

PRESS RELEASE

18 MAY 2015

C40 Launches Creditworthiness Network to Unlock City Access to Capital

Programme kicks off with Creditworthiness Academy in Amman, Jordan

Today, the C40 Cities Climate Leadership Group (C40) and strategic funding partner the Children's Investment Fund Foundation (CIFF) launched a new Creditworthiness Network that will help selected cities achieve a credit rating in order to finance climate-related projects. The programme will kick-off with a Creditworthiness Academy in Amman, Jordan – a five-day workshop hosted by the Greater Amman Municipality and delivered in partnership with the World Bank. The Academy will start the eight participating cities on the critical path to sustainable finance through creditworthiness.

“Empowering cities economically – particularly those in developing countries – to take climate action will not only improve the lives of urban citizens, but also will help nations close the emissions gap on the Road to Paris and beyond,” said C40 Chair and Rio de Janeiro Mayor Eduardo Paes. “The C40 Creditworthiness Academy and Network will allow cities to access the capital needed to finance infrastructure projects to reduce both carbon emissions and climate risk.”

C40 research shows that C40 cities could reduce greenhouse gases by 8 gigatonnes by 2050 – the equivalent of taking 1.6 billion cars off the road. However, a number of C40 cities do not have a credit rating or access to international capital, and therefore cannot make the investments needed to secure a low-carbon future that would also deliver significant health and economic co-benefits.

“Climate change poses the single biggest threat to the future health and livelihood of today's children,” said Shirley Rodrigues, Climate Change Director at the Children's Investment Fund Foundation. “To protect and secure a healthy and sustainable future we support the urgent global transition to a low carbon economy. The C40 Creditworthiness Academy and Network is an important part of sharing knowledge on how to finance local carbon infrastructure to keep up with the rapid pace of urbanisation in developing countries.”

Research from the World Bank indicates that only 4 percent of cities in the world's largest developing countries have an international credit rating, and only 20 percent have a domestic credit rating – a problem creating a significant barrier to cities attracting low-cost capital to finance sustainable infrastructure such as transit, waste and energy systems. Improved creditworthiness will help cities build a pipeline of low carbon infrastructure projects, thereby implementing emissions reductions that are part of national commitments for the 2015 COP21 in Paris.

“Cities are taking bold and innovative steps to address climate change, and with better access to capital, they can do more and act faster,” said the UN Secretary-General's Special Envoy for Cities and Climate Change and C40 Board President Michael R. Bloomberg. “C40's Creditworthiness Academy and Network will help more cities make investments that reduce carbon, protect communities, and improve lives – especially in developing countries – and build momentum leading up to the UN's climate conference in Paris.”

The Creditworthiness programme, with support and guidance from international experts, will help cities understand how they can become creditworthy, identify the issues they need to address and develop action plans to achieve an investment-grade credit rating to support low-carbon and sustainable development.



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“There should be no doubt that meeting the increasing needs of our citizens and protecting the climate go hand in hand,” said Amman Mayor Akel Biltaji, who recently joined the C40 Steering Committee. “The City of Amman has made good strides towards sustainable development and our efforts have been recognized by international development and financing bodies, but we can and need to do more. We are excited about participating in the C40 Creditworthiness Network to be in a better position to improve livability for our citizens.”

With a long-term commitment to helping cities achieve concrete results, the Creditworthiness Network will build on the learning and action plans developed at the C40 Creditworthiness Academy, with ongoing collaboration among participating cities as they work to achieve creditworthiness. Lessons and solutions from the participants will be shared more broadly throughout the global network of 75+ C40 cities.

“Lack of access to credit and financing is a major barrier facing cities around the world,” said Ellen Hamilton, Manager of the World Bank’s Urban Global Programme Unit. “But cities stand to benefit hugely from investing in creditworthiness – our experience shows that every dollar spent on improving city creditworthiness has the potential to unlock \$100 in private sector infrastructure financing.”

The eight participating cities include Amman, Bangalore, Chennai, Curitiba, Dar es Salaam, Durban, Karachi, and Kolkata. Their participation is based on mayoral commitments to engage actively in the C40 Creditworthiness Network, and to use their improved creditworthiness to finance sustainable infrastructure to reduce carbon emissions.

Funding for the Creditworthiness Academy was provided by CIFF, which also contributed significantly to the costs of running the C40 Creditworthiness Network for the next two years.

About the C40 Cities Climate Leadership Group

The C40 Cities Climate Leadership Group, now in its 10th year, connects more than 75 of the world’s greatest cities, representing 500+ million people and one quarter of the global economy. Created and led by cities, C40 is focused on tackling climate change and driving urban action that reduces greenhouse gas emissions and climate risks, while increasing the health, wellbeing and economic opportunities of urban citizens. The current chair of the C40 is Rio de Janeiro Mayor Eduardo Paes; three-term Mayor of New York City Michael R. Bloomberg serves as President of the Board. To learn more about the work of C40 and our cities, please visit www.c40.org, follow us on Twitter @c40cities and like us on Facebook at <http://www.facebook.com/C40Cities>.

About The Children’s Investment Fund Foundation

The Children’s Investment Fund Foundation (CIFF) is an independent philanthropic organisation, headquartered in London with offices in Nairobi and New Delhi. We work to transform the lives of poor and vulnerable children in developing countries. Areas of work include children and mothers’ health and nutrition, children’s education and welfare, and smart ways to mitigate climate change. CIFF-funded programmes place significant emphasis on quality, data and evidence. Before making an investment and during implementation, CIFF works with partners to measure and evaluate progress to achieve large scale and sustainable impact. Every child deserves to survive and thrive. To learn more about the work of CIFF, please visit www.ciff.org or follow us on Twitter @CIFFchild.

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