



**European Bank**  
for Reconstruction and Development

# Working with the European Bank for Reconstruction and Development

2018

# MEI – Green Cities Framework

## Green Cities Framework advances EBRD Green agenda

### GREEN CITIES KEY PRINCIPLES

- **5-year duration Project**
- **Headroom: EUR 950Mn**
- A systematic approach to address urban environmental performance and barriers through **three components**



Delivery of strategy and policy support (GCAP – Green City Action Plan)



Facilitating and stimulating green City infrastructure investments



Building capacity of city and key stakeholders

### RESULTS

**13 projects** signed amounting to **EUR 319 Mn**

- Chisinau Buildings – EUR 10 mn
- Sarajevo Water – EUR 25 mn
- Belgrade Green Bld – EUR 20 mn
- Batumi Bus – EUR 5.5 mn
- Banja Luka DH – EUR 8.25 mn
- UKT Tirana Water – EUR 15 mn
- Varna Resilience – EUR 10 mn
- Ulaanbaatar Waste – EUR 9.7 mn
- Lviv Solid Waste – EUR 20 mn
- Izmir Metro – EUR 80 mn
- Zenica Hospital- EUR 10 mn
- Sofia Electric buses – EUR 7.35 mn
- Minsk WWTP – EUR 84 m
- Tbilisi – EUR 15 m

### 3 GCAPs concluded

- Yerevan, Armenia
- Tbilisi, Georgia
- Tirana, Albania

### Prospective GCAPs

- Amman, Belgrade, Sarajevo, Ulaanbaatar, Minsk, Sofia, Batumi

### REQUIREMENTS

#### INFRASTRUCTURE INVESTMENTS

Framework focus on sectors:

- Solid Waste
- Water & Wastewater
- Urban Transport
- District Heating
- Public Building Energy Efficiency

#### CITIES OF ≥ 100,000

Across EBRD's COOs Cities with smaller population sizes can be considered on a case-by-case basis considering the needs of the cities

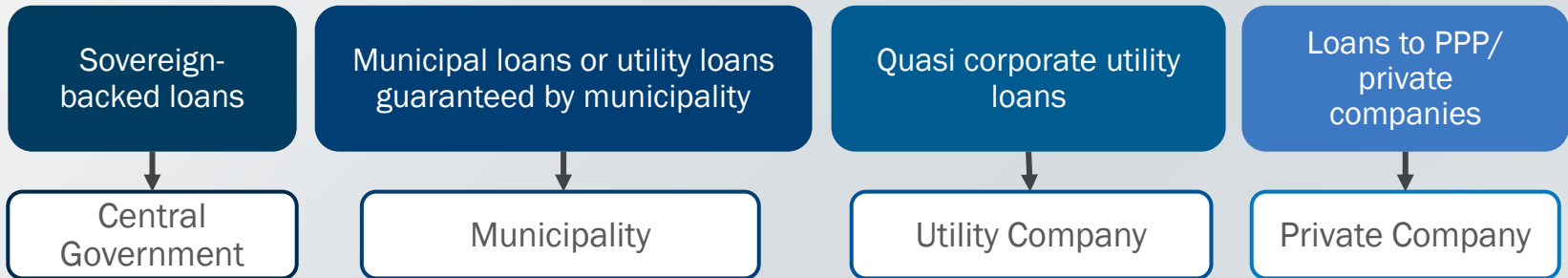
#### MUST CONDUCT GCAP

To initiate the Framework, in conjunction with a 'trigger' project in one of the Framework's sectors

A **Green City Project** identifies & prioritises a city's **environmental challenges** through an assessment of **35 core indicators** and articulates the city's **vision, strategic objectives, priority actions & investments** to address these issues.

# Green City Infrastructure Investments

## Financing Options



## Investment Size

€ 2 million to € 150 million



# EBRD's financial instruments for cities to support sustainable urban infrastructure

## How EBRD tries to de-risks projects

- 1 **Project preparation** support
- 2 **Client capacity building**  
(Financial and Operational Performance Improvement Programme)
- 3 Support **enabling environment**  
(Public Service Contract)
- 4 **Regulatory** support
- 5 Mobilization of grants, concessional finance to ensure **affordability**
- 6 Loans sized to **ability to pay**
- 7 Risk mitigation product **innovation**

EBRD mobilises **technical assistance** to ensure **appropriate enabling environment** and to **support implementation**

## Case studies

- ▶ **Sofia City's Electric buses (2018)**
  - Senior loan of **EUR 14.7 million** to the Sofia Electrical Transport Company, co-financed with the **Green Economy Special Fund**, for the **purchase of 30 electric buses**
  - Technical assistance includes **GCAP** preparation support, **advanced procurement** support and **enhancing the PSC**
- ▶ **Bucharest Bond (2015)**
  - **EUR 75 million** invested in a subscription in a series of **unsecured bonds of different maturities**
  - Technical assistance provided for **bond reporting** and **asset-liability management capabilities**
- ▶ **Banja Luka's District Heating (2017)**
  - Commercial loan of **EUR 8.5 million** to City of Banja Luka to finance the **conversion to wood biomass district heating**
  - Technical assistance includes **GCAP** preparation support
- ▶ **UKT Water (2018)**
  - A loan of **EUR 15 million** to municipal owned utility to finance critical water investments
  - Technical assistance includes **Corporate Development Programme** and **Stakeholder Engagement**



## **Annex I:** **Useful links**

- **EBRD website:** [www.ebrd.com](http://www.ebrd.com)
- **Information about the countries of operations & Sectors of EBRD:**  
[www.ebrd.com/news/publications/factsheets.html](http://www.ebrd.com/news/publications/factsheets.html)
- **Project Summary Documents, details of the projects signed with EBRD:**  
[www.ebrd.com/work-with-us/project-finance/project-summary-documents.html](http://www.ebrd.com/work-with-us/project-finance/project-summary-documents.html)
- **Sending your project financing request online:**  
<http://www.ebrd.com/work-with-us/project-finance/funding-adviser.html>



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