy Sources |
| **Scope** | Technical assistance - project preparation |

**Additional Benefits**

1) Scaling up and bundling energy efficiency investments

2) Increased capacity building within local authorities (planning & cooperation)

3) Improvement of project’s bankability and access to finance

|  |  |
| --- | --- |
| **Total size of the fund** | annual budget: 15 million euros |
| **Maximum funding available for individual projects** | N/A |
| **Co-financing** | Required. Maximum co-financing rate: 90% of eligible costs required for technical support related to a clearly identified investment programme |

**Entity Eligibility**

* Currently, eligible countries to the ELENA facility are the EU member states, as well as Norway, Iceland, Liechtenstein, Croatia and FYR Macedonia.
* Local governments and municipalities member of the aforementioned countries are eligible entities to pursue ELENA funding.
* The applicant must demonstrate its ability to finance and implement the overall project in order to access funding.

#### Project eligibility

* contribute to the “20-20-20” strategy of the EU
* potential "bankability" of projects
* projects must be worth above €30 million
* expected Leverage Factor: the cost of the investment to be supported must be at least 20 times the amount of the ELENA contribution.

**Type of activities that can be supported:**

* public and private buildings, including social housing and street and traffic lighting, to support increased energy efficiency
* integration of renewable energy sources into the built environment
* investments into renovating, extending or building new district heating/cooling networks
* urban transport to support increased energy efficiency and integration of renewable energy sources
* local infrastructure including smart grids, information and communication technology infrastructure for energy efficiency, energy-efficient urban equipment, inter-modal transport facilities and refuelling infrastructure for alternative fuel vehicles

#### Application procedure

* Local governments can send their project proposals to the EIB (in charge of the facility) for a first eligibility "check up"
* If the EIB responds positively, the application process can start and the recipient will have to fill in an application form, that will then be assessed by the EIB.
* see the [ELENA Q&A](http://www.eib.org/attachments/documents/elena_faq_en.pdf) resource for more details.

#### Implementation structure

N/A

#### Deadlines for application

no deadline.

#### C40 Cities examples

[The City of Paris benefited from ELENA funds to prepare and implement an energy-efficient retroffiting investment program in local schools](http://www.eib.org/attachments/documents/paris_project_factsheet_en.pdf)

**Potential C40 Cities recipients**

C40 Cities part of the European Union as well as Norway, Iceland, Liechtenstein, Croatia and FYR Macedonia

##### **Resources**

* [ELENA Q&As](http://www.eib.org/attachments/documents/elena_faq_en.pdf)
* [application form](http://www.eib.org/attachments/documents/elena_application_form_en.pdf)
* [webpage (EIB website)](http://www.eib.org/products/elena/?lang=en)

**LIFE Sub-programme for Climate Action (2014-2020)**

### Description

The LIFE sub-programme for Climate Action is an initiative set up and funded by the European Commission.  It delivers grants and/or other financing tools such as loans or guarantees, when appropriate - to support the financing of cutting-edge/best-practice sustainable projects in three key priority areas: "Climate Mitigation", "Climate Adaptation" and "Governance and Information", all three being related to enhancing the resilience of urban areas to climate change. Projects eligible for funding have to be pilot, demonstration, best practice or information & communication projects (see Structure and Requirements section for further details).

LIFE projects are opened to legal entities part of EU member countries. These projects can be transnational and encompass third countries that are related to the European Union (European Free Trade Association, candidate countries, countries to which the European Neighbourhood Policy applies, and countries member of the European Environmental Agency). LIFE Climate Action can finance activities in such foreign countries, provided that the coordinating beneficiary of the LIFE fund is located in an EU member state.

According to the application guidelines, public bodies (whether national, regional or local) are eligible to apply directly to the LIFE subprogramme, hence municipalities.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | European Commission |
| **Type of funding** | Grants, loans, guarantees |
| **Priority Area** | Adaptation, Mitigation, Governance & information |
| **Scope** | Project investment, Technical assistance, Capacity-building |

|  |  |
| --- | --- |
| **Total Size of the Fund** |  2014 - 2020 period:  €864 million 2014 budget : €44.26 million |
| **Maximum Funds Available for Individual Projects** | N/A |
| **Co-financing** | Required.The maximum contribution of LIFE Climate Action is 60% of the total eligible project costs (except for capacity building projects, for which the contribution can go up to full financing). |

### Entity Eligibility

* Eligible entities include public bodies at the local level, hence municipalities and local governments.
* Eligible entities are located in member countries of the EU, as well as in third countries (European Free Trade Association, candidate countries, countries to which the European Neighbourhood Policy applies, and countries member of the European Environmental Agency), provided that the coordinating beneficiary (entity legally and financially responsible for the implementation of the project) is located on the territory of an EU member state.
* The coordinating beneficiary and any associated beneficiaries are expected to provide a reasonable financial contribution to the project budget
* Match funding must be secured before applying to LIFE Climate Action
* For more precisions, look at the [application guidelines](http://mayors-adapt.eu/wp-content/uploads/2014/06/LIFE-2014-Climate-sub-programme-Application-Guide.pdf)

### Project Eligibility

Projects eligible for funding display climate mitigation and/or climate adaptation targets.

Eligible projects are dispatched in 4 categories:

1) pilot projects aim to assess the effectiveness of a new method or technology that has never been tested before ;

2) demonstration projects aim to put into practice innovative sustainable technologies and approaches that have never been tested in a particular context / environment;

3) best-practice projects refers to projects that apply appropriate, cost-effective, state of the art approaches and technology, fit to the specific context ;

4) information, awareness and dissemination projects aim at supporting the communication on climate change mitigation, adaptation and governance.

#### Application procedure

LIFE Climate Action proceeds through call for proposals. A call is open when project leaders can submit their applications. A call for proposals is closed when the period of submission is over. Project proposals may be submitted by a local public body such as a municipality.

#### Implementation structure

If the proposal is received, the applicant receives the EU financial contribution and becomes legally and financially responsible of project implementation ("coordinating beneficiary"). Applicants are encouraged to include associated beneficiaries, co-financers and sub-contractors (public or private) in a LIFE project.

Transnational projects imply that the coordinating beneficiary is located on the territory of an EU member state.

Precise guidelines on the roles of these stakeholders can be found [here](http://mayors-adapt.eu/wp-content/uploads/2014/06/LIFE-2014-Climate-sub-programme-Application-Guide.pdf) (1.5.3)

#### Deadlines for application

LIFE 2014 :

1) application submission : before 4pm Brussels local time on 16 October 2014

2) signature of grant agreements: May-June 2015

3) projects’ earliest starting date: 16 July 2015

#### C40 Cities Examples

N/A

#### Potential C40 Cities Recipients

C40 Cities part of EU member countries, as well as C40 cities part of countries falling under these categories: European Free Trade Association, candidate countries, countries to which the European Neighbourhood Policy applies, and countries member of the European Environmental Agency.

### Resources

* [LIFE Climate Action application guidelines](http://mayors-adapt.eu/wp-content/uploads/2014/06/LIFE-2014-Climate-sub-programme-Application-Guide.pdf)
* [LIFE Climate Action project evaluation criteria](http://ec.europa.eu/clima/policies/budget/life/docs/guide_for_evaluators_en.pdf)

**European Energy Efficiency Fund**

### Description

The European Energy Efficiency Fund (EEEF) provides market-based financing for commercially viable public energy efficiency, renewable energy and clean urban transport projects related to public sector activities in the 28 EU member countries, in line with the "20 20 20" vision for Europe. It was created in 2011 as a reallocation of unspent funds of the European Energy Programme for Recovery (EEPR) and has since been managed by Deutsche Bank.  It contributes with a layered risk/return structure to enhance energy efficiency and foster renewable energy in the form of a public private partnership (PPP), primarily through the provision of dedicated financing via direct finance or/and partnering with financial institutions with instruments such as: debt, mezzanine instruments, guarantees, and equity as well as leasing structures and forfeiting loans. The credit interest rate depends on the risk structure of the investment.  Beneficiaries of the Fund are municipal, local and regional authorities as well as public and private entities acting on behalf of those authorities (such as ESCOs).

### Quick Facts

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| --- | --- |
| **Implementing institution** | Deutsche Bank |
| **Type of funding** | Market-rate loans, guarantees, equity, other financial instruments |
| **Priority Area** | Energy Efficiency, Renewable Energy Sources, Sustainable urban transport |
| **Scope** | Project Investment, Technical assistance (grant) |

#### Additional Benefits

* Fast and flexible financing. Equity can be adapted to the needs of the project, debt can be provided for maturities up to 15 years.
* Entirely dedicated to municipal and local financing in urban settings

|  |  |
| --- | --- |
| **Total Size of Fund** | €146 million |
| **Maximum Funds Available for Individual Projects** | Project investment demand must be comprised between €5 and €25 million. |
| **Co-financing** | Not required |

**Entity Eligibility**

* EEEF’s activities are limited to the territory of the EU member states.
* Beneficiaries of the Fund are municipal, local and regional authorities as well as public and private entities acting on behalf of those authorities, such as local energy utilities, Energy Service Companies (ESCOs), district heating combined heat and power (CHP) companies or public transport providers (there has to be a direct or indirect municipal link in the project).

### Project Eligibility

To benefit from EEEF's financial instruments, projects must:

* achieve at least 20% primary energy savings for energy efficiency projects, as well as a 20% C02 emissions reduction for transportation projects
* have concrete objectives in place to mitigate climate change as well as multi-annual strategies in doing that
* display proven technologies only

Sustainable energy investments promoted by local, regional and (where justified) national public authorities, could include but are not limited to:

* energy saving measures in public buildings; investments in high efficient combined heat and power (CHP), including micro-cogeneration and district heating/cooling networks;
* investments in decentralized renewable energy sources, including micro-generation;
* clean urban transport;
* the modernization of infrastructure, such as street lighting and smart grids, as well as investments in sustainable energies with a potential for innovation and growth.

#### Application procedure

Application for the EEEF follows a [specific eligibility check procedure online](http://www.eeef.eu/eligibility-check.html). The Investment Manager (Deutsche Bank) will conduct a first assessment about the eligibility of the project and alignment with Fund’s investment guidelines, and the overall portfolio fit. If the outcome of the first screening is positive, the Investment Manager will start a due diligence process, which if successful will lead to the financial closing.

#### Implementation structure

No particular requirements.

#### Deadlines for application

No deadline.

#### C40 Cities Examples

N/A

#### Potential C40 Cities Recipients

C40 Cities part of the European Union

### Resources

* [EEEF website](http://www.eeef.eu/)
* [EEEF Q&As](http://www.eeef.eu/tl_files/downloads/Frequently%20Asked%20Questions%20EEEF.pdf)

**Horizon 2020**

### Description

Horizon 2020 (H2020) is the large-scale Research and Innovation program of the EU replacing previous R&I initiatives such as F7. Managed by the European Commission, Horizon 2020 will encourage and support activities, through grant funding, towards exploiting Europe's leadership in the race to develop new processes and technologies promoting sustainable development, in a broad sense, and combating climate change. Most of sustainable infrastructure funding opportunities through H2020 can be found in the Societal Challenges category - one of H2020's strategic investment pillars - outlined in three main targets: Secure, clean & efficient energy, smart, green & integrated transport, and Climate action, environment, resource efficiency & raw materials.

The 2014-2015 work programme offers funding opportunities across five themes that are of specific interest to C40 cities in Europe: "Competitive low-carbon energy", "Energy efficiency", "Mobility for Growth", "waste: a resource to recycle, reuse and recover raw materials" and "Smart cities and communities".

The grants are opened to legal entities based in Member states and in [third countries](http://ec.europa.eu/research/participants/data/ref/h2020/wp/2014_2015/annexes/h2020-wp1415-annex-a-countries-rules_en.pdf). Municipalities and local governments located in these countries can therefore submit their proposals to project calls on the H2020 website.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | European Commission |
| **Type of funding** | Grants |
| **Priority Area** | Energy Efficiency, Renewable Energy Sources, Sustainable urban transport, Intelligent city infrastructure, Climate adaptation, Climate mitigation |
| **Scope** | Project investment |

#### Additional Benefits

Additional benefits should be measured according to the expected outcomes of each call, published on the H2020 web portal.

|  |  |
| --- | --- |
| **Total Size of Fund** | envelope of H2020 for the 2014 - 2020 period:  €80 billion. 2014-2015 work programme : Competitive low-carbon energy : €359 million; Energy efficiency : €98 million; Mobility for growth : €375 million;  Waste : a resource to recycle, reuse and recover raw materials : €73 million; Smart Cities and Communities : €92 million. |
| **Maximum Funds Available for Individual Projects** | depends on the budget of each call |
| **Co-financing** | Required |

**Entity Eligibility**

Legal entities (including municipalities and local governments) established in the following countries and territories will be eligible to receive funding through Horizon 2020:

* The member states of the European Union
* The Overseas Countries and Territories (OCT) linked to the Member States
* The Countries Associated to Horizon 2020
* and other countries.

For a list of all eligible countries, click [here](http://ec.europa.eu/research/participants/data/ref/h2020/wp/2014_2015/annexes/h2020-wp1415-annex-a-countries-rules_en.pdf).

### Project Eligibility

Project eligibility is primarily dependent upon the requirements set out for each H2020 call for proposals. Yearly work programmes outline the targets and sectors prioritized.

The 2014-2015 work programme plans calls for proposals in the following categories: "Competitive low-carbon energy", "Energy efficiency"; "Waste : a resource to recycle, reuse and recover raw materials" and "Smart Cities and Communities".

#### Application procedure

H2020 publishes calls on its webpage to which projects proposals can apply.

Once a proposal is submitted, the Commission:

* checks it is admissible (complete and properly put together) and eligible
* asks independent experts to evaluate it.

In the evaluation process, proposals are given scores for excellence, impact, and quality and efficiency of implementation – based on the [**Standard Evaluation Criteria**](http://ec.europa.eu/research/participants/data/ref/h2020/wp/2014_2015/annexes/h2020-wp1415-annex-h-esacrit_en.pdf).

A panel then checks that the evaluation criteria have been consistently applied to all proposals for the same call.

Coordinators are informed of how their proposal did in the evaluation. A positive result does not constitute a confirmed offer of a grant.

Following the evaluation round, grant preparations are opened for the highest-scoring proposals.

**Implementation structure**

Depends on each call. Some H2020 calls for proposals require the cooperation of at least 3 legal entities per project (usually from different countries).

#### Deadlines for application

Call for proposals are published and updated frequently on the [H2020 Participant Portal](http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/index.html).

To be considered admissible, a proposal must be submitted in the Electronic Submission System before the deadline given in the call conditions.

#### C40 Cities Examples

N/A

#### Potential C40 Cities Recipients

C40 cities part of EU member countries and other countries eligible for funding under H2020 (see the 'structure and requirements' section for more details).

#### Resources

* [H2020 online application manual](http://ec.europa.eu/research/participants/docs/h2020-funding-guide/index_en.htm)
* [H2020 calls for proposals](http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/search/search_topics.html)
* [H2020 standard eligibility criteria](http://ec.europa.eu/research/participants/data/ref/h2020/wp/2014_2015/annexes/h2020-wp1415-annex-c-elig_en.pdf)
* [H2020 standard evaluation criteria](http://ec.europa.eu/research/participants/data/ref/h2020/wp/2014_2015/annexes/h2020-wp1415-annex-h-esacrit_en.pdf)

**Joint IFC/IBRD Subnational Finance Program**

### Description

The Subnational Finance Program was founded in 2009 by the International Finance Corporation (IFC) jointly with the International Bank for Reconstruction and Development (IBRD) - two institutions of the World Bank Group -  with the aim of providing creditworthy local and regional authorities of middle-income and low-income countries with a wide range of sovereign guarantee-free financial instruments (loans, guarantees, equity) to finance their infrastructural needs. The programme also provides financing for Public Private Partnerships (PPPs) and financial intermediaries such as banks.

Financing under the subnational program is offered on a commercial basis. Multiple factors affect pricing including country and project risk, financial market conditions, transaction costs, size, tenor, and currency.

Additionally to the goal of financing local projects, the joint program assists sub-national entities to gain access to financial markets and to build local capacity and creditworthiness. The program complements the World Bank's sovereign guarantee backed financial support to the public sector and IFC's support to infrastructure projects through private sector sponsorship.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | International Finance Corporation (IFC) and International Bank for Reconstruction and Development (IBRD) |
| **Type of funding** | Loans, equity, guarantees |
| **Priority Area** | none specified |
| **Scope** | none specified |

#### Additional Benefits

* obtain finance without sovereign guarantees, reduce red tape and bureaucratic hurdles
* benefit from the AAA-rated balance sheet of the International Finance Corporation. This implies that non-sovereign public sector entities can access the full range of financial instruments that were traditionally offered only to private-sector clients
* benefit from the IFC expertise in developing creditworthiness and harnessing local financing solutions.

**Entity Eligibility**

* The borrower has to be located in a middle-income or low-income country.
* Municipalities and other local and regional authorities are eligible to apply. In some countries the borrowing subnational entity may have to aquire the consent of the central government in order to obtain financing.
* Only entities with the best prospects for improved financial viability and sustained development will be supported.

### Project Eligibility

The Subnational Finance program provides financing for infrastructure projects falling in the following categories: water and wastewater; transportation; solid waste management; power, district heating, gas transmission and distribution and other essential public services.

#### Application procedure

Directly contact the Subnational Finance Team for more information (see contacts on the bottom of the [Subnational finance factsheet](http://www.globalclearinghouse.org/infradev/assets%5C10/documents/Subnational%20Brochure%20CSF.pdf)).

#### Implementation structure

N/A

#### Deadlines for application

no deadline

#### C40 Cities Examples

The [City of Johannesburg used the subnational finance program](http://www.ifc.org/wps/wcm/connect/industry_ext_content/ifc_external_corporate_site/industries/infrastructure/subnational_finance/africa_sa_joburg_bond) in order to enhance its bond credit rating thanks to a guarantee issued by IFC and Development Bank of Southern Africa.

#### Potential C40 Cities Recipients

The subnational finance program is primarily targeted at middle income countries but can also apply to low income countries. C40 cities of these categories can apply for financing.

### Resources

* [Subnational Finance factsheet](http://www.globalclearinghouse.org/infradev/assets%5C10/documents/Subnational%20Brochure%20CSF.pdf)
* [Website](http://www.ifc.org/wps/wcm/connect/industry_ext_content/ifc_external_corporate_site/industries/infrastructure/subnational_finance)

**Clean Technology Fund**

### Description

The Clean Technology Fund (CTF) is one of the two multi-donor trust funds of the Climate Investment Funds (CIF), implemented jointly by Multilateral development Banks (MDBs) and the World Bank Group. It provides [middle and low-income countries](http://data.worldbank.org/about/country-and-lending-groups#Lower_middle_income) with highly concessional resources to explore options to scale up the demonstration, deployment, and transfer of low carbon technologies with significant GHG emission reduction potential in renewable energy, energy efficiency, and sustainable transport. The funds specifically aims to:

* Provide positive incentives, through public and private sector investments, for the demonstration of low carbon development and mitigation of greenhouse gas emissions;
* Fund low carbon programs and projects that are embedded in national plans and strategies, scaling up development and accelerating the diffusion and transfer of clean technologies
* Realize environmental and social co-benefits, illustrating the potential for low-carbon technologies in contributing to sustainable development and the Millennium Development Goals;
* Support international cooperation on climate change
* Utilize skills and capabilities of the MDBs to raise and deliver new and additional resources, including official and concessional funding, at significant scale; and
* Share experiences and lessons learned in responding to climate change challenges.

Accessing CTF funding requires the production of of CIT investment plan at the national level, under recipient country leadership. The investment plan can provide financing for subnational projects, such as infrastructure projects at the municipal scale. If endorsed by the CTF, such plans may then include significant urban programmes from which cities can benefit.

**Quick Facts**

|  |  |
| --- | --- |
| **Implementing institution** | World Bank Group, Regional Development Banks (Asian Development Bank, African Development Bank, Inter-American Development Bank and the European Bank for Reconstruction and Development). |
| **Type of funding** | Concessional loans, grants (project preparation only) |
| **Priority Area** | Energy Efficiency, Renewable Energy Sources, Sustainable urban transport |
| **Scope** | Project investment |

#### Additional Benefits

* Utilizing MDB capabilities to leverage private and public resources for low carbon investments;
* Promoting environmental and development co-benefits to demonstrate how low carbon technologies can contribute to national development goals and strategies;
* Providing concessional financing with a grant element tailored to cover the identifiable additional costs of the investment necessary to make the project viable

|  |  |
| --- | --- |
| **Total Size of Fund** | USD 4.5 billion |
| **Maximum Funds Available for Individual Projects** | N/A |
| **Co-financing** | N/A |

**Entity Eligibility**

* Eligibility for funding is country based; subnational entities such as municipalities are not eligible to apply for funding.
* The investment plan is developed under the recipient country's leadership and should build on existing country-owned strategies or action plans.
* Application is opened to the following countries: [middle and low-income countries](http://data.worldbank.org/about/country-and-lending-groups#Lower_middle_income), and Countries that have an active MDB country program (World Bank and Regional Development Banks) including Algeria (MENA), Colombia, Egypt (Country and MENA), Indonesia, Jordan (MENA), Kazakhstan, Mexico, Morocco (Country and MENA), Philippines, South Africa, Thailand, Tunisia (MENA), Turkey, Ukraine, Vietnam.

### Project Eligibility

* Renewable energy: concentrating solar power, solar photovoltaic, geothermal, wind, small hydro
* Sustainable transport: bus rapid transit, public transportation, high-efficiency vehicles, modal shifts
* Energy efficiency: industry, building, district heating, municipal, lighting, appliances

#### Application procedure

1. MDBs’ jointly review and assess interested eligible countries’ investment potential to meet CTF investment guidelines;
2. MDBs engage discussion with interested governments, private industries and other stakeholders how CTF may help finance scaled-up low carbon activities
3. Under the leadership of the recipient country, an investment plan is produced
4. A Trust Fund Committee reviews the investment plan, endorses further development of activities for CTF financing, and facilitates prioritization of projects according to agreed criteria such as:

- Potential GHG emission savings

- Demonstration potential

- Development impact

- Implementation potential

**Implementation structure**

The Clean Technology Fund Investment Plan (IP) is to be defined at the national level and is further implemented under the leadership of the MDBs and central governments.

#### Deadlines for application

no deadline.

#### C40 Cities Examples

The City of Bangkok benefited USD 70 million from the USD 300 million CTF funding allocated to Thailand in order for the city to implement its [2007-2012 Climate Change Action Plan](http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/CTF%20Thailand%20January%202011%202-17-11.pdf)

Mexico City, Bogota, Cairo and Ho Chi Minh City also benefited from CTF financing, for sustainable [urban transportation projects](https://www.climateinvestmentfunds.org/cif/node/3362).

**Potential C40 Cities Recipients**

C40 Cities located in middle and low-income countries which have not yet developed or are currently developing a CTF investment plan.

### Resources

* [CTF financing products, terms and review procedures](https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/CTF_Financing_Products_Terms_Public_Sector_Nov2013_0.pdf)
* [Climate Investment Funds website](https://www.climateinvestmentfunds.org/cif/)

**Scaling up Renewable Energy Program**

### Description

The Scaling Up Renewable Energy Program in low Income countries (SREP) is a targeted initiative of the Strategic Climate Fund, one of the two funds - with the CTF, see the table - deployed under the Climate Investment Funds (CIF) framework. The SREP was designed to demonstrate the economic, social and environmental viability of low carbon development pathways in the energy sector in [low-income countries](http://data.worldbank.org/about/country-and-lending-groups#Lower_middle_income), and aims to catalyze scaled up investments in renewable energy markets by enabling government support for market creation and private sector implementation. The specific goals of this program are to

* Assist low income countries foster transformational change to low carbon pathways by exploiting renewable energy potential;
* Highlight economic, social and environmental co-benefits of renewable energy programs;
* Help scale up private sector investments to achieve SREP objectives;
* Enable blended financing from multiple sources to enable scaling up of renewable energy programs; and
* Facilitate knowledge sharing and exchange of international experience and lessons.

As a part of the Strategic Climate Fund, the SREP is implemented through a pilot approach, meaning that the modalities of access to the fund are mostly top-down (the World Bank and MDBs invite countries to participate to the program). Hence, there is no direct access for cities to apply for funding. However, Investment plans may include urban upstream planning support and city based investments from which cities can benefit.

**Quick Facts**

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| --- | --- |
| **Implementing institution** | World Bank Group, Regional Development Banks |
| **Type of funding** | concessional loans, grants, equity |
| **Priority Area** | Energy Efficiency, Renewable Energy Sources |
| **Scope** | Project investment, technical assistance, capacity building |

#### Additional Benefits

* Utilizing MDB capabilities to leverage private and public resources for low carbon investments;
* Promoting environmental and development co-benefits to demonstrate how low carbon technologies can contribute to national development goals and strategies
* Providing concessional financing with a grant element tailored to cover the identifiable additional costs of the investment necessary to make the project viable

|  |  |
| --- | --- |
| **Total Size of Fund** | USD 318 million |
| **Maximum Funds Available for Individual Projects** | N/A |
| **Co-financing** | Required. SREP financing should be blended with co-financing from multilateral development bank(MDB) lending programs and other national and international, public and private funding. |

**Entity Eligibility**

* Eligibility for funding is country based; subnational entities such as municipalities are not eligible to apply for funding.
* [low-income countries](http://data.worldbank.org/about/country-and-lending-groups#Lower_middle_income) are prioritized.
* A SREP investment plan is developed under the recipient country's leadership, which  should build on existing country-owned strategies or action plans

**Project Eligibility**

SREP provides financing for renewable energy use and generation, specifically for proven “new” renewable energy technologies. For the purposes of SREP, new renewable energy technologies include solar, wind, bioenergy, and geothermal, as well as hydropower with capacities normally not exceeding 10MW per facility.

 Proposals for SREP co-financing will need to demonstrate how they scale-up from lessons learned in pilot and demonstration projects and programs (such as those supported by the GEF). A key criterion will be the potential of the proposal for demonstration and replication.

SREP also supports complementary technical assistance including:  support for planning and pre-investment studies, policy development, legal and regulatory reform, business development and capacity building (including for knowledge management and monitoring and evaluation).

#### Application procedure

The procedure for accessing SREP funds is essentially top-down:

1.   SREP-SC to agree upon number of country or regional pilots and criteria for country selection;

2.   CIF Administrative Unit, through MDBs to inform countries and invite expression of interest;

3.   Selection of pilots by SREP-SC based on Expert Group Report;

4.   MDB scoping mission at invitation of government to assess readiness and capacity for investment plans; and

5.   If requested, MDBs advance preparation grants and investment plan preparation grants to assist development of investment plans.

6.   SREP-SC endorses Investment Plan;

7.   Investment and financing proposals are developed; and

8.   SREP-SC approves financing for investments and other proposals.

#### Implementation structure

The SREP Investment Plan (IP) is to be defined at the national level and is further implemented under the leadership of the MDBs and central governments.

#### Deadlines for application

No deadline

#### C40 Cities Examples

N/A

#### Potential C40 Cities Recipients

C40 cities part of low-income countries willing to develop or currently implementing a SREP program (as of October 2013, eight pilot countries have had Investment Plans endorsed for by the SREP Sub-Committee, of which Ethiopia, Kenya and Tanzania)

### Resources

* [SREP guidelines for pilot country selection and procedure](http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/March_criteria_for_selecting_pilots_SREP_031410.pdf)
* [Climate Investment Funds website](https://www.climateinvestmentfunds.org/cif/)

**Green Climate Fund**

### Description

The Green Climate Fund (GCF) was set up in 2011 as a financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC), with the  aim of becoming the main multilateral financing mechanism to support climate action in [developing countries Parties to the UNFCCC](http://unfccc.int/parties_and_observers/parties/non_annex_i/items/2833.php). It will promote the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries; it will seek to have an optimum impact and balanced funding between adaptation and mitigation, while promoting environmental, social, economic and development co-benefits and taking a gender-sensitive approach. An innovative approach of the GCF is to enhance "National ownership", through "enhanced direct access" channels that will devolute decisionmaking to national entities - or competent subnational or regional entities - nominated by recipient countries for both funding allocation and implementation oversight and management, rather than going through multilateral agencies. This will allow GCF funding to further align on national plans and priorities.  At the time of writing It is yet unclear to what extent "direct access" will be distributive and inclusive of subnational actors, hence which role will cities be allowed to play in this operational mode.

The Fund will have thematic funding windows. Initially, the Fund will have windows for adaptation and mitigation. An integrated approach to funding mitigation and adaptation will be used to allow for cross-cutting projects and programmes. At the time of writing, the Fund is deemed to be operational and could start funding projects by early 2015.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | United Nations, with the World Bank as an Interim Trustee |
| **Type of funding** | Grants |
| **Priority Area** | Climate adaptation, Climate mitigation |
| **Scope** | Project Investment, Technical assistance, Capacity building |

|  |  |
| --- | --- |
| **Total Size of Fund** | The Green Climate Fund is projected to have an initial budget of USD 10 billion for  year 2015, with the aim of reaching USD 100 billion a year by 2020. |
| **Maximum Funds Available for Individual Projects** | N/A |
| **Co-financing** | N/A |

**Entity Eligibility**

* Developing country Parties to the UNFCCC are eligible to receive resources from the Green Climate Fund
* Recipient countries will have direct access through accredite national implementing entities, but also sub-national actors (municipalities are not envisaged) in developing countries, which will have to fulfill strict fiduciary standards in order to be accredited. GCF funds can also be accessed through multilateral implementing entities, such as accredited multilateral development banks and UN agencies.
* recipient countries will determine the mode of access and both modalities can be used simultaneously

### Project Eligibility

The GCF will support projects, programmes, policies and other activities in all developing country parties to the UNFCCC.

The GCF will finance activities to both enable and support adaptation, mitigation (including REDD+), technology development and transfer (including CCS), capacity-building and the preparation of national reports.

Countries will also be supported in the pursuit of project-based and programmatic approaches in accordance with strategies and plans (such as low-emission development strategies, Nationally Appropriate Mitigation Actions, National Adaptation Plans of Action, National Adaptation Plans and others).

#### Application procedure

The Green Climate Fund Board is yet to develop processes for the approval of proposals. The Fund is to have a streamlined programming and approval process to enable timely disbursement. Additionally, the modalities of direct access remain to be agreed.

#### Implementation structure

N/A

#### Deadlines for application

The Green Climate Fund has just become operational and projects will start in early 2015; there is no deadline specified for accessing to GCF funds.

#### C40 Cities Examples

not yet implemented

#### Potential C40 Cities Recipients

C40 Cities part of UNFCCC developing countries (also known as [Non-Annex I countries](http://unfccc.int/parties_and_observers/parties/non_annex_i/items/2833.php))

### Resources

* [Governing Instrument for the Green Climate Fund](http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF-governing_instrument-120521-block-LY.pdf)
* [Green Climate Fund website](http://unfccc.int/cooperation_and_support/financial_mechanism/green_climate_fund/items/5869.php)

**Adaptation Fund**

### Description

The Adaptation Fund (AF) finances concrete adaptation activities in [developing countries Parties of the Kyoto Protocol](https://www.adaptation-fund.org/page/parties-designated-authorities) in order to reduce the adverse effects of climate change facing communities, countries and sectors.  The Adaptation Fund is mostly financed through proceeds from the trade of certified emission reduction (CER) credits under the Clean Development Mechanism (CDM) initiative as well as public and private sector contributions. Two types of activities are supported by the AF:

* Adaptation projects, defined as a set of activities aimed at addressing the adverse impacts of and risks posed by climate change;
* Adaptation programmes, undestood as a process, a plan, or an approach for addressing climate change impacts that are broader than the scope of an individual project.

AF funding is made available through accredited Implementing Entities, which can be National (NIE), Regional (RIE) or Multilateral (MIE, such as the UN institutions) scale. One of the major innovations of the Adaptation Fund has been allowing such accredited national and regional institutions based in developing countries to access AF funding directly, rather than requiring all funding to flow through international multilateral organizations.

Municipalities and local governments are not direcly eligible for funding but can submit project ideas and concepts to their respective Implementing Entities, which will then apply for funding to the AF board. A number of direct applications for initiatives at the urban level have already been received for consideration by the AF board.

### Quick Facts

|  |  |
| --- | --- |
| **Operating institution** | Adaptation Fund Committee |
| **Type of funding** | Grants |
| **Priority Area** | Climate Adaptation |
| **Scope** | Project Investment, Technical Assistance, Capacity building |

#### Additional Benefits

* The Adaptation Fund proposes project-oriented funding, which enhances the importance of the local level as a relevant scale and hence, the role that subnational governments such as municipal authorities can play to develop projects and push for AF funding.
* Specific benefits of the national direct access (for National Implementing Agency): strengthen harmonisation with national systems, plans and priorities; increase the speed of delivery of funds and desired outcomes; cut transaction costs by relying upon domestic institutions for certain core activities; and potentially better encompass local priorities.

|  |  |
| --- | --- |
| **Total Size of Fund** | between USD 300 and 500 million (2012) |
| **Maximum Funds Available for Individual Projects** | Up to USD 10 million per National Implementing Entity (NIE) |
| **Co-financing** | Not required |

**Entity Eligibility**

* Restricted to developing countries Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change.
* Eligible countries choose an Implementing Entity (whether national, regional or mutilateral) which manages projects/programmes proposals submissions and funding applications.

### Project Eligibility

Country allocation takes into account the [Strategic Priorities, Policies and Guidelines of the Adaptation Fund](http://unfccc.int/resource/docs/2008/cmp4/eng/11a02.pdf#page=1), specifically:

* Level of vulnerability to climate change;
* Level of urgency and risks arising from delay of action;
* Ensuring access to the fund in a balanced and equitable manner;
* Lessons learned in project and programme design and implementation to be captured;
* Securing regional co-benefits to the extent possible, where applicable;
* Potential for maximising multi-sectoral or cross-sectoral benefits;
* Adaptive capacity to the effects of climate change;
* Potential for learning lessons in project and programme design and implementation.

**Activities supported include:**

* Water resources management, land management, agriculture, health, infrastructure development, fragile ecosystems;
* Improving the monitoring of diseases and vectors affected by climate change, and related forecasting and early-warning systems, and in this context improving disease control and prevention;
* Supporting capacity building, including institutional capacity, for preventive measures, planning, preparedness and management of disasters relating to climate change;
* Strengthening existing and, where needed, establishing national and regional centres and information networks for rapid response to extreme weather events, utilising information technology as much as possible.

**Application procedure**

* Parties seeking financial resources from the Adaptation Fund must submit their project and programme proposals directly through accredited National, Regional, or Multilateral Implementing Entities (institutions accredited by the Adaptation Fund Board to receive direct financial transfers from the Fund in order to carry out adaptation projects and programmes, such as UNEP or the World Bank). The project needs to be endorsed by the Designated Authority (national contact point for the AF board).
* The project proposal is then submitted to the Adaptation Fund Board for contracting and oversight. If the proposal is validated, the Board delivers the grant to the Implementing Entity.

**Implementation structure**

The project is implemented by the Implementing Entity in charge (regional, national or multilateral). Implementing Entities which have successfully applied for AF project/programme receive funds and channel them to executing agencies, which develop and execute the planned activities.

**Deadlines for application**

No deadline

**C40 Cities Examples**

N/A

**Potential C40 Cities Recipients**

C40 cities part of developing countries Parties to the Kyoto Protocol and that face climate adaptation challenges.

### Resources

* [AF webpage for proposals submission material](https://www.adaptation-fund.org/page/proposal-submission-materials)
* [AF operational policy](https://www.adaptation-fund.org/sites/default/files/OPG%20amended%20in%20November%202013.pdf)

**Global Environment Facility Trust Fund**

### Description

The Global Environment Facility Trust Fund serves as an operating entity of the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC) and contributes to the Convention by supporting mitigation and adaptation projects in developing countries and countries with economies in transition. It is the largest public provider of grant-financed mitigation resources. The GEF Trust Fund is beginning its new pilot phase for the 2014-2018 period (GEF-6) with a total replenishment envelope of USD 4.43 billion. This new phase is that it is embedded within the framework of GEF 2020, a document that sets the vision of GEF for the years to come, with an emphasis placed on forging closer relationships with local governments. The 2014-2018 GEF programme new focal areas are: Biodiversity, Climate Change Mitigation, Chemicals and Waste, International Waters, Land Degradation and Sustainable Forest Management.

GEF Trust Fund resources are mainly allocated through the System for Transparent Allocation of Resources (STAR), which defines an indicative funding envelope for each recipient country, with specific thresholds for each focal area. Projects receive funding on a first come, first served basis.  Remaining funds that have not been allocated through STAR are invested into "Integrated Approaches" which may be of interest for C40 cities (see for instance the dedicated [Sustainable Cities Integrated Approach](http://www.thegef.org/gef/node/10565) in GEF-6).

Municipalities and local entities (universities, etc.) hold a secondary role in the GEF project cycle design, as they can only be executing partners to the GEF, or participate in early project concept development. Projects are implemented and monitored by multilateral organizations that partner with the GEF (for example, the World Bank or the UNDP) or in some cases, through national-level agencies.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | Global Environment Facility and its [partner agencies](http://www.thegef.org/gef/gef_agencies) |
| **Type of funding** | Grants |
| **Priority Area** | Climate Mitigation, Climate Adaptation, Energy Efficiency, Renewable Energy Sources, Urban transportation, Urban agriculture and forestry, waste management |
| **Scope** | Project Investment, Technical Assistance |

|  |  |
| --- | --- |
| **Total Size of Fund** |  GEF-6 (2014-2018): USD 4.43 billion |
| **Maximum Funds Available for Individual Projects** | Up to several millions. Funds are disbursed within the limits of the STAR allocation per country (except for GEF-6 Integrated Approaches). |
| **Co-financing** | Required for all GEF full-size projects (FSPs), medium-side projects (MSPs), and GEF programmatic approaches. |

### Entity Eligibility

Countries are eligible for GEF funding in a focal area if:

* They meet eligibility criteria established by the relevant Convention Of Parties (COP) of the UNFCCC
* They are members of the convention and are countries eligible to borrow from the World Bank (IBRD and/or [IDA](http://www.worldbank.org/ida/borrowing-countries.html))
* They are eligible recipients of UNDP technical assistance through country programming.

### Project Eligibility

The GEF Trust Fund has defined [different project types](http://www.thegef.org/gef/project_types), according to the volume of funding requested and the type of support that is needed to realize the project: full-size projects, medium size projects, enabling activities, programmatic approaches and others. To be taken into consideration a project proposal has to fulfill the following criteria:

1) It is undertaken in an eligible country  (countries that have signed the UNFCCC, and/or countries eligible for World Bank funding). It is consistent with national priorities and programs.

2) It addresses one or more of the GEF Focal Areas, improving the global environment or advance the prospect of reducing risks to it.

3) It is consistent with the GEF operational strategy.

4) It seeks GEF financing only for the agreed-on incremental costs on measures to achieve global environmental benefits

5) It involves the public in project design and implementation.

6) It is endorsed by the government(s) of the country/ies in which it will be implemented.

#### Application procedure

The application procedure follows a GEF-specific [project cycle](http://www.thegef.org/gef/sites/thegef.org/files/gefcs/docs/922.pdf).

**Implementation structure**

The project is assisted and in most cases co-financed by one of GEF's Agencies (comprising UN agencies, Regional Development Banks and the World Bank Group). The Partner Agency has to be chosen when drafting a project proposal, according to the [comparative advantages of each of them](http://www.thegef.org/gef/gef_agencies).

#### Deadlines for application

GEF-6 extends from July 1, 2014 until June 30th, 2018.

#### C40 Cities Examples

The Special Capital Region of Jakarta [benefited from GEF Trust Fund financing](http://www.unep.org/eou/Portals/52/Reports/BRT_Mid-Term_Report.pdf) (under GEP-4), in partnership with the UNEP, in order to implement BRT lines and pedestrian improvements within the city.

#### Potential C40 Cities Recipients

C40 Cities part of to countries that have signed the UNFCCC, and/or cities of countries eligible for World Bank funding.

### Resources

* [GEF-6 programming directions](http://www.thegef.org/gef/sites/thegef.org/files/documents/Annex%20A_GEF_R.6-Rev.04%2C%20Programming%20Directions%2C%20March%2031%2C%202014.pdf)
* [GEF project cycle](http://www.thegef.org/gef/project_cycle)

**GEF Special Climate Change Fund**

### Description

The Special Climate Change Fund (SCCF) is with the Least Developed Countries Fund, one of the work programmes of the Global Environment Facility (GEF) complementing the Trust Fund mainstream funding. More specifically, it was established to support adaptation and technology transfer in all [developing country parties to the United Nations Framework Convention on Climate Change](http://unfccc.int/parties_and_observers/parties/non_annex_i/items/2833.php)  (UNFCCC). The overall objective of the SCCF is to implement adaptation interventions to expand and fortify the resilience of specific national development sectors to the expected effects of climate change. The SCCF will fund measures that take a long-term view of climate change adaptation and appropriate preemptive measures. Ideally the SCCF will catalyze additional resources from bilateral and/or other multilateral sources of financing. Unlike the GEF Trust Fund, access to funding is not structured by the System for the Transparent Allocation of Resources (STAR) procedure.

 SCCF projects are implemented by one of GEF's partner agencies, and usually have a country-wide approach. Municipalities and local entities can participate in the conception and execution of such projects but are not eligible for implementation, nor are they directly eligible for funding.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | Global Environment Facility and its [partner agencies](http://www.thegef.org/gef/gef_agencies) |
| **Type of funding** | Grants |
| **Priority Area** | Climate Adaptation |
| **Scope** | Project Investment, Technical assistance, Capacity building |

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| --- | --- |
| **Total Size of Fund** | approximately USD 110 million |
| **Maximum Funds Available for Individual Projects** | average per project: USD 4.5 million |
| **Co-financing** | Required for all GEF full-size projects (FSPs), medium-side projects (MSPs), and GEF programmatic approaches |

**Entity Eligibility**

Any [Non-Annex I country](http://unfccc.int/parties_and_observers/parties/non_annex_i/items/2833.php) (developing country) who is party to the UNFCCC is eligible for project funding under the SCCF.

**Project Eligibility**

Project eligibility guidelines for the SCCF are essentially the same as for the [GEF Trust Fund](https://www.c40exchange.org/display/COLL/Climate%2BFinance%2B-%2BGlobal%2BEnvironment%2BFacility%2BTrust%2BFund#Structure+and%20Requirements) , with the additional requirements that projects have to generate adaptation benefits and must be country-driven, as well as preferably embedded in preexisting adaptation national frameworks.

The SCCF supports both long-term and short-term adaptation activities in water resources management, land management, agriculture, health,  infrastructure development, fragile ecosystems, including mountainous ecosystems, and integrated coastal zone management.

#### Application procedure

The application procedure follows a GEF-specific [project cycle](http://www.thegef.org/gef/sites/thegef.org/files/gefcs/docs/922.pdf).

#### Implementation structure

The project is assisted and in most cases co-financed by one of GEF's Agencies (comprising UN agencies, Regional Development Banks and the World Bank Group). The Partner Agency has to be chosen when drafting a project proposal, according to the [comparative advantages of each of them](http://www.thegef.org/gef/gef_agencies).

#### Deadlines for application

No deadline

#### C40 Cities Examples

N/A

#### Potential C40 Cities Recipients

C40 Cities part of developing countries that have signed the UNFCCC, and/or countries eligible for World Bank funding.

### Resources

* [SCCF handbook](http://www.thegef.org/gef/sites/thegef.org/files/publication/23470_SCCF.pdf)
* [GEF project cycle](http://www.thegef.org/gef/project_cycle)

**GEF Least Developed Countries Fund**

### Description

The Least Developed Countries Fund (LDCF) is a specific program of the GEF established to meet the adaptation needs of the [49 least developed countries](https://unfccc.int/cooperation_and_support/ldc/items/3097.php) (LDCs) that are particularly vulnerable to the adverse effects of climate change. Specifically, the LDCF has financed the preparation and implementation of National Adaptation Programs of Action (NAPAs), that define and target adaptation actions to be undertaken in such countries. LDCF grants are also awarded to adaptation projects that address high-priority areas identified in the approved, country-specific NAPA, as well as to add-on 'adaptation' components on business-as-usual development projects. Unlike the GEF Trust Fund, access to funding is not structured by the System for the Transparent Allocation of Resources (STAR) procedure.

As for the other GEF-managed funds, municipalities and local authorities are not eligible to access LDCF financing. Cities can however seize the opportunity to obtain technical assistance and funding to benefit from adaptation projects, within the framework of NAPAs and in coordination with their respective central governments.

**Quick Facts**

|  |  |
| --- | --- |
| **Implementing institution** | Global Environment Facility and its [partner agencies](http://www.thegef.org/gef/gef_agencies) |
| **Type of funding** | Grants |
| **Priority Area** | Climate Adaptation |
| **Scope** | Project Investment, Technical assistance |

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| **Total Size of Fund** | USD 485 million |
| **Maximum Funds Available for Individual Projects** | USD 75 million |
| **Co-financing** | Required |

**Entity Eligibility**

The applicant must belong to a [Least Developed Country Party to the UNFCCC](http://unfccc.int/files/cooperation_and_support/ldc/application/pdf/ldc-list-31jan08.pdf)

**Project Eligibility**

* The LDCF supports the preparation of NAPAs wherein supports LDCs to identify priority activities that respond to their urgent and immediate needs to adapt to climate change. Such activities can consist in water resources management, land management, agriculture, health, infrastructure development, fragile ecosystems, including mountainous ecosystems, and integrated coastal zone management.
* The LDCF can also fund NAPA implementation, including the design, development, and implementation of projects on the ground; as well as add-on adaptation components to business as usual development projects (look at the handbook for more details).

#### Application procedure

The application procedure follows a GEF-specific [project cycle](http://www.thegef.org/gef/sites/thegef.org/files/gefcs/docs/922.pdf).

#### Implementation structure

The project is assisted and in most cases co-financed by one of GEF's Agencies (comprising UN agencies, Regional Development Banks and the World Bank Group). The Partner Agency has to be chosen when drafting a project proposal, according to the [comparative advantages of each of them](http://www.thegef.org/gef/gef_agencies).

#### Deadlines for application

no deadline

#### C40 Cities Examples

Dhaka benefited from the priorities developed under the 2005 Bangladesh's National Adaptation Programme of Action in waste management and water management.

#### Potential C40 Cities Recipients

C40 Cities part of Least Developed Countries Parties to the UNFCCC.

### Resources

* [LDCF handbook](http://www.thegef.org/gef/sites/thegef.org/files/publication/23469_LDCF.pdf)
* [GEF project cycle](http://www.thegef.org/gef/project_cycle)

**Urban Financing Partnership Facility (ADB)**

### Description

The Urban Financing Partnership Facility (UFPF) is a financing facility of the ADB created in 2009 with the support of the Swedish government. It aims at raising and utilizing development partner funds for investment co-financing in urban environmental infrastructure projects by local governments and cities in [ADB developing member countries](http://www.adbi.org/adbmembers/#dmcs), and support a wide range of technical assistance to help lay the groundwork for such projects. In more detail, the UFPF provides;

* Technical assistance for building local government capacity in: pre-feasibility assessments and project structuring; project implementation; structuring mechanisms to support private participation and financing of urban environmental infrastructure;
* Early stage investment or viability gap financing (under the form of grants and/or loans);
* Guarantees, to help build a pipeline of pro-poor 'bankable' projects that are able to borrow cost-effectively from domestic markets and stimulate long-term investment interest from mainstream donors.

The UFPF is currently made out of two partner funds: the Urban Environmental Infrastructure Fund and the adopted Urban Climate Change Resilience Partnership (UCCRP), provided by the Rockefeller Foundation and the UK department for International Development, which aims to support the development of sustainable infrastructure in second-tier Asian cities.

### Quick Facts

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| --- | --- |
| **Implementing institution** | Asian Development Bank |
| **Type of funding** | Grants, loans, guarantees |
| **Priority Area** | Pro-poor environmental infrastructure, climate change mitigation and adaptation, public transport, water supply and sanitation, solid waste management and urban renewal projects. |
| **Scope** | Co-financing, early project and/or viability gap investments, Technical assistance |

#### Additional Benefits

* leverage investments (including private sector finance) in urban environmental infrastructure projects thanks to UFPF's multiple activities; develop PPP projects in particular
* capacity development for local and national sustainable urban development strategies
* improve the lives of the urban poor through greater infrastructure coverage, with significant impacts on improved health, mobility for employment and hence, economic growth

|  |  |
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| **Total Size of Fund** | initial funding for the UFPF: USD 14 million for grants and loans, USD 70 million for guarantees.  Additional Funding for the UCCRP: USD 140 million |
| **Maximum Funds Available for Individual Projects** | N/A |
| **Co-financing** | Required; the UFPF provides funding for co-financing opportunities only. |

**Entity Eligibility**

Eligible entities for UFPF support are local and national governments of [ADB developing member countries (DMCs)](http://www.adbi.org/adbmembers/#dmcs).

**Project Eligibility**

The UFPF supports public transport, water supply and sanitation, solid waste management and urban renewal projects that are inclusive and benefit the poor, and are environmentally sustainable.

In order to obtain funding, projects have to demonstrate that UFPF support in technical assistance or investment activities is necessary to the successful conduct of infrastructure operations.

Other project eligibility criteria include:

* consistent with ADB country strategy
* innovative
* catalytic
* public participation
* demonstration value
* potential for replication
* potential benefits for the poorest
* mitigation of potential negative social impacts
* potential for partner cooperation

#### Application procedure

The process of delivering UFPF funds in mostly top-down and at the initiative of ADB staff. Local authorities seem to have only limited involvement in the design of the interventions.

* Proposals for UFPF support originate in the operations department of the ADB after discussion with the corresponding developing member country officials
* The operations department will provide proposals on the basis of the estimate need for support of urban projects to ensure their viability / "bankability"
* The proposals will then be reviewed by a specific UFPF committee for endorsement.

More information on the application process can be found on the [UFPF 2012 annual report](http://www.adb.org/sites/default/files/ufpf-annual-report-2012.pdf) (page 37)

#### Implementation structure

See [UFPF 2012 annual report](http://www.adb.org/sites/default/files/ufpf-annual-report-2012.pdf)

#### Deadlines for application

No deadline

#### C40 Cities Examples

N/A

#### Potential C40 Cities Recipients

C40 cities part of [ADB Developing Member Countries](http://www.adbi.org/adbmembers/#dmcs).

### Resources

* [UFPF webpage](http://www.adb.org/site/funds/funds/urban-financing-partnership-facility)
* [UFPF 2012 annual report](http://www.adb.org/sites/default/files/ufpf-annual-report-2012.pdf)

**Clean Energy Financing Partnership Facility (ADB)**

### Description

The Clean Energy Financing Partnership Facility (CEFPF) is a financing facility of the ADB that aims to improve energy security in [ADB developing member countries](http://www.adbi.org/adbmembers/#dmcs) (DMCs) and decrease the rate of climate change. The CEFPF is composed of the Clean Energy Fund and other trust funds. It finances the deployment of new, more efficient and less polluting supply and end-use technologies, as well as policy, regulatory, and institutional reforms that encourage clean energy development through either grant or non-grant resources, such as loans and guarantees. About 30% of disbursed funds will be dedicated to technical assistance, while the remaining 70% will be used in concessional lending activities and to support grant components of investments. Potential Investments include:

* the deployment of new clean energy technology,
* projects that lower the barriers to adopting clean energy technologies,
* projects that increase access to modern forms of clean and efficient energy for the poor and  technical capacity programs for clean energy.

As for the Urban Financing Partnership Facility, project proposals follow discussions with DMC officials but strictly emanate from ADB's operations department, where such proposals are crafted and then reviewed internally by ADB staff for endorsement and allocation.

### Quick Facts

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| --- | --- |
| **Implementing institution** | Asian Development Bank |
| **Type of funding** | Grants, concessional loans, guarantees |
| **Priority Area** | Energy Efficiency, Renewable Energy Sources, Urban transportation |
| **Scope** | Co-financing, project investment, technical assistance |

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| --- | --- |
| **Total Size of Fund** | USD 143.4 million (2014) |
| **Maximum Funds Available for Individual Projects** | N/A |
| **Co-financing** | Required |

**Entity Eligibility**

Eligible entities for CEFPF support are [ADB developing member countries](http://www.adbi.org/adbmembers/#dmcs).

### Project Eligibility

 The type of projects that can be financed are as follows:

* biomass, biofuel, biogas
* rural electrification and energy access
* distributed energy production
* waste-to-energy projects
* demand-side management projects
* energy-efficient district heating, transport, street lighting, buildings and end-use facilities
* clean energy power generation, transmission, and distribution
* manufacturing facilities of clean energy system components, high efficiency appliances and industrial equipments
* energy service companies development
* carbon capture and storage
* integrated gasification combined cycle or IGCC, supercritical and ultra-supercritical steam technologies.

#### Application procedure

CEFPF resources are used to service DMCs and can be tapped through ADB's operations department.

* User departments will submit project proposals to the Facility Manager using CEFPF’s application form and ADB’s standard concept paper template.
* The Clean Energy Working Group will review and endorse project proposals based on implementation guidelines, guided by the design and monitoring framework, both agreed between CEFPF’s financing partners and ADB.
* The Climate Change Steering Committee finally authorizes allocations of resources to selected project proposals. Following fund allocation from CEFPF, the approval of the proposed project follows the standard ADB procedure.

#### Implementation structure

N/A

#### Deadlines for application

No deadline. Applications are reviewed in six batches and are due on: 31 January, 31 March, 31 May, 31 July, 30 September, and 30 November.

#### C40 Cities Examples

Ho Chi Minh City benefitted from a USD 2 million grant from the CEFPF to support the energy efficiency investments related to the City's Water Supply project.

**Potential C40 Cities Recipients**

C40 cities part of [ADB developing member countries](http://www.adbi.org/adbmembers/#dmcs).

### Resources

* [CEFPF webpage](http://www.adb.org/site/funds/funds/clean-energy-financing-partnership-facility)
* [CEFPF 2013 Annual Report](http://www.adb.org/sites/default/files/cefpf-annual-report-2013.pdf)

**Sustainable Transport Partnership Facility (ADB)**

**(Not yet operational)**

### Description

The Asian Development Bank  plans to establish a Sustainable Transport Partnership Facility (STPF) to provide a mechanism for partners to provide financing and expertise to support the implementation of ADB's recently approved Sustainable Transport Intitiative, a strategic document which places urban sustainable transport at the heart of ADB's investment. The STPF will support the preparation and implementation of innovative forms of support for sustainable transport within individual ADB operations. Such support includes policy advisory work on sustainable transport,  pre-feasibility and feasibility studies, and the financing of "add-on" components to existing projects that enhance sustainability.

At the time of writing, the facility is not yet operational. The opening of the Facility should take place to support the implementation of the Sustainable Transport Initiative Operational Plan, which is planned to start in 2016 at the latest.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | Asian Development Bank |
| **Type of funding** | Grants |
| **Priority Area** | Urban Transportation |
| **Scope** | technical assistance, project investment (add-on sustainable components to existing ADB projects), capacity building |

|  |  |
| --- | --- |
| **Total Size of Fund** | about USD 100 milion |
| **Maximum Funds Available for Individual Projects** | N/A |
| **Co-financing** | N/A |

**Entity Eligibility**

eligible entities for STPF support are [ADB developing member countries](http://www.adbi.org/adbmembers/#dmcs).

### Project Eligibility

The types of activities supported by the STPF will be:

* Policy advisory work on sustainable transport to support DMC transport strategies and policies that provide incentives for the development of low-carbon transport—including through land-use planning, hybrid and alternate fuel vehicles, fuel economy norms, traffic demand management, and sustainable financing mechanisms.
* Prefeasibility and feasibility studies for sustainable transport projects. For example, heavy and light rail, metros, bus rapid transit systems, public transport services, franchising structures, service rationalization, paratransit, and cycling and pedestrian infrastructure.
* Finance “add-on” components to existing projects that enhance sustainability. For example, safety components, traffic management, fleet renewal and replacement with low-emission vehicles, integrating public transport systems and ticketing, bicycle hire schemes, and establishing revolving funds to finance sustainable transport improvements leveling in cities.

#### Application procedure

N/A

#### Implementation structure

N/A

#### Deadlines for application

Not yet operational

#### C40 Cities Examples

N/A

#### Potential C40 Cities Recipients

C40 cities part of [ADB developing member countries](http://www.adbi.org/adbmembers/#dmcs)

### Resources

* [Sustainable Transport Initiative Operational Plan](http://www.adb.org/sites/default/files/pub/2010/Sustainable-Transport-Initiative.pdf)

**Water Financing Partnership Facility**

### Description

The Water Financing Partnership Facility (WFPF) is a financing facility of the Asian Development Bank, whose purpose is to help [ADB developing member countries](http://www.adbi.org/adbmembers/#dmcs) meet their water infrastructure needs by mobilizing financial and knowledge resources from various development partners (Australia, Austria, The Netherlands, Norway, Spain, and Switzerland support the fund). The WFPF has a strong focus on urban water services, which support sustained economic growth in cities, and include investments in water supply, sanitation and wastewater management, and environmental improvement. In more detail, the WFPF aims to achieve at least three types of outputs:

* increased levels of water investment – by supporting preparation of projects resulting in fundable investment proposals and by financing grant component of loans and technical assistance attached to loans.
* Accelerated policy and institutional reforms – by supporting enhancement of policy, legislation, and regulations; and facilitating reform process
* Strengthened institutional capacity and expanded knowledge base – by implementing pilot and demonstration activities that produce new and innovative approaches, strategies and technologies; undertaking capacity development interventions targeted at key water sector organizations, e.g. water utilities, river basin organization, and apex bodies; developing knowledge products; and establishing or strengthening knowledge partnerships, regional cooperation, and civil society participation.

Similarly to ADB's other financing facilities, the resources of the WFPF can be tapped through ADB's relevant operations departments, where project proposals for WFPF support are generated after discussion with relevant recipient country stakeholders.

**Quick Facts**

|  |  |
| --- | --- |
| **Implementing institution** | Asian Development Bank |
| **Type of funding** | Grants, loans, guarantees |
| **Priority Area** | water supply, sanitation, wastewater management. Projects should have a pro-poor focus |
| **Scope** | Project investment (demonstration projects), technical assistance, capacity building |

|  |  |
| --- | --- |
| **Total Size of Fund** | USD 102 million (2013) |
| **Maximum Funds Available for Individual Projects** | N/A |
| **Co-financing** | Required |

**Entity Eligibility**

Eligible entities for WFPF support are local and national governments of [ADB developing member countries (DMCs)](http://www.adbi.org/adbmembers/#dmcs).

### Project Eligibility

The WFPF has two funding windows, the Project Support window and the Programme Quality Support window:

* The WFPF's Project Support window supports demonstration projects in preparation and implementation phases, through technical assistance, capacity building at project, local government and national government levels, as well as through financing goods, works, and services in project components.
* The WFPF's Programme Quality Support window provides support to facilitate reforms and strengthen capacity. It will help ensure quality, synergy, and innovation in the implementation of the water financing program, with priority given to reducing poverty, improving governance, and conserving the environment.

Project proposals for WFPF support should:

* be consistent with [ADB’s Water for All policy](http://www.adb.org/documents/water-all-water-policy-asian-development-bank);
* contribute significantly to [WFP targets](http://www.adb.org/sectors/water/financing-program)
* introduce innovative solutions;
* adopt a participatory approach;
* have high demonstration value in the sector;
* have good potential for replication in the country and/or region; and
* link with [CPS and results frameworks](http://www.adb.org/documents/preparing-results-frameworks-and-monitoring-results-country-and-sector-levels).

#### Application procedure

Selection of project proposals will be undertaken by ADB based on criteria agreed between the WFPF partners and ADB. Project proposals can be initiated by agencies in DMCs, development partners, or ADB.

* For project support, screening and prioritization will be done by the concerned regional department in ADB. Selection of shortlisted proposals will be done by ADB's water committee in consultation with concerned operations directors. The selected proposals will be submitted to the steering committee for approval.
* For activities under the program support window, screening and selection will be done by RSDD based on a rolling work program prepared in consultation with the water committee and concerned operations directors.

#### Implementation structure

N/A.

#### Deadlines for application

no deadline

#### C40 Cities Examples

Delhi benefited from a USD 0.5 million technical assistance grant issued by the Water Financing Partnership Facility in order to lead its Water Supply Improvement Investment Program.

#### Potential C40 Cities Recipients

C40 cities part of [ADB Developing Member Countries](http://www.adbi.org/adbmembers/#dmcs).

### Resources

* [WFPF webpage](http://www.adb.org/site/funds/funds/water-financing-partnership-facility)
* [WFPF 2013 annual report](http://www.adb.org/sites/default/files/wfpf-annual-report-2013.pdf)

**Sustainable Energy and Climate Change Initiative (IDB)**

### Description

The Sustainable Energy and Climate Change Initiative (SECCI) is an Inter-American Development Bank program aimed at mainstreaming renewable energy, energy efficiency, biofuels, carbon financing, and the insertion of climate change adaptation into policies and projects across sectors in [IDB borrower countries of Latin America and the Caribbean](http://www.iadb.org/en/about-us/borrowing-member-countries%2C6005.html). The SECCI is thought of as a complement to other IDB funds and initiatives, such as the Infrafund, with the add-on component of sustainable measures and attention paid to energy efficiency, resilience and adaptation. The SECCI will therefore fund feasibility studies, audits, assessments and capacity building initiatives in the aforementioned sectors.  The Fund may also finance equipment and services to enhance investment opportunities, including pilot projects in technology development and adaptation.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | Inter-American Development Bank |
| **Type of funding** | Grants |
| **Priority Area** | Adaptation, Mitigation, Energy Efficiency, Renewable Energy Sources |
| **Scope** | Project investment (pilot), technical assistance, Capacity building |

|  |  |
| --- | --- |
| **Total Size of Fund** |  USD 8.35 million (2014, yearly budget) |
| **Maximum Funds Available for Individual Projects** | USD 1 million for technical cooperation; USD 1.5 million for investment grants |
| **Co-financing** | 20% match funding is required |

**Entity Eligibility**

* Eligible for SECCI support are entities from national, sub-national, and local governments of [IDB borrowing countries](http://www.iadb.org/en/about-us/borrowing-member-countries%2C6005.html), and their service providers (public, private, mixed-capital, and cooperative associations).
* Letter of Non-Objection: A letter of non-objection is required from the central government to obtain SECCI assistance and funding.

**Project Eligibility**

The SECCI will prioritize assistance to projects that are already financed or co-financed by the IDB.

The types of activities supported are:

* Mitigation: SECCI finances: (i) feasibility studies for the preparation of renewable energy projects; (ii) document analysis and preparation to be presented to regulated and voluntary carbon markets; (iii) energy efficiency audits.
* Adaptation: SECCI finances: (i) climate risk and vulnerability assessments; (ii) climate modeling initiatives; (iii) sectors studies in priority areas
* Capacity Building: SECCI finances outreach and capacity building initiatives related to climate change

#### Application procedure

An application form must be filled and submitted by the recipient to the IDB, where the proposal will be reviewed and examined by experts. The proposal, if it meets the basic criteria, is then submitted to the Bank's country office and then discussed internally by the IDB for final approval.

#### Implementation structure

N/A

#### Deadlines for application

no deadline

#### C40 Cities Examples

N/A

#### Potential C40 Cities Recipients

C40 Cities part of [IDB borrowing member countries](http://www.iadb.org/en/about-us/borrowing-member-countries%2C6005.html)

### Resources

* [SECCI guidelines](http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=35347205)

**InfraFund (IDB)**

### Description

InfraFund is a fast-disbursing fund created to finance a variety of interventions that enhances the implementation of IDB’s Infrastructure support in IDB borrowing member countries, so as to tackle the current infrastructural gap in Latin American and the Carribean (LAC) countries. Through InfraFund, the IDB expects to facilitate investment in infrastructure and guarantee a sustainable and high quality access to these services; increasing investment in infrastructure hopes to be achieved via the promotion of public-private partnerships.

The InfraFund resources can be used by subnational and local entities to hire specialized consulting services, purchase goods necessary to study and carry out other activities specifically related to the preparation of "bankable" infrastructure projects. Capacity building and strengthening adaptive planning environment are also covered.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | Inter-American Development Bank |
| **Type of funding** | Grants |
| **Priority Area** | Adaptation, Mitigation, Renewable Energy Sources, Energy Efficiency, urban transportation |
| **Scope** | Technical assistance, capacity building |

|  |  |
| --- | --- |
| **Total Size of Fund** | USD 9.71 million (2014, yearly budget) |
| **Maximum Funds Available for Individual Projects** | USD 1,500,000. A fast approval mechanism is in place for projects smaller that USD 500,000. |
| **Co-financing** | 20% match funding is required |

**Entity Eligibility**

* Eligible for InfraFund support are entities from national, sub-national, and local governments of [IDB borrowing member countries](http://www.iadb.org/en/about-us/borrowing-member-countries%2C6005.html), as well as their service providers (public, private, mixed-capital, and cooperative associations).
* Letter of Non-Objection: A letter of non-objection is required from the central government.

### Project Eligibility

Prioritized projects:

* Projects with a high probability of reaching financial closing;
* Projects that mobilize private financing for sustainable infrastructure;
* Projects in countries that have high risk profiles and where transaction costs are high.

Type of activities supported:

* Mitigation: InfraFund finances: (i) pre-feasibility and feasibility studies for the preparation of renewable energy projects; (ii) pre-feasibility and feasibility studies of sustainable transportation projects.
* Adaptation: InfraFund finances: (i) pre-feasibility and feasibility studies of clean energy projects.
* Capacity Building: InfraFund finances capacity building initiatives related to climate change

#### Application procedure

An application form must be filled and submitted by the recipient to the IDB, where the proposal will be reviewed and examined by experts. The proposal, if it meets the basic criteria, is then submitted to the Bank's country office and then discussed internally by the IDB for final approval.

**Implementation structure**

N/A

#### Deadlines for application

no deadline

#### C40 Cities Examples

Rio de Janeiro benefited from a USD 1,875,000 grant from the Infrafund that allowed funding of studies to [conclude the structuring of the project and prepare models of tender documents for Rio's Metropolitan Express BRT Corridor](http://www.iadb.org/en/projects/project-description-title%2C1303.html?id=br-t1150).

#### Potential C40 Cities Recipients

C40 cities part of the [IDB borrowing member states](http://www.iadb.org/en/about-us/borrowing-member-countries%2C6005.html)

### Resources

* [InfraFund's webpage](http://www.iadb.org/en/topics/transportation/what-is-infrafund%2C1639.html)
* [InfraFund application form](http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=2236469)

**AquaFund (IDB)**

#### Description

AquaFund is a facility set up by the Inter American Development Bank (IDB) which aims at facilitating investment in water supply and sanitation, water resources management, solid waste management, and wastewater treatment in [IDB borrowing member countries](http://www.iadb.org/en/about-us/borrowing-member-countries%2C6005.html). The current pipeline of AquaFund supported projects include a significant number of urban-level initiatives and programs. The overarching challenge tackled by AquaFund is to make water services available to the poorest and most vulnerable populations in such environments.

AquaFund engages in three kind of activities:

* project preparation: since 2008, the AquaFund has provided evaluations and designs to build, rehabilitate and expand water, wastewater and solid waste services in 10 metropolitan areas.
* community pilot projects: improving quality of life for low-income populations by applying a sustainable, innovative and participatory approach.
* institutional strenghtening: bringing innovative knowledge and better governance structures to the water sector.

Similarly to the InfraFund and the SECCI, municipalities are eligible to apply for funding under AquaFund procedures.

#### Quick facts

|  |  |
| --- | --- |
| **Implementing Institution** | Inter American Development Bank |
| **Type of funding** | Grants |
| **Priority Area** | water supply and sanitation, water resources management, solid waste management, wastewater treatment |
| **Scope** | Technical assistance, project preparation, community pilot projects, capacity building |

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| --- | --- |
| **Total size of the fund** |  USD 2.2 million (2014, yearly budget) |
| **Maximum funding available for individual projects** | N/A |
| **Co-financing** | N/A |

**Entity Eligibility**

* Eligible for AquaFund support are entities from national, sub-national, and local governments of [IDB borrowing member countries](http://www.iadb.org/en/about-us/borrowing-member-countries%2C6005.html), as well as their service providers (public, private, mixed-capital, and cooperative associations).

#### Project eligibility

AquaFund resources can be used for technical assistance, policy and capacity development, knowledge creation and dissemination, project preparation and community pilot projects.

#### Application procedure

An application form must be filled and submitted by the recipient to the IDB, where the proposal will be reviewed and examined by experts. The proposal, if it meets the basic criteria, is then submitted to the Bank's country office and then discussed internally by the IDB for final approval.

#### Implementation structure

N/A

#### Deadlines for application

no deadline.

#### C40 Cities examples

AquaFund supports a project aimed at improving the livelihoods of [informal waste pickers in Bogota](http://www.iadb.org/en/topics/solid-waste/bringing-informal-recyclers-into-the-formal-system%2C3837.html). Similar projects are planned to be supported in Buenos Aires and Rio de Janeiro.

**Potential C40 Cities recipients**

C40 Cities part [IDB borrowing member countries](http://www.iadb.org/en/about-us/borrowing-member-countries%2C6005.html)

##### Resources

* [AquaFund brochure](http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=35744263)
* [AquaFund Expression of Interest](https://www.c40exchange.org/download/attachments/42959702/Expression_of_Interest_%28AquaFund%29-1.doc?version=1&modificationDate=1408634630855&api=v2)

**Sustainable Energy Initiative**

### Description

 The Sustainable Energy Initiative (SEI) is a financing facility operated by the European Bank for Reconstruction and Development (EBRD) aiming at scaling up energy efficiency and renewable energy financing in [EBRD countries](http://www.ebrd.com/pages/country.shtml) of operation, working closely with governments and the private sector. Municipal infrastructure and energy projects have been an important part of SEI project pipeline since the facility started operating in 2006, with approximately **€**1.3 billion invested in 126 projects in 2012.

EBRD countries of operation continue to be characterized by highly inefficient energy use: despite improvements, energy intensity in the EBRD region remains on average over three times higher than in the European Union. In order to increase clean energy production and enhance the efficient use of existing sources of energy, the SEI support clean energy projects in its regions through the following instruments:

* project financing of specific energy efficiency or renewable energy investments with clear estimates of energy savings and CO2 emission reductions. Financial instruments include: sovereign and non-sovereign guaranteed loans, direct equity, equity funds and credit lines, co-financing.
* technical assistance to support project preparation, project implementation and capacity building (usually disbursed as a grant)
* policy dialogue to support the development of an enabling environment for sustainable energy (at the national level mostly)

Projects involving the private sector, such as PPPs, are usually favoured in EBRD lending.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | European Bank for Reconstruction and Development |
| **Type of funding** | Sovereign and non-sovereign loans, equity, grants (technical assistance only) |
| **Priority Area** | Energy efficiency, renewable energy sources |
| **Scope** | Project investment, technical assistance, capacity building |

|  |  |
| --- | --- |
| **Total Size of Fund** | financing target of €4.5 billion to €6.5 billion (2012-2014) |
| **Maximum Funds Available for Individual Projects** | N/A. Average investment of €25 million |
| **Co-financing** | required. EBRD investments usually amount to 35% of project financing. |

### Entity Eligibility

Eligible entities for SEI funding are located in [countries of operations](http://www.ebrd.com/pages/country.shtml) of the EBRD.

### Project Eligibility

To be eligible for EBRD funding, the project must:

* be located in an [EBRD country of operations](http://www.ebrd.com/pages/country.shtml)
* have strong commercial prospects
* involve significant equity contributions in-cash or in-kind from the project sponsor
* benefit the local economy and help develop the private sector
* satisfy banking and environmental standards

SEI areas of activity are:

* industrial energy efficiency
* sustainable energy financing facilities
* municipal infrastructure energy efficiency
* carbon market development
* power sector energy efficiency
* climate change adaptation
* renewable energy

#### Application procedure

Detailed informations on EBRD financing process can be found in EBRD [guide to financing](http://www.ebrd.com/downloads/research/factsheets/guidetofinancing.pdf).

#### Implementation structure

N/A

#### Deadlines for application

N/A

#### C40 Cities Examples

N/A. The EBRD has however engaged in more mainstream urban investments in Warsaw or Istanbul, for urban transportation projects most notably. See this [PPT presentation](http://www.jiko-bmub.de/files/basisinformationen/application/pdf/day2_10_nigel_jollands_the_ebrds_sustainable_energy_initiative_and_urban_sector_investments.pdf) for more information.

#### Potential C40 Cities Recipients

C40 cities based in EBRD countries of operation

### Resources

* [SEI actions and results report](http://www.ebrd.com/downloads/research/brochures/sei.pdf)
* [SEI 3 working document](http://www.ebrd.com/downloads/research/brochures/SEI3-Strategy-Summary.pdf)
* [Guide to EBRD financing](http://www.ebrd.com/downloads/research/factsheets/guidetofinancing.pdf)

**Japan Fast Start Finance (Hatoyama Initiative)**

### Description

The Japan Fast Start Finance initiative - known as the Hatoyama Initiative until the resignation of former prime minister Hatoyama in 2010 - was launched in 2009 by the Japanese Ministry of Foreign Affairs to replace the Cool Earth Partnership as Japan's main development assistance tool for climate finance. The Fast Start Finance initiative is a bilateral fund dedicated to providing grants, financial instruments (mostly loans) and technical assistance to developing countries who face significant climate change-related challenges and have engaged in mitigation and adaptation measures to tackle those issues. Decisions on what projects to support is made on the basis of bilateral policy consultations between the host country and Japan.

* Assistance for adaptation and expanded clean energy access: Grants, technical assistance and aid through international organizations.
* Assistance to mitigate climate change: Financial and technical assistance, based on the needs of the requesting countries, will be given on a concessional basis.

The program offers "Climate Change ODA Loans" with concessional conditions (preferential interest rates) provides financing to implement mitigation projects. Moreover, equity investments, guarantees, export insurance and subsidies through the Japan Bank for International Cooperation (JBIC) can be mobilized to fund projects in developing countries. Between 2010 and 2012, the program has supported 952 projects in 114 countries.

 **Quick Facts**

|  |  |
| --- | --- |
| **Implementing institution** | Japanese Ministry of Foreign Affairs, Japanese International Cooperation Agency (JICA), Japan Bank for International Cooperation (JBIC) |
| **Type of funding** | Grants, concessional loans, equity, guarantees |
| **Priority Area** | Climate change adaptation and mitigation, energy efficiency, renewable energy sources |
| **Scope** | Project Investment, technical assistance |

|  |  |
| --- | --- |
| **Total Size of Fund** | USD 11 billion in public finance |
| **Maximum Funds Available for Individual Projects** | There is no maximum amount indicated. |
| **Co-financing** | N/A |

**Entity Eligibility**

* Developing countries who have entered into direct, bilateral discussions with the Government of Japan are eligible for FSF, although some private sector actors may also be considered.
* Disbursement of funds is dependent on bilateral policy consultations with Japan, with the intent of reaching a common understanding of policies regarding climate change (e.g. reducing greenhouse gas emissions and achieving economic growth in a way that will contribute to climate stability.)

### Project Eligibility

Japan's FSF supports both mitigation and adaptation activities.

* Mitigation assistance may take the form of energy savings, increased energy efficiency technologies, clean energy initiatives, public transportation systems
* Assistance for adaptation projects may include adaptation planning, forestry, rural electrification research, drought management, and co-benefit approaches.

#### Application procedure

Those interested in obtaining funding should contact directly JICA, the Japanese Ministry of Foreign Affairs (MOFA) and/or local government offices, such as Japanese Embassies, following a three-step procedure:

1. Bilateral negotiations to agree on concept.
2. A bilateral memorandum of understanding on a post-Kyoto strategy.
3. Preparation of a country strategy paper, which should respect national ownership and complement the Paris Declaration agenda.

#### Implementation structure

N/A

#### Deadlines for application

No deadline

#### C40 Cities Examples

The Japanese Cooperation Agency provided a loan to finance the construction of a metro system in Delhi.

#### Potential C40 Cities Recipients

C40 cities part of developing countries and countries particularly vulnerable to the adverse effects of climate change, that have entered in policy negociations with the Japanese Ministry of Foreign Affairs.

### Resources

* [JICA presentation](http://cid.kdi.re.kr/upload/20130412_14.pdf)

**German International Climate Initiative**

### Description

The German International Climate Initiative (INI) was established in 2008 as a part of the German contribution to fast-start financing under the framework of the Copenhagen Accord until 2012, and is still in activity today with an annual budget of €120 million. Targeted beneficiaries are developing countries and countries and transition (Eastern Europe) partner to the Ministry and German development agencies. The initiative aims at:

* Promote a climate-friendly economy by supporting partner countries in establishing a climate-friendly economic structure that prevents climate-damaging greenhouse gas emissions;
* Promote measures for climate change adaptation by supporting appropriate national programmes in selected partner countries that are especially vulnerable to climate change; and
* Promote and finance measures for preservation and sustainable use of carbon reservoirs/Reducing Emissions from Deforestation and Degradation (REDD).

The International Climate Initiative provides grants and concessional loans, with an expected effect to leverage significant private sector contributions in project financing. Most of the projects supported by the ICI have focused on capacity building, but the Initiative also finances innovative pilot projects in INI's priority areas. Most of the projects supported are bilateral, although multilateral projects are also supported.

### Quick Facts

|  |  |
| --- | --- |
| **Implementing institution** | German Federal Ministry of the Environment |
| **Type of funding** | Grants, concessional loans |
| **Priority Area** | Climate change adaptation and mitigation |
| **Scope** | Project investment |

|  |  |
| --- | --- |
| **Total Size of Fund** | **€**120 million (annual budget) |
| **Maximum Funds Available for Individual Projects** | N/A |
| **Co-financing** | Required |

**Entity Eligibility**

Eligible entities to apply for funding and submit proposals are:

* German development cooperation implementing organisations,
* non-governmental or governmental organisations,
* universities and research institutes,
* private-sector companies,
* multilateral development banks,
* and organisations and programmes of the United Nations.

### Project Eligibility

Projects must be relevant to one or several of ICI’s key focus areas.  Projects should be innovative in character (technologically, economically, methodologically, institutionally), integrated into national strategies, and contribute to national economic and social development.  The effects of a project must also be sustainable.

Other criteria for project evaluation and selection include:

* Duplicability of results, prominence and multiplier effect;
* Transferability of projects to the level of international climate cooperation;
* Significance of the partner country in cooperating with Germany, or in the context of international negotiations;
* Solidity and quality of concept, presentation, expected project management and monitoring; and
* Availability of self-financing, third party financing, and financial leverage effect.

The ICI prioritises certain countries/regions according to its focus areas:

* Climate-friendly economy;
	+ small and medium-sized newly industrialising countries with a high greenhouse gas reduction potential
	+ consulting and capacity-building projects are preferred for the largest newly industrialising countries
* Adaptation
	+ countries/regions that are particularly vulnerable to climate change
* Carbon sinks/REDD+
	+ countries and regions that are particularly relevant/suitable to carbon storage and biodiversity

#### Application procedure

The INI issues calls for proposals on an annual basis. The selection process follows a two-step procedure:

* eligible entities send project outlines (within the deadline of the call for proposals) to the INI, which are then reviewed and selected internally by Ministry staff;
* selected entities are then given feedback and asked to send formal financing applications to the INI.

**Implementation structure**

Most of the projects supported are bilateral in nature, which implies that German development agencies such as KfW have a significant role in project preparation and/or implementation.

#### Deadlines for application

Project proposals are reviewed in batches in the timeframe of yearly calls for proposals. The deadline for the 2015 selection process was 25 June (24:00 CET). Project outlines that arrive after the deadline cannot be considered.

#### C40 Cities Examples

Beijing benefited from a **€**2 million grant from the German International Climate Initiative to fund a transport demand management program.

#### Potential C40 Cities Recipients

C40 cities part of developing countries and countries in transition (Eastern Europe mostly)

### Resources

* [Frequently Asked Questions](https://www.international-climate-initiative.com/fileadmin/Dokumente/2014-FAQ_about_project_proposals.pdf)