Smart Solutions for Sustainable Cities

Michael Gruber, Sen. Economist for Urban Development and Transport

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KfW Development Bank as part of the KfW Group

Domestic promotion

We promote Germany
- SMEs
- Private clients
- Municipalities

Support for the environment and climate protection

International financing

We support internationalisation
- Export & project finance

We promote development
- Developing & emerging countries

KfW
Financing volume (FV): 47.6 billion (2014, EUR)

KfW IPEX-Bank
FV: 16.6 billion

KfW DEG
FV: 7.4 billion and 1.5 billion
Offices of KfW Development Bank and DEG

KfW Development Bank: Urbantec 2015, Brasil, October 1st 2015
Key success factors for sustainable urban infrastructure financing from KfW’s experience

Sound planning:
- get priorities right, well-prepared best investment option
- -> planning cost is well invested!

Sound financials:
- consider life cycle cost (do not neglect O&M),
- diversify municipal income basis (local taxes and tariffs, central transfers, borrowing)

Sound governance:
- strong project implementation,
- effective operation,
- responsive services to people
KfW offers funding and competence from German and international urban financing:

KfW finances 20% of municipal infrastructure investments in Germany (5bn EUR p.a.)
- setting standards (e.g. “KfW low energy buildings”)

Worldwide, KfW has financed 14,5 bn EUR for urban development over 5 years.

Our particular focus and expertise is on environmental and energy efficient infrastructure

Our assets:
- Broad set of instruments (preparatory grants, investment loans, capacity building)
- Accompanying the whole project cycle (preparation – implementation – operation)
- Untied aid, but offering partnership with German industry and cities
KfW Development Bank
Financing Projects and Programmes

KfW Development Bank: Urbantec 2015, Brasil, October 1st 2015
Sustainable Cities are our goal
PERL-Cities Approach
Thank you very much!
KfW Project Examples: Productive Cities

- Local economic infrastructure, South-East Europe (MIDF)
- Regional SME Funds, MENA-Region
- Financing innovation of growing businesses, India
KfW Project Examples: Efficient Cities

- Environmentally friendly waste-water treatment, China
- Green housing construction, Mexico
- Supporting urban mobility (China) or NMT (South Africa)
- Progressive waste-management for sustainable urban development, Indonesia
KfW Project Examples: Resilient Cities

- Urban climate adaptation in Beira, Mozambique or Khulna, Bangladesh
- Protection of habitats, infrastructure and ecosystems in coastal regions, Tunisia
- Funds for climate insurances, Caucasus
KfW Project Examples: Livable Cities

- Environmentally friendly urban development, India
- Reliable and efficient urban water provision, Peru
- Cultural and recreational spaces in Kabul, Afghanistan
- Violence prevention and peaceful coexistence, South Africa and Central America
- Decentralization via eAccountability in Togo, Benin, Ruanda