Understanding the channels to help cities access green bond market flows

**TOTAL GREEN BOND MARKET**
- **131**

**DEVELOPING**
- **38**

**CITIES IN NORTH**
- **17**

**CITIES IN SOUTH**
- **2.3**

**CITIES IN NORTH**
- **84%**
- **13%**
- **0.04** (BANKS)
- **0.4** (CORPORATE)
- **2** (DFI)
- **14** (MUNICIPAL)

**CITIES IN SOUTH**
- **94%**
- **6%**
- **2** (DFI)
- **0.1** (MUNICIPAL)

Source: Bloomberg, CBI, CPI analysis. Data as of May 31 2016 covers green bonds issued since 2007

CLIMATE POLICY INITIATIVE
Water Financing Facility

Overview
Issue local currency bonds to institutional investors to finance long-term, lower cost loans to water service providers

Key features
• County governments responsible for water and sanitation service provision but cannot raise debt
• Water Service Providers (WSPs) are owned by county governments, but autonomous companies, with ability to ring-fence revenues.
• Q4 2017 bond issue against USD46m KES equivalent portfolio with 4 WSPs
• EUR10 million grant from Government of Netherlands for Water Financing Facility for 8-10 countries

Details
Cycle: 2015 - 2016
Type: Adaptation
Sector: Water
Stage: Pilot Ready
Status: Endorsed
Goal: Mobilize large-scale domestic private finance resources in climate-resilient water infrastructure.
Geography: For pilot phase: Kenya In the future: Indonesia, South Africa, Vietnam
Implementing Entities: Cardano Development Services
Private Finance Target: Domestic institutional investors