



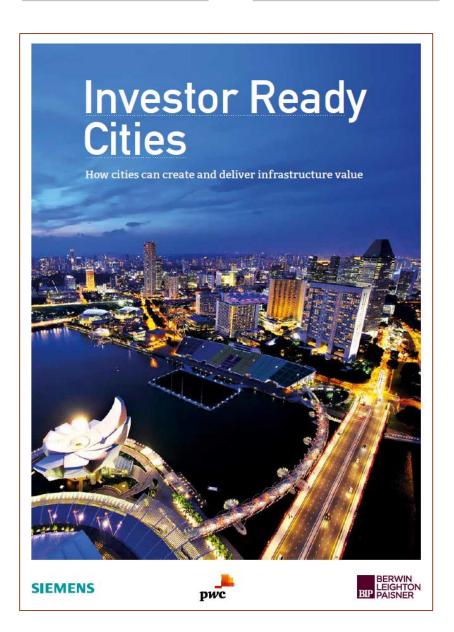


ADRESSING BARRIERS TO INVESTMENT IN URBAN INFRASTRUCTURE

Technical Expert Meeting on Urban Environments
June - 2014

WHAT IS THE WBCSD?





business solutions for a sustainable world



FINAL REPORT





CONTEXT

- USD 60 trillion in infrastructure investment required by 2030
- ☐ Critical opportunity to avoid high-carbon 'lock in'
- Major resourcing challenge for city governments
- ☐ Significant role for the private sector
- Leading companies building long-term strategies on providing smart and sustainable solutions for cities



SCALING UP PRIVATE INVESTMENT

- 1. Removing investment barriers
- 2. Lowering risks of investments
- 3. Enhancing returns on investments



GOVERNANCE & INVESTOR CONFIDENCE

- □ Investment climate
- □ Vision & long-term planning
- Land use & investment
- ☐ City creditworthiness
- ☐ Framework for private sector participation & investment (PPPs)
- Investor focal point

FINANCING & FUNDING

	Transportation	Buildings	Water/Waste	Energy
TAXES		Property tax		
FEES & CHARGES	Congestion Charges Parking fees HOV toll lanes	Building Permits	Tariffs & fees	Electricity user fees
GRANTS	General grants with environmental indicators specific grants for environmental goods and services, matching grants			
PPPs	Concessions and Private Finance Initiatives (PFIs), energy performance contracts			
LAND-BASED INCOME		Development/impact charges Value capture tax Higher density building rights Tax increment financing (TIF)		
LOANS & BONDS	Loans & green bonds			
CARBON FINANCE	CDM/JI, voluntary carbon offsets			

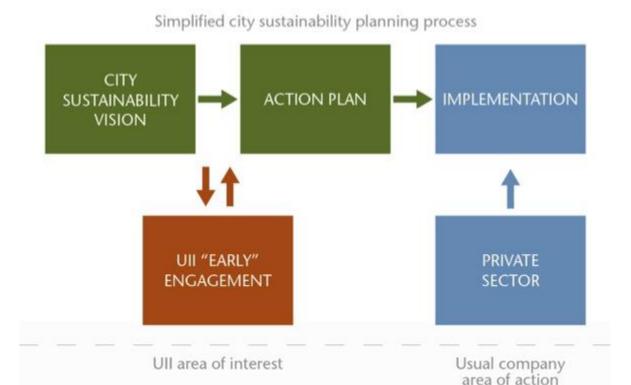
Source: OECD (2012) Financing Green Urban Infrastructure



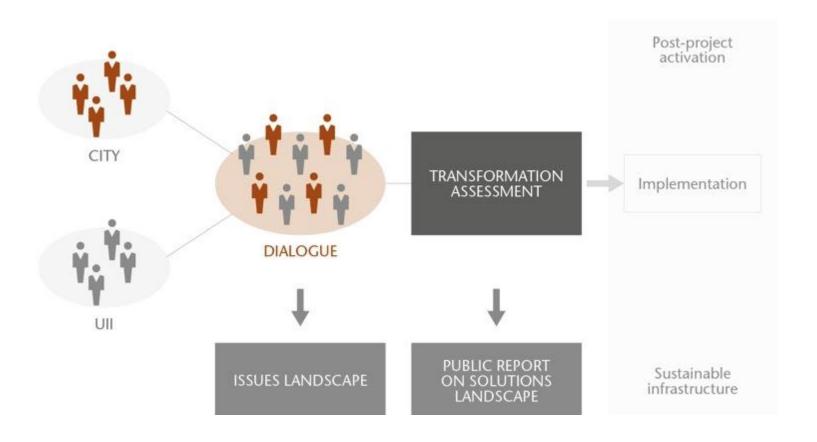
KEY CONSIDERATIONS

- ☐ Every city will need to establish their own approach
- No magic bullets
- ☐ City as convener
- Enabling new business models
- ☐ 'Smart' infrastructure solutions can actually reduce investment requirements
- □ Value of early engagement & dialogue

THE WBCSD URBAN INFRASTRUCTURE INITIATIVE

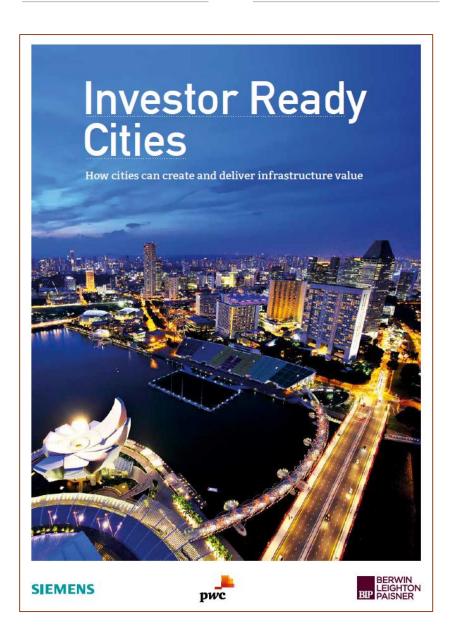


CITY ENGAGEMENT PROCESS

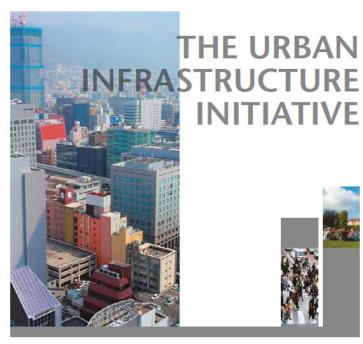


UII PARTNER CITIES





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