C40 and World Bank Form Groundbreaking Climate Change Action Partnership

Unique cooperation will address key barriers cities face in obtaining financing for climate-related projects

Sao Paulo, Brazil – (June 1, 2011) Today the C40 Cities Climate Leadership Group (C40), a group of 40 large cities tackling climate change, and the World Bank formed a groundbreaking partnership that will help cities accelerate current actions to reduce greenhouse gas emissions and become more resilient to climate change. C40 Chair New York City Mayor Michael R. Bloomberg and World Bank Group President Robert B. Zoellick signed the agreement during the C40 Cities Mayors Summit in Sao Paulo, Brazil.

“The leaders of C40 Cities - the world’s megacities -- hold the future in their hands,” said C40 Chair, New York City Mayor Michael R. Bloomberg. “This unique partnership with the World Bank will help solve many of the problems that cities face in obtaining financing for climate-related projects, both from the World Bank and other lenders. It will also make it easier for C40 cities to access the resources of the World Bank.”

C40 cities account for 8 percent of the global population, 12 percent of global greenhouse gas emissions and 21 percent of global GDP. C40 cities are already taking major steps to address the challenges of a changing climate, but more can be done.

“The World Bank has a long history of working in urban areas to promote economic development to overcome poverty and more recently to address climate change,” said World Bank Group President Robert B. Zoellick. “This agreement will help us work with C40 cities to integrate growth planning with climate change adaptation and mitigation, with special attention to the vulnerabilities of the urban poor.”

Since 2006, when the C40 partnered with the Clinton Climate Initiative to tackle climate change in cities, their programs have reduced carbon emissions significantly.

“Cities are growing at a faster rate than ever before and producing the majority of carbon emissions; we are already facing rising sea levels and more extreme hurricanes, droughts, and cyclones,” said President Clinton. “Our partnership with the World Bank will provide essential tools to help cities become more sustainable, grow their economies, create jobs, promote energy independence, and ensure a stable future for generations to come.”
About the partnership
The key objective of this new partnership is to enable megacities to expand mitigation and adaptation actions and at the same time, strengthen and protect economies, reduce poverty and protect vulnerable populations. It addresses structural issues that make it difficult for cities to finance climate actions that have been identified by both C40 Cities and the World Bank Group.

As part of the mutual agreement, the C40 and the World Bank will establish:

- A consistent approach to climate action plans and strategies in large cities to enable stronger partnerships between cities on shared climate goals, and to permit potential investors to identify opportunities across cities. The lack of a standard approach or process – such as exists for national government action plans – has made it difficult for investors and grantors to assess city action plans and thus has made them reluctant to fund projects.

- A common approach to measuring and reporting on city greenhouse gas emissions to allow verifiable and consistent monitoring of emissions reductions, identify actions that result in the greatest emission reductions, and facilitate access to carbon finance. This is necessary because carbon finance requires quantitative assessments of impacts, but currently no single standard for reporting citywide carbon emissions exists; the Carbon Disclosure Project’s Measurement for Management report identified several different protocols in use by C40 cities, with no single protocol used by a majority.

“The City of São Paulo is very pleased with the announcement of the new partnership between the World Bank and the C40,” said Sao Paulo Mayor Gilberto Kassab. “This partnership shows the growing importance of local governments in addressing climate change-related issues and the importance of financing local-level projects.”

The World Bank will also establish -- by December 1, 2011 – a single, dedicated entry point for C40 cities to access World Bank climate change-related capacity building and technical assistance programs, and climate finance initiatives. This will assist city governments – who often do not have the familiarity with World Bank programs that their national government counterparts have – to know what World Bank resources exist and how to tap them.

In addition, the C40 will identify and work with national governments who are interested in funding climate change projects, and identify private sector partners to provide project financing in C40 cities. In turn, the World Bank will identify opportunities from among sources of concessional finance, carbon finance, and innovative market and risk management instruments as well as the private sector through the International Finance Corporation. These may be accessed by project developers supporting climate action in cities.

Both the C40 and the World Bank will direct resources expressly to this partnership to ensure its implementation, sustainability and long-term success.

The C40 and the World Bank Institute, the World Bank’s capacity development arm, already work together through the C40 Carbon Finance Capacity Building program, with support from the Government of Switzerland and the City of Basel. Established in 2008, this program is a pilot to build the capacity of a small number of developing cities to directly access the Clean Development Mechanism.

For more information on this agreement, please visit C40 Cities Live.
For more detailed information about C40 Cities Mayors Summit please visit the following online resources:

- Blog: live.c40cities.org
- Website: www.c40cities.org
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About C40 Cities
The C40 Cities Climate Leadership Group (C40) is an organization of large and engaged cities from around the world committed to implementing meaningful and sustainable climate-related actions locally that will help address climate change globally. To learn more about the work of C40 cities, please visit http://www.c40cities.org/

About the World Bank Group
The World Bank Group is one of the world's largest sources of funding and knowledge for developing countries. Its mission is to fight poverty and to help people help themselves and their environment by providing resources, sharing knowledge, building capacity and forging partnerships in the public and private sectors.

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