

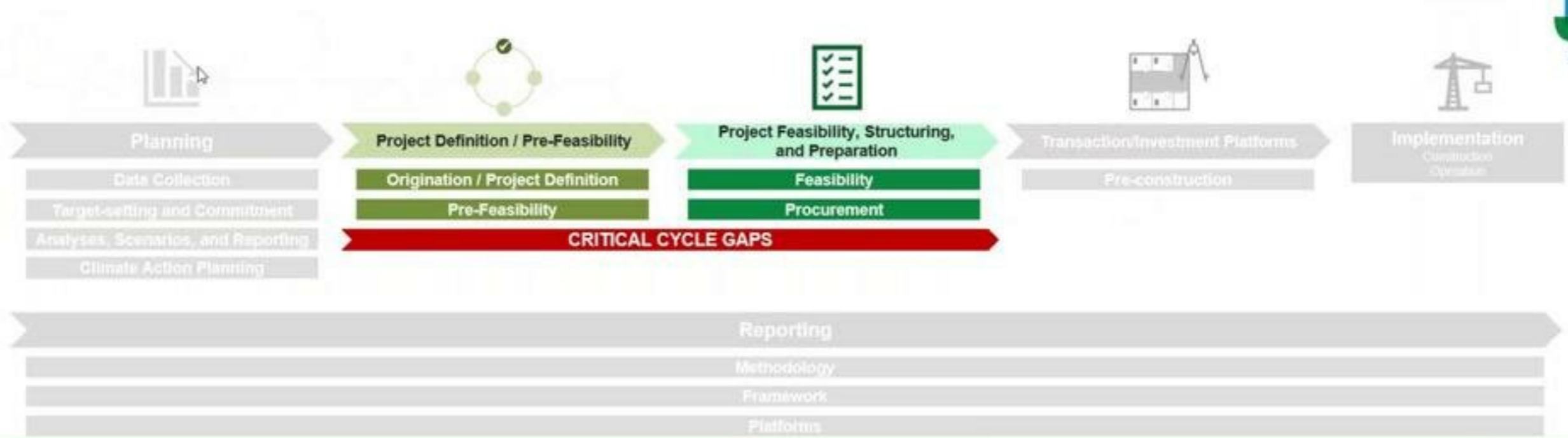


The Gap Fund

October 2020

Partners





Local governments lack the funding and resources they need to mature projects from concept to feasibility and on for investment

Through GCoM and with support from city network partners, committed cities are developing local strategies to address climate change.

However, many of these project ideas get trapped in climate action plans and never make it in front of investors.

The "Gap Fund" provides technical assistance at project definition and pre-feasibility stages.

The City Climate Finance Gap Fund:

Helping cities in developing and emerging countries turn resilient low-carbon ideas into strategies and finance-ready projects

Financing for the following activities:

- **Supporting** city climate strategy development and the generation of in-depth analytics to assess the climate action and resilience potential of plans, strategies, and investment programs
- **Providing** capacity building for low- carbon capacity and climate-resilient urban development
- **Supporting** the prioritization of investments as part of a climate strategy or investment program
- **Defining** project concept definitions and the components of pre-feasibility studies
- **Supporting** a strengthened approach to project financing
- **Matchmaking** with additional support sources for later stages of project preparation
- **Offering** potential support to fill in other project preparation gaps

Eligibility

Projects must meet each of the following five criteria

1. Eligible countries – OECD Development Assistance Committee list (see pdf file)
2. Climate Action Potential – projects must contribute to the following objectives:
 - Gap Fund activities will contribute to the mitigation of greenhouse gas emissions in meeting the ambitious 1.5° Celsius goal identified in the Paris Agreement and/or to adapting to climate change
 - Applicants must commit to carrying out an estimation of, or working with Gap Fund experts to estimate, the proposal's climate change mitigation or adaptation potential of the supported climate strategy/ action plan or project using standard methodologies and publicly available tools for scenario planning
3. Eligible sectors (see next slide)
4. Urban dimension - The project must be situated in an urban area or functionally linked to one
5. Project stage:
 - Gap Fund activities can provide support to cities either in strategic planning or up to the pre-feasibility stages of a project, namely:
 - Climate strategy development/enabling environment
 - Project definition/concept
 - Pre-feasibility



Eligible Sectors

The following urban infrastructure sectors are eligible for Gap Fund support:

- Sustainable urban mobility
- Energy efficiency and small renewables, including building retrofits, street lighting, district heating and cooling
- Solid waste management and circular economy activities
- Water and wastewater management
- Greening of urban areas, nature-based solutions, blue/green infrastructure, ecosystem restoration, and centered urban planning
- Green buildings, including sustainable/climate-friendly building materials and eco-districts
- Adaptation to established climate vulnerabilities
- Affordable housing with an energy-efficient approach
- Multi-sector, area-based investment programs, including slum/informal settlement upgrading, brownfield redevelopments, urban extensions or corridor development



Expression of Interest: Key Information requested (2)



Existing partnerships/engagements	
<p>11. Does the city have an existing engagement with any one or more of these development partners? (Directly or indirectly via state or national agencies.) (Select all that apply)</p>	<p><input type="checkbox"/> World Bank (WB) Provide details on type and number of engagements, project name(s), timeline(s), amount(s), etc.</p> <p><input type="checkbox"/> European Investment Bank (EIB) Provide details on type and number of engagements, project name(s), timeline(s), amount(s), etc.</p> <p><input type="checkbox"/> German Corporation for International Cooperation (GIZ) Provide details on type and number of engagements, project name(s), timeline(s), amount(s), etc.</p> <p><input type="checkbox"/> Others (multilateral development banks, national development banks and any other international financial institutions and development partners) Provide details on type and number of engagements, project name(s), timeline(s), amount(s), etc.</p> <p><input type="checkbox"/> None</p>
<p>12. Does the proposed intervention have any links to existing or planned local or national government strategies?</p>	<p>City climate change action plan or resilience strategy <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, what is the status of the plan? Choose an item.</p> <p>Urban development plans (master plan, strategic spatial plan, investment plan, etc.) <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, what is the status of the plan? Choose an item.</p> <p>National climate change action plan or resilience strategy, Nationally Determined Contributions, etc. <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, what is the status of the plan? Choose an item.</p> <p>Others, namely: <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, what is the status of the plan? Choose an item.</p>
<p>13. Did you receive any assistance in filling out this expression of interest? (Select only one)</p>	<p><input type="checkbox"/> World Bank (WB)</p> <p><input type="checkbox"/> European Investment Bank (EIB)</p> <p><input type="checkbox"/> Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)</p> <p><input type="checkbox"/> Global Covenant of Mayors and city networks (such as ICLEI and C40 Cities Climate Leadership Group (C40))</p> <p><input type="checkbox"/> Others (please specify):</p> <p><input type="checkbox"/> None</p>



Example Types of Projects

For illustration purposes only



Types of assignment	Example
Prefeasibility study	A city has identified a waste management investment in its climate strategy but the project needs further definition (e.g. to refine scope, estimated cost, preliminary structuring) before a feasibility study could be carried out
Preparing ToRs for a feasibility study	A project involving energy efficiency upgrades of public buildings has been identified by a city. It is reasonably well defined and not especially complex. Support could enable preparation of ToR for a feasibility study and business case.
Analysis of alternatives	A city has identified sustainable mobility as a key challenge but is not sure whether to move forward with a BRT or a LRT project. An analysis of alternatives is required, to enable city decision-making before proceeding.
Design work to ensure climate elements are properly captured	A city has a promising project on renovation of public buildings, with the objective of integrating green-blue features into the renovation. The project promoter has contracted design consultants but there is concern from potential funders that the climate potential of the project might not be achieved, given the lack of experience of local design engineers in design of green-blue climate features. Support could be provided to incorporate suitable best practice design into an initial tranche of building renovations, with subsequent replication by local teams.

Useful resources



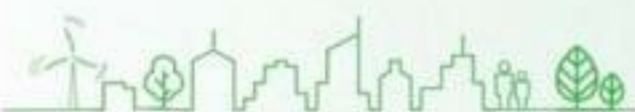
On the Gap Fund website:

- Frequently Asked Questions: <https://www.citygapfund.org/frequently-asked-questions>
- A contact form for the technical secretariat: <https://www.citygapfund.org/contact>
- Knowledge Hub (in development): <https://www.citygapfund.org/knowledge-hub>

Partner Resources:

- GCoM Invest4Cities – new research coming soon on private sector investment:
<https://www.globalcovenantofmayors.org/city-climate-finance/>
- Green City Finance Directory: <https://www.citiesclimatefinance.org/green-city-finance-directory/>

Questions?



building SUSTAINABLE
CITIES & COMMUNITIES

#MindTheFinanceGap



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Paste

New Slide

Reuse Slides

Layout

Reset

Section

Font

B I U S

A A⁺ A⁻

Text Direction

Align Text

Convert to SmartArt

Paragraph

Text Direction

Align Text

Convert to SmartArt

Drawing

Shape Fill

Shape Outline

Shape Effects

Arrange

Quick Styles

Editing

Find

Replace

Select

Share

Comments

Dictate

Design Ideas

7

8

9

10

11

Questions?



[@Mayors4Climate](https://twitter.com/Mayors4Climate)

www.globalcovenantofmayors.org

Expression of Interest



The City Climate Finance Gap Fund (or "Gap Fund") aims to help cities in low- and middle-income countries transition towards low-carbon and climate-resilient pathways in line with the goals of the Paris Agreement.

Resources will be available to provide technical assistance to the development of early stage urban climate action interventions, by: (i) supporting cities and their local governments prepare bankable climate action investment projects; and (ii) facilitating matchmaking to later-stage project preparation facilities and financiers. The fund is not designed to finance any expected investment expenditures.

Instructions: Applicants for the Gap Fund must ensure that their activities are properly aligned with the program's goals and objectives, which you can find [here](#). Additional information may be enclosed as needed.

SECTION A: BASIC DATA

1. Title of proposed activity

Search "Draw Shape"

- Edit PDF
- Export PDF
- Create PDF
- Comment
- Combine Files
- Organize Pages
- Redact
- Protect
- Compress PDF
- Fill & Sign
- Send for Comme

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SECTION B: KEY PROJECT DETAILS

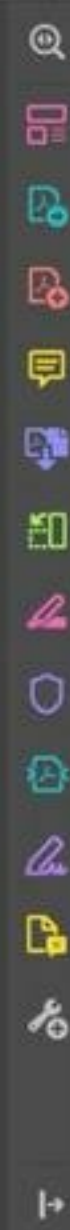
6. Sector focus

(check all that apply)

- Sustainable urban mobility**
Related to public transport, BRT systems, fuel switches, non-motorised transport
- Solid waste management**
Recycling, integrated waste management systems, circular economy
- Green buildings/eco-districts**
Interventions to meet suitable green building certifications or equivalent
- Adaptation**
To established climate vulnerabilities
- Affordable housing**
With energy efficiency approaches
- Energy efficiency**
Buildings, street lighting, district heating and/or cooling and distributed renewable energy generation
- Water and wastewater management**
Water supply and sanitation, sewerage, redevelopment for flood protection
- Greening of urban areas**
Public spaces, nature-based solutions, blue/green infrastructure (green/blue roofs, rain gardens, etc.)
- Multisector, area-based investment programs**
Includes slum/informal settlement upgrading, brownfield redevelopments, urban extensions

7. Climate focus

- Mitigation or low-carbon development**



Examples include filling gaps in a feasibility study, bringing Environmental and Social Impact Assessment (ESIA) to international financial institution standards and matchmaking support to other project preparation facilities

10. Briefly describe the: (i) challenges/issues to be addressed, (ii) proposed scope of interventions, including whether the activities will directly or indirectly respond to the impact of COVID-19, (iii) expected environmental, social and economic benefits, and (iv) rationale for Gap Fund support (no more than 400 words).

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Existing partnerships/engagements

11. Does the city have an existing

World Bank (WB)

13. Did you receive any assistance in filling out this expression of interest?
(Select only one)

Yes **No**

If yes, what is the status of the plan? Choose an item.

Others, namely:

Yes **No**

If yes, what is the status of the plan? Choose an item.

- World Bank (WB)**
- European Investment Bank (EIB)**
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)**
- Global Covenant of Mayors and city networks** (such as ICLEI and C40 Cities Climate Leadership Group (C40))
- Others** (please specify):
- None**

14. Optional: provide additional information below as needed.

Others (please specify):

None

14. Optional: provide additional information below as needed.

If the application is not selected by the Gap Fund, the applicant agrees to be connected with other organisations and development partners that are members of the [Cities Climate Finance Leadership Alliance \(CCFLA\)](#).

Vertical sidebar of application icons including search, home, and various tool icons.

14. Optional: provide additional information below as needed.



If the application is not selected by the Gap Fund, the applicant agrees to be connected with other organisations and development partners that are members of the [Cities Climate Finance Leadership Alliance \(CCFLA\)](#).

Yes No

When requested, the applicant commits to provide evidence of local/national political support for the proposed intervention.

Yes