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

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

- Sovereign-backed loans
  - Central Government

- Municipal loans or utility loans guaranteed by municipality
  - Municipality

- Quasi corporate utility loans
  - Utility Company

- Loans to PPP/private companies
  - Private Company

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

Client capacity building
(Financial and Operational Performance Improvement Programme)

2. Support enabling environment
(Public Service Contract)

3. Regulatory support

4. Mobilization of grants, concessional finance to ensure affordability

5. Loans sized to ability to pay

6. 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

- **Information about the countries of operations & Sectors of EBRD:**

- **Project Summary Documents, details of the projects signed with EBRD:**

- **Sending your project financing request online:**
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