



# CITIES

## TWO THIRDS OF THE GLOBAL POPULATION WILL LIVE IN CITIES BY 2050

Cities drive economic growth. But building and maintaining the infrastructure needed for growing populations is a challenge. IFC is helping municipalities improve their mass transit and waste management systems, increase energy efficiency, reduce GHG emissions, and improve water and wastewater services.

**\$7.1**  
BILLION

In private sector investment in cities expected through IFC's PPP projects.

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**26**

Cities benefiting from private investment through IFC's PPPs.

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**21.3**  
MILLION

People have access to improved services through our projects.

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**289**  
THOUSAND

Tons of greenhouse gas emissions reduced each year through improved public transport, streetlighting, and renewable power infrastructure.

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In partnership with Australia, Austria, Brazil, Canada, France, Ireland, Italy, Japan, Kuwait, Netherlands, Norway, Spain, Sweden, Switzerland, the United Kingdom, the United States, the Public-Private Infrastructure Advisory Facility, the Global Partnership on Output-Based Aid, the Private Infrastructure Development Group, the African Development Bank, the Asian Development Bank, the Brazilian Development Bank, the Caribbean Development Bank, the Central American Bank for Economic Integration, the European Investment Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank, the Infrastructure Consortium for Africa, and the Islamic Development Bank.

## PHILIPPINES: MANILA LRT-1 CAVITE EXTENSION 2014

**Challenge:** Operating since 1984, Manila's Light Rail Transit Line, LRT-1, carried 500,000 passengers daily along one of the city's densest traffic corridors. But 30 years of underinvestment deteriorated the system, shrank the fleet, and caused safety concerns.

**Solution:** IFC designed a PPP for a 32-year concession to upgrade and operate LRT-1, and to build and operate a much needed 12km extension to the line.

**Results:** The winning consortium committed to invest \$925 million to build the extension, and the government will receive \$200 million in upfront concession fees. The project is expected to benefit more than one million daily passengers, yield \$312 million in fiscal benefits, and reduce CO2 emissions by 40,000 tons per year - equivalent to taking 8,500 cars off the road.

## INDIA: ODISHA STREET LIGHTING 2016

**Challenge:** Across the state of Odisha, street lights were old, inefficient, and failure prone. Street lighting was far below national standards, causing road hazards and safety concerns for residents.

**Solution:** IFC helped structure an innovative PPP that tied the private operator's revenue directly to the energy savings it delivered. That meant the more energy the private operator saved the city, the more it earned.

**Results:** This PPP led to \$5 million in private investment. The introduction of energy efficient lights and a high-tech operating system will reduce GHG emissions by 12,500 metric tons per year and provide over 400,000 people with improved lighting, making streets brighter and safer.

## RWANDA: KIGALI BULK WATER 2015

**Challenge:** Rwanda's capital city is growing fast, straining Kigali's infrastructure. While water coverage rates are good, water production capacity has not kept pace with population growth and water shortages are common.

**Solution:** For the Government of Rwanda, maintaining people's access to water is a top priority. IFC designed a concession to build, operate, and maintain a 40,000 m<sup>3</sup>/day greenfield bulk water supply plant for the City of Kigali that will help meet current and future water needs of residents.

**Results:** The project will generate about \$75 million in private investment for the construction and operation of the bulk water plant, increasing Kigali's water supply by 40%, and improving accessibility and quality of service for over one million people.

## SERBIA: BELGRADE WASTE TO ENERGY 2017

**Challenge:** Belgrade generates 500,000 tons of waste per year but its 40-year-old city landfill in Vinča was filled with untreated waste that polluted the air and groundwater, and caused fires at the landfill.

**Solution:** Concerned with the massive environmental impact of its growing waste problem, Belgrade asked IFC to design a PPP for a partner to build and operate a new waste treatment and disposal complex, including a waste2energy plant that will produce electricity and heat for the city.

**Results:** Serbia's first large-scale PPP will lead to EUR330 million in private investment, introduce EU standards in waste management, and reduce pollution and GHG emissions. The operator will also recover energy from waste and generate about 30MW of renewable energy for the city.

## EGYPT: NEW CAIRO WASTE- WATER 2009

**Challenge:** With only 1/3 of Egypt's population connected to a sewer system, and rapid urbanization straining already overburdened infrastructure, Egypt's fast-growing cities, like 'New Cairo', were searching for solutions.

**Solution:** IFC helped Egypt's government structure a PPP to finance, design, construct, operate, and maintain a 250,000 m<sup>3</sup>/day capacity wastewater treatment plant to improve sanitation services for New Cairo's residents.

**Results:** The New Cairo Wastewater Treatment Plant—the first PPP in Egypt—is serving more than 1 million people. Treated wastewater from the plant is irrigating agricultural land and community spaces, and reducing the use of fresh water. Sludge from the plant is being turned into fertilizer, adding to the environmental benefits of the project.

## BRAZIL: GOIAS POWER UTILITY 2017

**Challenge:** Goiás State's main power utility (CELG-D) provides power to 2.7 million people across 237 cities, but was ranked the worst performing power utility in Brazil with twice as many outages as other utilities.

**Solution:** Brazil's government asked IFC to help privatize the utility and bring in international expertise to overhaul its performance, invest in its infrastructure, and provide reliable power for residents of Goiás State.

**Results:** Enel, a global leader in energy generation and distribution, purchased 95% of CELG-D for \$706 million - the first privatization in Brazil in 15 years. The project will facilitate up to \$2.5 billion in private investments to upgrade the utility over 30 years, providing more people with electricity and saving over 10,000 GWh of power.