



FELICITY

Financing Energy for Low-carbon Investment –
Cities Advisory Facility

On behalf of:



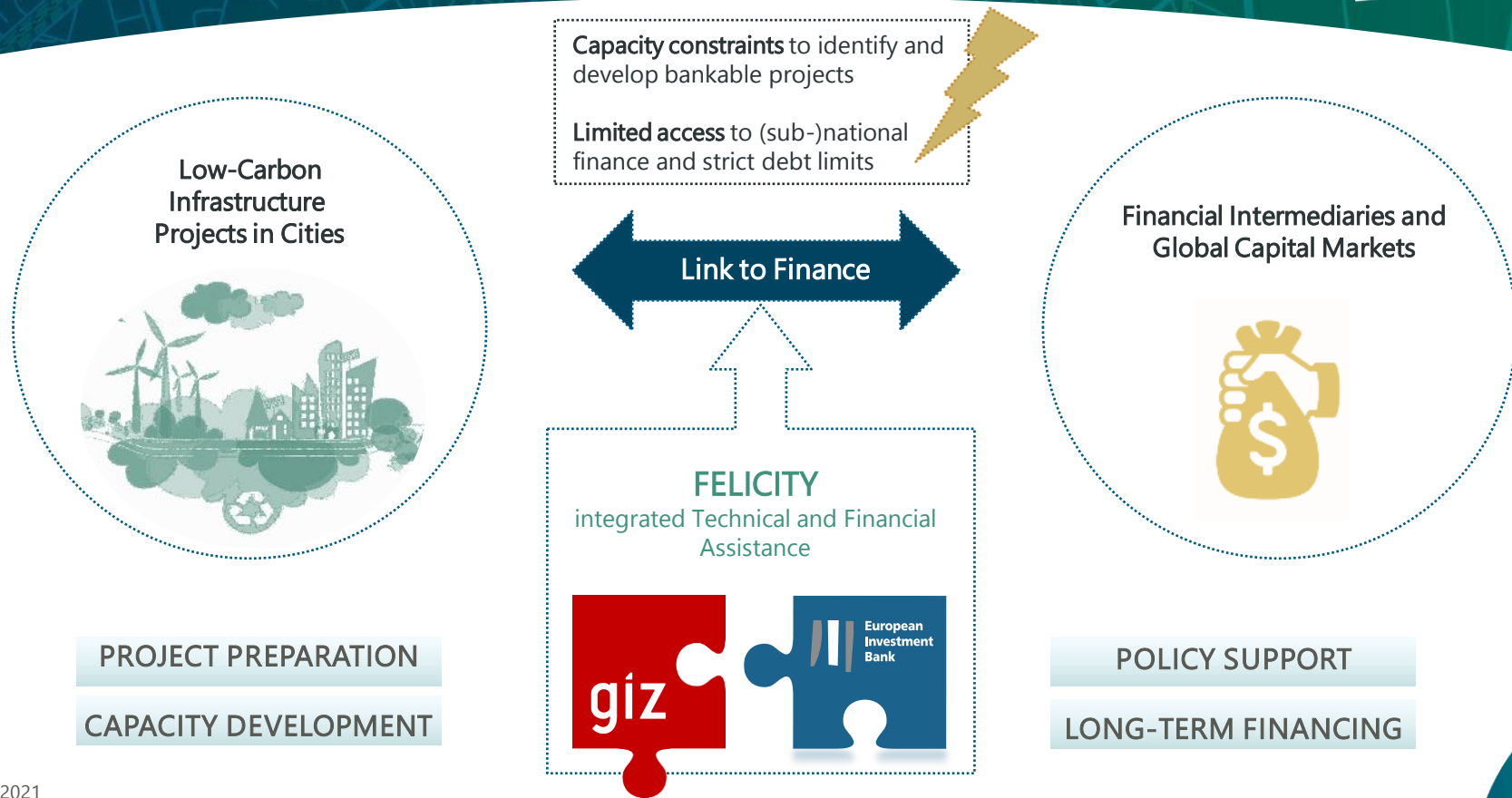
Federal Ministry
for the Environment, Nature Conservation
and Nuclear Safety



giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

of the Federal Republic of Germany

THE FELICITY APPROACH – RESPONDING TO THE CHALLENGE TO LINK CITIES TO FINANCE



FELICITY: PROJECT OVERVIEW AND INVESTMENT VOLUMES

Potential to leverage an estimated investment volume of **EUR 322 million** in climate finance...

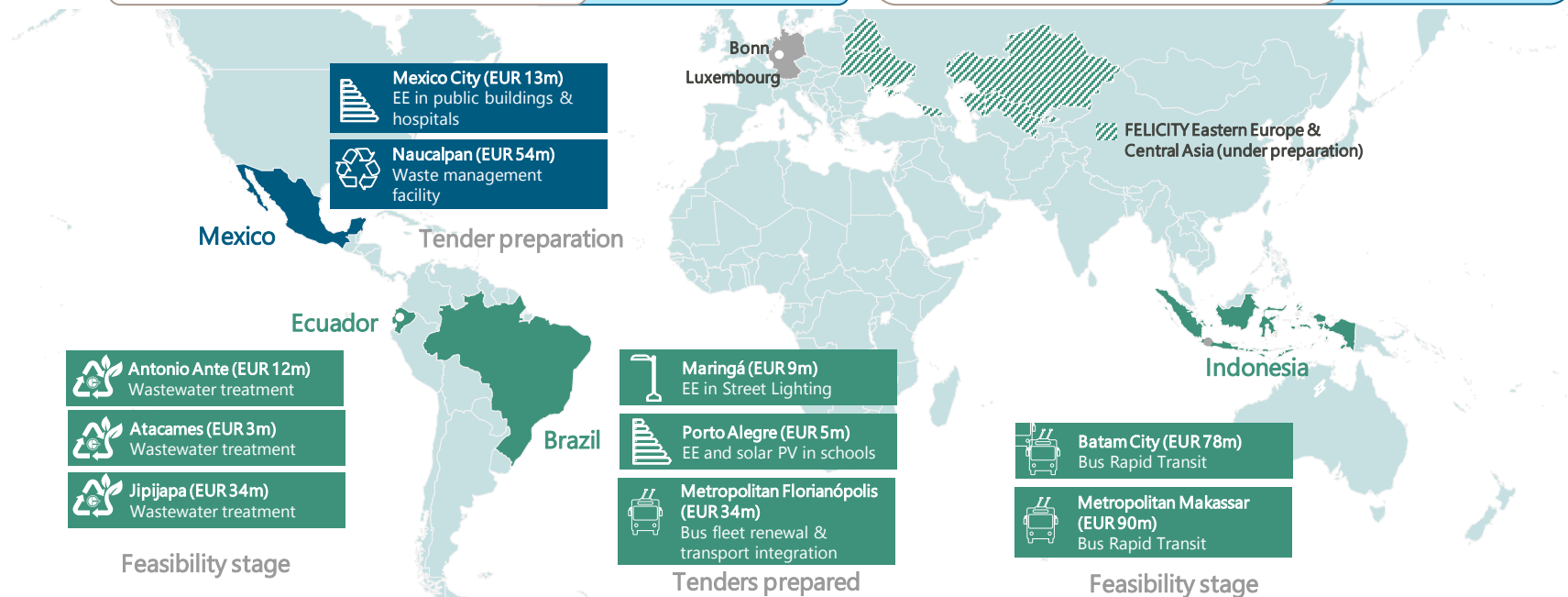
...of which **EUR 67 million** in Mexico;

Potential to reduce GHG emissions by **up to 1.98 million t CO₂eq** over 15 years...

...of which **1.16 million t CO₂eq** in Mexico;

Training of more than 3,700 professionals at local, national and intermediary level in preparing, financing and implementing low-carbon infrastructure projects in cities...

...of which **2.500 were trained** in Mexico;



LESSONS LEARNT - FELICITY'S ADDED VALUE

Integrated approach (TA+FA)



City Side

'FELICITY Niche': bring cities beyond the stage of Pre-Feasibility Studies

Build a credible pipeline of sustainable urban projects

Effective facilitation of identifying and interacting with project promoters

Need-based Capacity Development for end beneficiaries (cities)

Flexible support to open new markets and sectors

Visible Impact



Finance Side

Enabling intermediaries and developing NDB's capacities

Closing the gap: a fragmented project landscape and standardised finance operations

Packaging deals and loan structuring vis a vis investments' granularity and counterpart capacity gaps

Demand-based thematic scope of financial products and operations

Actual disbursement: successful EIB operations cycle



FELICITY

Mexico

Project identification and selection

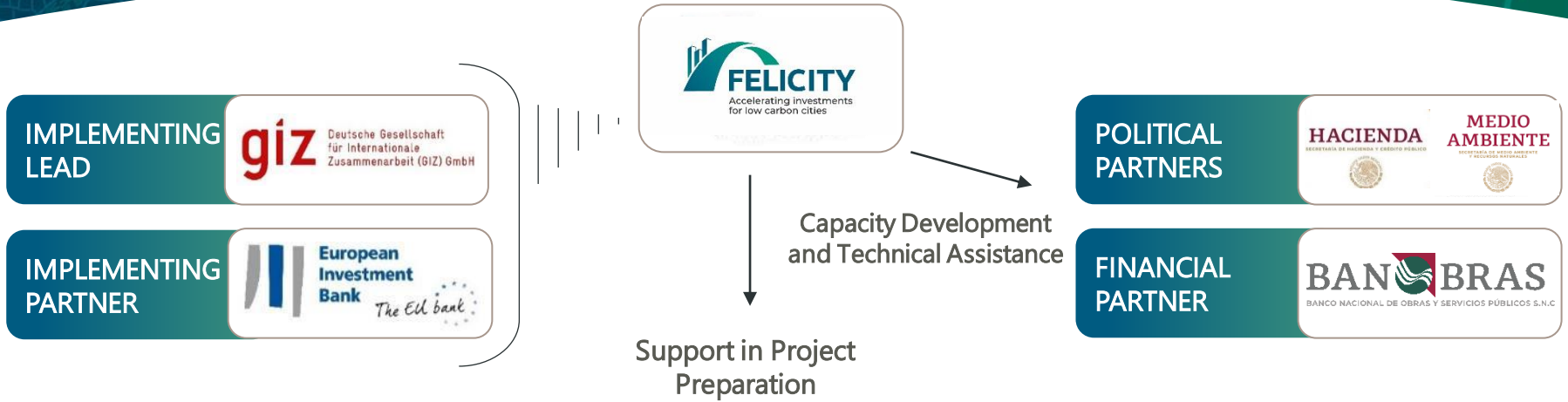
Bringing together relevant sectorial partners (Ministries, NDBs and other local organizations).

Technical Assistance to enable project promoters to prepare a pipeline based on investor requirements

Capacity Development on design and implementation of bankable projects, individual skills and organisational management structures

Linking to finance: presentation of projects to public and private investors, as well as exploring innovative financing models.





TA & CD to transit projects from feasibility to bankability

Linking to Finance

Naucalpan
Management and energetic utilization of urban waste


Mexico City
Sustainable Energy transition for public buildings



MANAGEMENT AND ENERGETIC UTILIZATION OF URBAN WASTE

Project Promoter: Municipality of Naucalpan

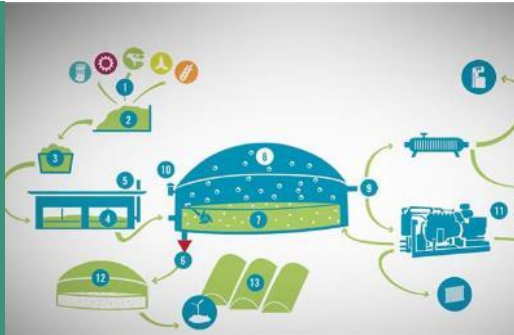
Municipal solid waste separation and treatment plant with mechanical and biological treatment (MBT), anaerobic digestion facility, biogas CHP (7.9 MWe), separation of recyclable materials



77,000
tCOeq p.a.



54
million EUR



SUSTAINABLE ENERGY TRANSITION FOR PUBLIC BUILDINGS

Project Promoter: Mexico City

Promotion of energy efficiency and renewable energy in 65 public buildings with energy efficiency retrofits, solar water heating systems and PV systems.



374
tCOeq p.a.



20.5
million EUR



RESULTS OF FELICITY ENGAGEMENT IN MEXICO

1. **Social and environmental risks.** Identification, studies and environmental and social impact assessments.
2. **Governance.** Creation of a network of energy managers and a Steering Structures for Project Management and Implementation.
3. **Capacity Development.** Training and workshops in project prep and management platforms like [SOURCE](#) and [EDGE](#).
4. **Transparency.** Integrity model in project prep and bidding process for a transparent link to finance



- Eval methods for sectorial projects on Urban Solid Waste and Energy Transition in Public Buildings.
- 6 methodologies for Local ESIA requirements

Development and update of methodologies

Project Preparation Readiness Training Program

- Promotion of sustainable and resilient Project preparation
- Project cycle focus: basics to sectorial issues.
- + 2,200 particip. from 15 countries
- [Online course](#) open, free and self-taught.



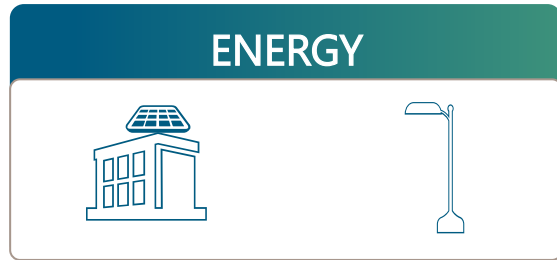
- Active contributions together with [CCFLA](#).
- Shared LL at national and international level

International participation



RESULTS OF FELICITY ENGAGEMENT IN MEXICO

Investments in green infrastructure sectors



... have a great potential to contribute to an economic recovery as part of a national reactivation pipeline.

10 to 31 jobs created for every million-dollar invested in building retrofits with energy efficiency measures

Costs of proper waste management:

5-7 US\$ per capita

Costs of inaction:

50-100 US\$ per capita

GREEN RECOVERY AS AN APPROACH TO OVERCOME THE CRISIS - PRODUCTIVELY

FELICITY's approach to Green and Fair Recovery

1. Raising awareness for the potentials of green recovery through training and capacity development
2. Designing a conceptual framework adjusted to the local context (e.g. including focus on a socially fair recovery)
3. Identifying relevant sectors and project types with National Development Banks (e.g. Banobras) in order to guide investment planning geared towards a green recovery
4. **Matchmaking** – connecting the urban and finance, facilitating access to finance for cities



Example: BDE Ecuador

Recovery spending should align with - rather than displace - essential spending on a green and fair transition

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Programme

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Cities Advisory Facility (FELICITY)
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On behalf of

German Federal Ministry for the Environment,
Nature Conservation and Nuclear Safety, Bonn / Germany

This project is part of the International Climate Initiative (IKI).

The German Federal Ministry for the Environment, Nature
Conversation and Nuclear Safety (BMU) supports this initiative
on the basis of a decision adopted by the German Bundestag.

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of the Federal Republic of Germany

