



## FINANCING ENERGY FOR LOW-CARBON INVESTMENT - CITIES ADVISORY FACILITY (FELICITY)

As of: December 2021

The emissions mitigation potential of sustainable energy systems in cities and municipalities still cannot be realised, despite an increase in the supply of financial instruments. Cities and municipalities often lack the relevant knowledge, the capacities for the development of projects that are eligible for funding and adequate framework conditions for the fulfillment of international loan requirements. The Gesellschaft für Internationale Zusammenarbeit (GIZ) and the European Investment Bank (EIB) are establishing an advisory facility at the EIB to address these challenges. The project advises cities and municipalities on how to apply for and use funding, supports capacity building in local administrations and advises policymakers on international climate financing at national level. It also promotes knowledge management for financing mechanisms and the further development of instruments and methods such as the NDCs (nationally determined contributions). The project is part of the IKI Corona Response Package.

### State of implementation/results

- COVID-19 has increased strategic interest in climate-friendly infrastructure development and international finance. FELICITY helps to mobilize sustainable climate finance, establish knowledge products and standards, and mainstream mitigation projects into financial products and economic stimulus programs.
- FELICITY supports ten urban mitigation projects in Brazil (Porto Alegre, Florianópolis, Maringá), Mexico (Mexico City, Naucalpan), Indonesia (Batam, Makassar), and Ecuador (Antonio Ante, Atacames, Jipijapa).
- The ten projects have an estimated investment volume of 322 million euros, and an emission reduction potential of up to 2.0 million tCO<sub>2</sub>e<sub>q</sub> over 15 years.
- More than 3600 people from different levels of government have participated in trainings organized by FELICITY by July 2021.
- The waste management project in Naucalpan

## PROJECT DATA

### Country/Countries:

Brasilien, China, Ecuador, Indonesien, Mexiko

### Implementing organisation:

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

### Political partner(s):

- Development Bank of Ecuador B.P. (BDE)
- Ministry of Commerce - China
- Ministry of Mines and Energy (MME) - Brazil
- Secretariat of Finance and Public Credit (SHCP) - Mexico
- State Ministry of National Development Planning (BAPPENAS) - Indonesia

### Implementing partner(s):

- European Investment Bank

### BMU grant:

€ 13,000,000

### Duration:

03/2017 till 06/2022

### Website(s):

<http://www.eib.org/de/products/advisory-services/felicity>

<http://www.eib.org/en/products/advisory-services/felicity>





- ([youtu.be/...](#)) was included in the National Investment Plan for Economic Reconstruction. The national infrastructure fund FONADIN has pledged a grant of 30% of the project volume (USD 15.5 million). (See [www.proyectosmexico.gob.mx/...](#))
- In Brazil, more 116 additional city representatives\* participated in online trainings on the use of the Manual for the Development of Solar and Energy Efficiency Projects in Public Buildings, developed with the Brazilian Ministry of Energy and based on FELICITY's experience in Porto Alegre. Ten cities are already developing related projects using the new standards.
  - The BRDE development bank plans to finance 75% of the FELICITY-supported project in Porto Alegre once the city council approves the project. ([prefeitura.poa.br/...](#))
  - In Brazil, a high-level dialogue process on urban climate finance and green recovery was launched on 01/09/2021 in collaboration with BMU ([www.youtube.com/...](#)). This was prompted by a comprehensive study by the World Resource Institute Brazil on the obstacles in this policy field.
  - In Ecuador, cooperation with Atacames, Antonio Ante and Jipijapa was officially launched in January 2021 to prepare investments in high-quality wastewater systems ([www.elcomercio.com/...](#))
  - In May 2021, a three-day online training on Green Recovery was conducted jointly with the Ecuadorian Development Bank BDE.
  - In Indonesia, feasibility studies for two bus rapid transit (BRT) systems in Batam and Metropolitan Makassar are halfway complete (finalization by the end of 2021).
  - FELICITY's consulting services in Metropolitan Makassar were positively reported in the Indonesian press during an inaugural visit to the mayor and governor there in May 2021. ([bit.ly/...](#))
  - As part of CCFLA's Enabling Frameworks Action Group, FELICITY has been advocating on the topic of "national frameworks for subnational climate finance." A methodology for assessing the latter is currently being developed by the working group, which is analyzing Indonesia and Ecuador, among others, as pilot countries.
  - As part of the FELICITY-supported "ICLEI TAP Pitch Event" in May 2021, cities from Latin America and the Caribbean had the opportunity to present their projects to international financiers:





Federal Ministry  
for the Environment, Nature Conservation  
and Nuclear Safety

INTERNATIONAL CLIMATE INITIATIVE (IKI)



[worldcongress.iclei.org/...](http://worldcongress.iclei.org/...)

