




Cities are dynamic and vital parts of society and are the main engines of social, economic and technological development.

Just over 60 per cent of the EBRD region's population lives in urban areas, and this is projected to increase in the coming decades.

For cities – both in the region and globally - to continue to provide their populations with a myriad of necessary services, cities' already substantial demand for resources will increase. As such, cities are a major driver of environmental impact.

## What is the EBRD



Multilateral financing institution **established in 1991** to support transition to market economies

Owned by **65 countries**, the EU & the EIB

**€30 billion** capital base  
**€41 billion** portfolio  
**€8.9 billion** average annual business in the past 3 years

3 key operational principles

- Sound banking
- Transition impact
- Sustainability

16 May 2017

Multilateral financing institution established in 1991

Operate in 36 countries (shown on slide) from central Europe to central Asia and the southern and eastern Mediterranean

Owned by 65 countries, the EU and the EIB

Operate on 3 key principles

- Sound banking - ensuring the project returns are commensurate with the risks
- Transition Impact – promote transition to open, market-base economics
- Sustainability – ensure socially and environmentally sound development



The environment and sustainability are central to the EBRD's

EBRD adopted its Green Economy Transition approach in October 2015.

The GET targets:

- 40% of EBRD's annual business to be Green by 2020
- Approximately equivalent to € 4 billion

Since 2006, EBRD has provided over € 22 billion in Green finance (through 2016)

**EBRD Green Cities Programme**




Buildings on experience in municipal and environmental infrastructure investment to support cities to identify, benchmark, prioritise and invest in measures to improve urban environmental performance through:

- 
**Delivery of strategy and policy support**  
 Green City Action Plans (GCAP)  
 Policy dialogue
- 
**Facilitating and stimulating Green City infrastructure investments**  
 Urban transport    Water & Wastewater  
 District heating    Building energy efficiency  
 Solid Waste
- 
**Building capacity of city administrators and key stakeholders**

16 May, 2017

As a part of these environmental targets, the Bank has recently launched its Green Cities Programme to collaborate with cities to

- Identify, benchmark, prioritise and invest in measures that improve urban environmental performance

The Programme builds on the Bank’s experience in financing transformative municipal infrastructure.

Since 1994, EBRD has financed 360 projects in the municipal sector representing €6.4 billion.

The Programme involves the Bank collaborating very closely with municipalities and local stakeholders through three key components

1. The Delivery of strategy and policy support
  1. Primarily takes the form of Green City Action Plans (GCAP), which benchmark a city’s environmental performance based on a comprehensive set of indicators aligned with international best practice. A city’s key environmental challenges are then identified through this assessment and local stakeholder input.
  2. An Action Plan is then put together to address these challenges, that prioritises where and how a City can most effectively act and provide a vision for City’s development. Action Plans rely on frequent and open collaboration with municipalities and local stakeholders to ensure a feasible plan owned by the City.

## 2. Infrastructure investment

- EBRD can support cities to implement their GCAPs through infrastructure investments in:
  - Urban transport, district heating, solid waste, water & wastewater, and building energy efficiency

## 3. Capacity Building and Technical Assistance

- Each city and project in the programme benefits from capacity building and technical support to ensure the successful and sustainable implementation and operation of investments and action plans

The comprehensive programme is innovative in the sustainable urban development space for a few reasons

1. Linking strategic planning with investment
2. Systematic approach to investment planning for urban sustainability is often novel within our region
3. The Programme prioritises and ultimately benefits from local stakeholder engagement, particularly from CSOs
4. With EBRD overseeing the Programme, the GCAP's prioritised can be implemented

## Tech Transfer – DH in Banja Luka

### Challenge

- Significant air pollution & energy losses from individual heating
- Financial pressure on city and District Heating company

### CTCN action

- Policy/regulatory gap analysis
- Detailed investment and policy development plan

### Intended Impacts

- EBRD funding € 42m:
  - Equipment (biomass boilers) and network upgrade;
  - Improving the utility's business model

