

# IFC: A Solutions Provider for Cities and Mayors

Cities are drivers of growth. Across the world, we are witnessing unprecedented urbanization and impacts from climate change and disruptive technology. Cities need to be livable and inclusive. They need to offer efficient services, including transport, housing, clean water, and sanitation. And they need to attract businesses, offer jobs, and provide an improved quality of life for citizens.

## Why cities matter



Cities generate more than 80 percent of global GDP.



There are more than 1 billion cars on the road today, emitting over 4.6 billion tons of CO<sub>2</sub> per year.



Inadequate urban infrastructure drives up business costs and harms quality of life.



By 2050, cities will be home to 68 percent of the emerging market population.



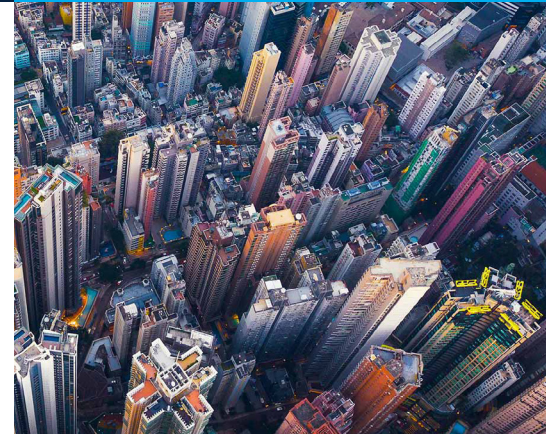
Cities consume two-thirds of the world's energy and generate 70 percent of global carbon emissions.

## Our approach

Drawing on our global network, IFC mobilizes **commercial financing** for priority projects, connects cities with capital markets, and helps diversify their investor base. We leverage World Bank and private sector expertise and offer **project structuring and development support** for public-private partnerships (PPPs) as well as **community outreach and capacity building** to facilitate implementation of infrastructure projects.

## The IFC difference

- IFC builds long-term partnerships through direct engagement with **municipalities, subnational companies, and private sector solutions providers.**
- We bring to bear our extensive market reach and in-house technical expertise to help mayors and municipal leaders address **urban infrastructure implementation and efficiency** challenges.
- IFC is uniquely positioned to support cities on **urban transport, water and waste management, health, education, street lighting, smart city development, energy efficiency, and climate resilience.**
- Since 2004, IFC has invested and mobilized **over \$10.6 billion in more than 320 projects in the Cities infrastructure space.**



## About IFC

- Largest multilateral source of debt and equity financing for the private sector in developing countries and to emerging market cities
- AAA-rated by S&P and Moody's
- Loans, equity, quasi-equity, local currency and risk management products, capital markets access, and mobilization
- Advisory services to help develop priority projects, structure and tender PPPs, and improve financial management
- World-class social, environmental, and corporate governance standards and risk mitigation

## IFC's global reach





Thomas Deppenbusch

## Izmir, Turkey

Over the past decade, IFC has developed a long-term partnership with the City of Izmir, helping it access more than \$400 million from IFC and other lenders to finance several municipal projects. This includes a tramway that connects remote areas to the city center, establishment of a smart traffic management system, upgrade of its seaport infrastructure, advice on an electric bus pilot project, improvement in its wastewater and solid waste management services, and creation of an open data management system. These projects have reduced average daily overall travel time for Izmir's citizens by 25 percent and improved access to water services for 240,000 residents.



Iván Erre Jota

## Bogota, Colombia

IFC supported the bankability and implementation of two key urban infrastructure projects—TransMicable and the extension of a bus rapid transit networks. First, we provided advice to improve knowledge about IFC's Environmental and Social (E&S) Standards and the value in aligning with best international E&S practices. Next, IFC mobilized \$140 million in private sector funds, ensuring key development impacts by enabling a dramatic reduction in daily commuting time—from three hours to 13 minutes—for nearly 670,000 residents.



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## Ekurhuleni, South Africa

IFC invested ZAR900 million (\$53 million) in a 2020 bond issuance by the Ekurhuleni Metropolitan Municipality, to finance critical infrastructure improvements for this important manufacturing and logistics hub. The municipality, which contributes 8 percent of South Africa's GDP, is using the bond proceeds to upgrade and expand roads, electricity connections, and water and sanitation services to underserved areas, including informal settlements. Completed in record time—29 days from mandate to commitment—IFC's investment responded to a need, given the lack of longer tenor financing in South Africa following the outbreak of the COVID-19 pandemic.



## Casablanca-Settat Region, Morocco

IFC is supporting the Region of Casablanca-Settat (RCS) through a \$100 million loan for road expansion and improvement, to enable two new tramway lines. In parallel, IFC is providing advisory services on a range of efforts, including strengthening RCS' E&S risk management capacity, conducting a livelihood impact assessment related to the road improvements, developing a road maintenance strategy, and providing an upstream assessment to improve and expand RCS' streetlighting.

### IFC cities contacts

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