



# Cities Development Initiative for Asia

## Investing in Asia's urban future

# Achieving Sustainable and Resilient Cities: what does it take?

Joris van Etten. CDIA Program Coordinator ([joris.van-etten@giz.de](mailto:joris.van-etten@giz.de))



The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.

# When financing urban infrastructure for sustainable and resilient cities, what is the biggest challenge?

- A. Lack of Financial Resources
- B. Lack of Investable projects



# Mandate

Cities Development Initiative for Asia (CDIA) provides assistance to medium-sized Asian cities to bridge the gap between their development plans and the implementation of their infrastructure investments.



CDIA supports the identification and development of urban investment projects and links them with potential financiers.



# CDIA City Interventions (2008 – 2015)

96

Cities

70

Pre-Feasibility Studies completed

45

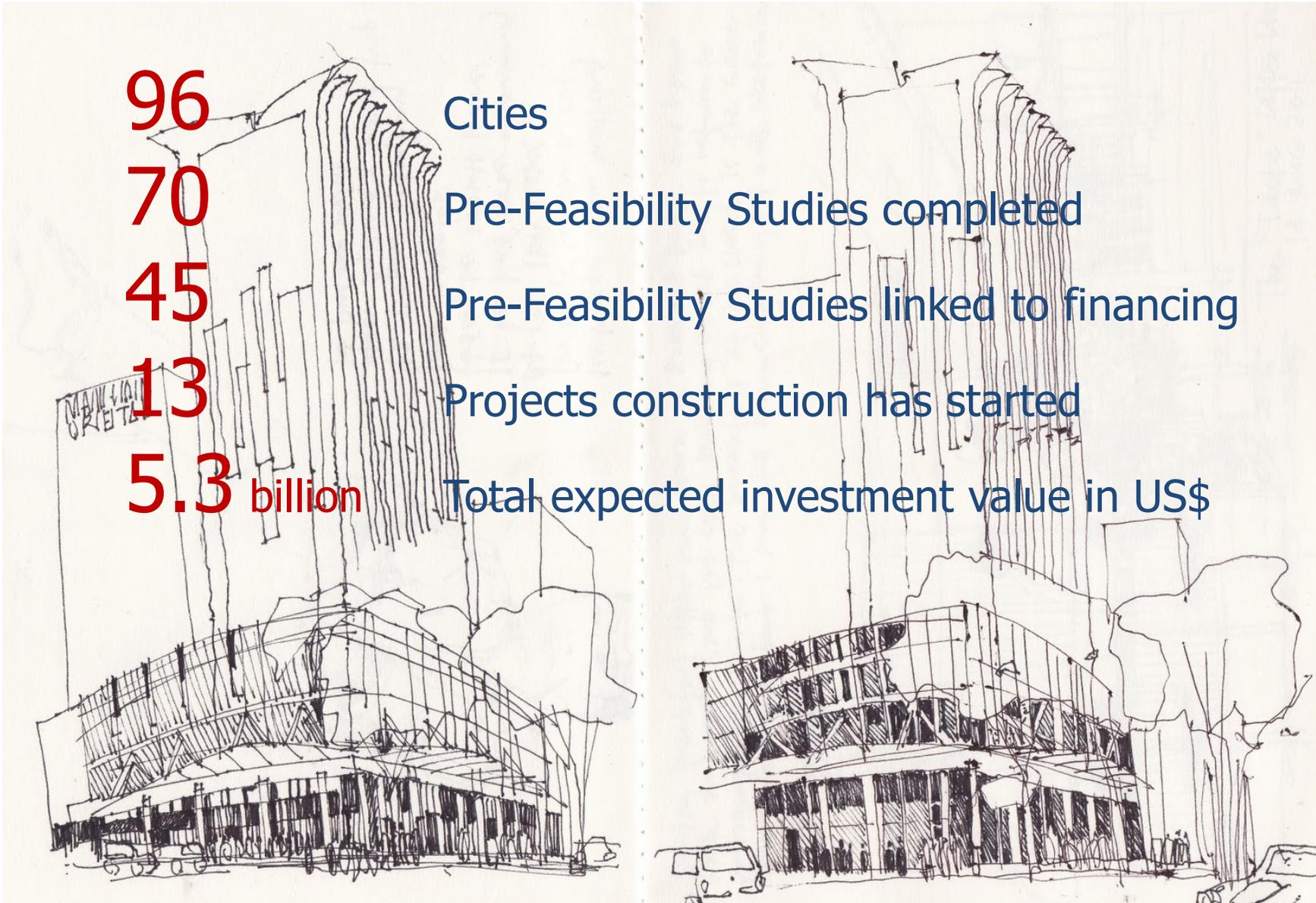
Pre-Feasibility Studies linked to financing

13

Projects construction has started

5.3 billion

Total expected investment value in US\$





# How to link cities to financing?



## 3 basic steps for linking urban infrastructure investments to financing

- 1. Agree on Priorities:** what is that will move this city forward?
- 2. Pre-Feasibility Studies:** Initial assessment of technical, financial, economical, environmental and social feasibility of prioritized projects and/or project components
- 3. Link to Financing:** Ensure projects meet financiers concerns: realistic and operative economic and financial plan with balanced risk allocation and certainty of cash flows

# 1) Agree on Priorities



# Tangerang City, Indonesia (2 mln inhabitants)



2007: One of the dirtiest cities of Indonesia

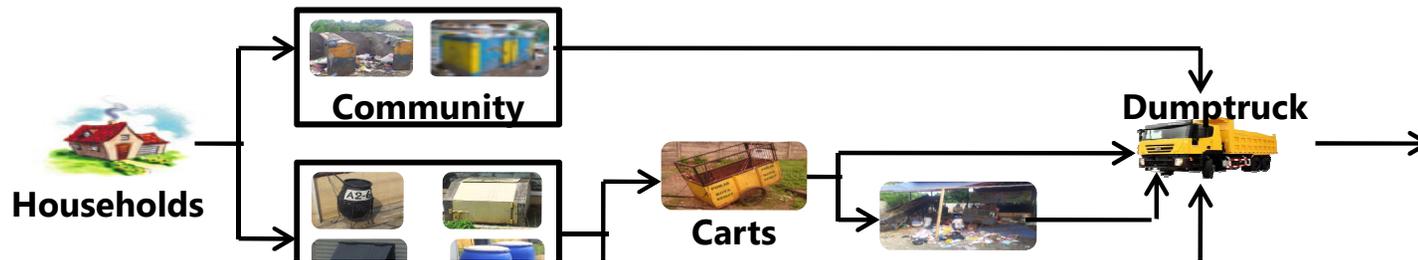
2015: For 3<sup>rd</sup> year running one of the cleanest cities in Indonesia

Deputy- Mayor (now Mayor) prioritized cleaning of his city

## 2) Pre-Feasibility Studies



# What options do we have to improve the Solid Waste Management Chain?

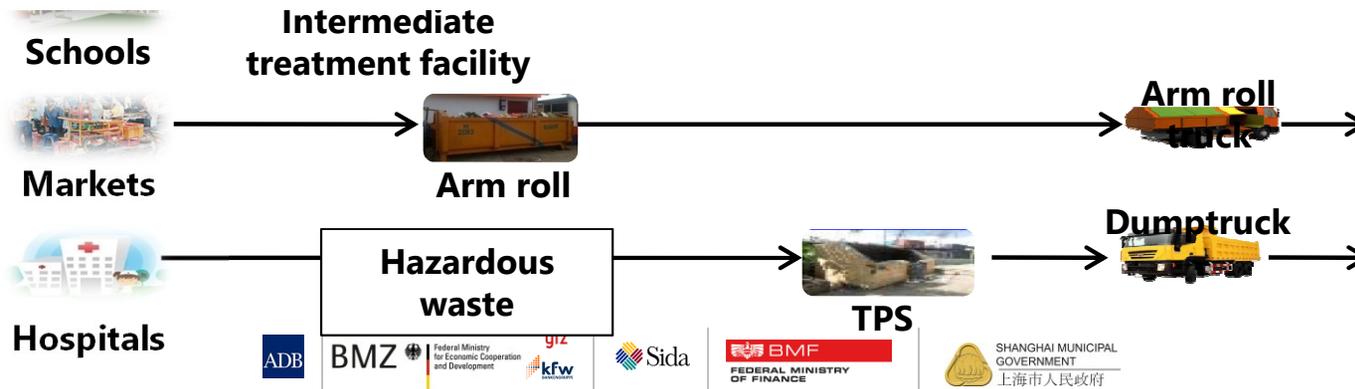


**Investment Package 1 – Collection and transportation**

**Investment Package 2 –Material recovery facilities**

**Investment Package 3 – Intermediate Treatment Facility and Anaerobic digestion to electricity generation plant**

**Investment Package 4 – Rehabilitation of Landfill**



# 3) Linking to Financing



# How can we convince potential financiers to investments in these packages?

What is the total investment required? - (91.1 M USD  $\pm$  20%)

Which investors would be interested in financing?

What are the concerns/interest of these investors?

How can we ensure certainty of cash flows?



# Cities Development Initiative for Asia

## Investing in Asia's urban future

Thank You

