



## **Maximizing financing opportunities to build global green economy: For a consistent and standardized preparation of sub-national green infrastructure projects**

### **Declaration of support**

#### PREAMBLE

**We, leaders of major international subnational governments networks (AER, FMDV, ICLEI, ORU-Fogar, R20),** are gathered here in Washington D.C. on April 19<sup>th</sup> 2017 to jointly call for a stronger effort in supporting the pressing scaling up of project preparation processes for green infrastructure implementation at local and subnational levels of action.

In line with the *Cities Climate Finance Leadership Alliance's* recommendations exposed in its reference reports during COP21 and COP22, the world is lacking consistent and standardized support to subnational governments and their partners for raising pipeline of bankable sustainable, resilient and low-carbon projects.

Along with previous inspirational initiatives such as the Transformative Actions Programme (TAP), we commend the innovative International Infrastructure Support System (named SOURCE) project preparation software, which has been initiated and is already supported by Development Finance Institutions (DFIs) and Multi-lateral Development Banks (MDBs).

Use of the SOURCE, project preparation software will significantly help sub-national governments to strengthen their own capacities and access finance; SOURCE will also provide reference standards that shall inspire other project preparation facilities, bringing a multiplier and catalyzer result-based approach.

#### **Declare the following**

Through the 100 Climate Solutions Project Campaign (launched in June 2016 and supported by the Leo di Caprio Foundation) our global networks of sub-national governments contributed greatly to the Project Identification stage of the aforementioned value chain. To date, over 450 suitable infrastructure projects have been identified, and are ready for the next step – Training & Capacity Building.

Based on R20's strategic partnership with the Sustainable Infrastructure Foundation (SIF), which has successfully developed, on behalf of different regional development banks, the SOURCE software, we now welcome a global series of SOURCE trainings to support sub-nationals that are willing to structure their projects according to development banks' standards.

We therefore welcome and recognize the exemplary and illustrative leadership that R20 has brought to sub-national infrastructure development while integrating a unique value chain and ecosystem of blending finance through the mix of Project Identification; Training & Capacity Building; Pre-Investment Facilities; and Financing of investment-ready projects.

### **On this basis, We reaffirm**

- The importance of local and regional governments as global identification hotspots for green infrastructure projects (renewable energy, energy efficiency, waste management, sustainable mobility, water & sanitation facilities);
- The critical role of sub-national government networks in identification, design, development, structuring and accessing of global funds for implementing green infrastructure projects at the sub-national level, through guiding their members and building joint collaborative programs with donors and public and private finance coalitions;
- The brilliance of a tool like SOURCE for scaling up the financing opportunities of green infrastructure projects at the sub-national level by preparing projects in a consistent and standardized format that has been fully endorsed by the major DFIs and MDBs.
- The high relevance of CCFLA to embed lessons learned during this design as the unique multi stakeholder and multilevel coalition that catalyzes knowledge sharing and action through its expert working groups, and the mapping of existing players, instruments and funds supporting the local and subnational levels of action.

### **We therefore support and call for**

- The ramping up of global SOURCE usage, with the associated training workshops, for the 400+ projects already identified through the 100 Climate Solutions Project Campaign, and hundreds more projects that will come through our respective global networks;
- Increased access to finance for sub-national governments, be it equity or debt, from both public and private investors (national and multilateral development banks, sovereign wealth funds, insurance companies, pension funds, private banks, family offices, etc). To that end, R20 is currently implementing an investment fund with Blue Orchard, dedicated to sub-national green infrastructure projects.

- The support to the implementation of the *Marrakech Roadmap for Action on Localizing Climate Finance* adopted during COP22, and that points to CCFLA as the major catalyzer for its implementation.

United in our common belief that sub-national governments are the key to building a global green economy through green infrastructure development, we count on the support of the public and private sectors to ensure that full support is given to this laudable initiative.