



Methods & Finance Workshop Report

Session 1 – How to manage growing risk in city planning?

Which Climate Plan Methodology to be credible to investors?

Ronan Dantec – Senator, Nantes / UCLG Climate Spokesman (Chair)

Presenters:

Katie Walsh – Carbon Disclosure Project

Mayor Karen Holman – Mayor of Palo Alto

Ronan Dantec – very ambitious targets to decrease CO2 emissions around 30% when compared to 1990.

Possible to reach target because (b/c) necessary to develop policy long-term such as for transportation: developed new tramway around 1980 – all cities had stopped tramways in 1940s:

- Very holistic approach to mobility – use every year between 20-30% of public money for the last 20 years – not just a question of investment but also operations cost
- How is it possible to find the money

Second point is to develop very ambitious social projects with the district heating systems – private investment system not public

- ADEME manages it
- Capacity to have deal between municipality and private party.

Continue to develop by retrofitting all buildings – important to create a new business model – we recoup the money for retrofitting through the European system of trading carbon.

Very important to develop climate policy in our territories and then reach the targets set – also to create a holistic system.

Yann Françoise, Climate Plan Officer, Paris (Fr)

Presentation entitled: Paris Climate Actions Plan

When you go to cities it is very difficult to get numbers on GHG emissions – all the figures shown are true but different figures under different platforms so CDP shows 7.4 million while Carbonn shows 12.2 million tCO₂e.

GPC has been developed and it is good opportunity for new cities but to get old cities to do it again needs a lot of work – need capacity and funding and maybe it is easier for Japanese and European cities but not for developing countries.

Need capacity building for cities to inventory GHG emissions – once inventory happens than can diagnose where the problem lies and :

- Where to mobilize: citizens, funds, and companies
- What to mitigate
- To check

As climate plan officer my job is to act and adapt the city.



Katie Walsh, Manager Cities program for North America for CDP (Carbon Disclosure Project)

Introduced cities program five years ago – were working with businesses before.
Partnered with C40 Cities – more than 200 cities report to CDP that control one third of world's capital.

The sweet spot between cities, companies and investors – creating an ecosystem for data sharing and platform.

Reporting process seems like a burden every year that city staff have to go through:

1. Annual disclosure as tactic to manage climate action plans

Platform aggregator that shows cities' how they are progressing and comparing themselves to other cities – how do you fit into the global scheme of things.

Getting best practices around transportation where cities are emphasizing their mitigation activities.

Another piece of that sweet spot between the three components is getting and disseminating private data (cities asking for this more and more).

Figure: number of company-reported risks reduced by city actions

2. Open, smart, clean data for all – having data be available to everybody instead of just feeding it back to cities and companies.

30 year investor working on municipal bonds interrogated city data through traditional muni bond lens – questions around tax base, debt, and management quality are three areas of analysis that can be better assessed with the addition of CDP data.

Dominique Campana, Director, ADEME (French National Environmental Agency)

ADEME – www.pcet-ademe.fr

Just after Kyoto Protocol some cities came to us and asked us how can we act in terms of city and climate change

ADEME agreed to support cities in planning and strategizing through:

- Tools: a tool to assess and diagnose GHG emissions; also a tool to diagnose vulnerability/resilience
 - Once have these two types of data go to experts, investors and others to figure out how to adapt your city to climate change
 - A TCEP methodology guidebook; adaptation tool; GHG emissions tool
- Trainings were also started

Partners in different countries around the world came to ADEME to adapt these methods – the tools were designed to be French – the goal was to help cities in developing countries adapt but their context was completely different:

- Rio Grande do Sul, Brazil – air quality management was major concern – after helping them with their issue, the solutions were brought back to also be used in France

There are several inventories and methodologies all over the world – what is needed is to have a dialogue between cities and regions – need to have international guidelines on city climate change plans b/c there is existing lack of common understanding:

Diversity of subnational climate plans

Diversity of quality

Diversity of methodologies



We need to build on these meetings (ECOCITY, FOCUS, World Summit Climate and Territories in Lyon, etc.) to make a step forward in the perspective of COP 21.

Comments by audience

The latest IPCC report has an accountability section – can we prove our models and convince skeptics and investors?

Everybody is going towards new directions of research even when it might contradict existing research so diversity of approaches is very important. MRV is not talked about as much – need methodology with MRV. Have for cities in developing countries to count GHG emissions with MDP and nobody knows about this – when C price rises we can adapt this methodology to our European cities.

Karen Holman, Mayor of Palo Alto

“Sustainable City” – can improve quality of life, build prosperity, and build resilience

2007 Climate Protection Plan

154+ sustainability initiatives

Zero Waste program

Urban Forest Master plan

Local Solar plan

PV permit streamlining

Carbon neutral electricity

EV readiness of new buildings

Bicycle Boulevards 65.5 miles – get high school students to ride bikes to school

7 years ago Green Building Ordinance went into place

CALTrain stations – busiest stations between San Fran and San Jose

- GHG emissions
 - 21% reductions based on 2005
 - 34% reductions based on 1990
- Biggest challenge is transportation
 - More than 60% of C footprint
 - Regional initiatives: Mobility as a Service; Workplace parking feebates
 - Working with local businesses to get employees to take different modes of transportation
 - Coordinate all sectors as much as possible
- Electrification
 - More than 30% of C footprint
 - Exploring shift from natural gas to electricity
 - Tension between maintaining good business model while trying to reduce footprint
- Levers
 - Education, engagement, feedback
 - City policy and procurement: “default to green”
 - Utility financial incentives
 - Ordinances and regulations



Mandates

Finance: TCO; carbon pricing; carbon taxes

Guiding principle: "we go first"

Question: a lot of community engagement in Palo Alto so what is the secret because it is not true of many American communities?

KH: a culture has been created that is reinforced, a highly educated community, Stanford U., embrace of innovation.

What is missing from the conversation for the citizenry is that being a good steward and smart planning means economic development for the city – this message needs to get out.

Everybody knows that we should be good stewards of the environment but people don't realize that economically and investment-wise it makes sense too.

Businesses and financial institutions are looking at this.

Many university towns are now buying-in b/c students are much more interested in environmental issues when they are looking at where to go to college.

Sustainable planning for cities – attractiveness is a major issues for cities and how to get people and businesses to come there.

Citizens that pay a lot for energy really invested in these issues (Berlin) and they are the most active.

Paris – citizens ask more than city can do.

First action plans were on CO2 emissions.

Second actions plans were looking at co-benefits such as jobs, attracting private investment.

A big problem in tackling climate change – rich city have become leaders by greening their cities and so attracting more investment, progressive citizens and innovation and creating feedback loop – poor cities do not get a chance in this climate with not enough green funding and therefore issue of climate change is not really tackled.

Need to solve this problem through technology transfer and capacity building.

How are you getting social housing to become a leader in greening – mix of part subsidy and part saving energy – we don't see where is the balance.

Need 2 to 5 years to have a global system

Michele Sabban – We have found a financing system that is innovative – public lighting in municipalities with LEDs – 70% economic savings and cities don't pay bills until 4 years later.

Session 2 - Investment in Sustainability And Green Growth

- Michele Sabban, vice President, R20
- Matt Appelbaum, Mayor, Boulder



- Arnaud Robinet, Mayor, Reims
 - Chris Zimmermann, VP Smart Growth America
- Cities network: WRI, ICLEI, C40, R20

Mayor Arnaud Robinet, Reims

Role of public policies in use of agriculture.

Leader in Bioeconomy.

Economic capital of Champagne – east entry door to greater Paris.

Second largest city of France.

Symbolizes the 20th century architecturally, carbonically, economically.

Exports of wine and agriculture – region has 11% unemployment, which is quite more than national – bioeconomics can make a difference towards reducing this.

Bioeconomy – biomass and waste → biorefinery → fuel, chemicals and materials, feed and food ingredients.

Sustainable production of renewable resources and their conversion into food, feed, fiber, materials, chemicals and bioenergy through efficient and/or innovative technologies.

Political context

Depletion of carbon fossil resources

GHG reductions

Looking for sustainable solutions to provide energy

Increasing agriculture and employment

Reims is in the middle of agricultural countryside is ideal for bioeconomy

Historical commitment to agriculture and agro-resources processing sugar beet, cereals, oilseed, alfalfa and wine grape

Emergence of cooperatives

Many companies – private and public R&Ds

European Institute of Biorefinery; CentraleSupélec and AgroParsTech engineering school and Neoma Business School

University of Reims Champagne-Ardenne

Goal is to become a European center of excellence for industrial biotechnologies – developing industrial biotechnologies to create new market opportunities for the regional agricultural feedstock.

Bioeconomy is the future of economic production – idea of valuing the importance of Champagne and what it represents – preserving Champagne is about preserving a part of French heritage – there is need to prevent climate change but locally it is about preserving our heritage.

Champagne is perfect example of environment, community, society and heritage from where it all begins.

Michele Sabban, vice President, R20

Would like to speak about Green Financing b/c mayors have talked about how hard it is to implement green projects due to lack of finance.



We heard what ADEME said earlier but we also need solutions regarding finance not just technical and networking solutions.

In meetings I need finance minister b/c you need to have person who will pay the bills. Need to find bottom-up solutions that flow upward and come back downward.

R20 is looking for ways to find innovative financing – the exchanges of good practices are not just words but also practices.

Banking and finance institutions work in a silo and never together – R20 tries to bring regions, partners, experts and banking together to carry out activities that combat climate change.

I want our voice to be heard at COP21 regions, territories, cities.

Today we want to demonstrate that the bottom-up approach works.

LED lighting project:

People are taking a double hit with planet working against them and governments not taking responsibility to tackle these problems

Solidarity, sustainability

Private vs. public financing:

When projects work than private comes in to invest – in France public private partnership do not really work – the project has to have great credibility.

Many private companies that work with R20 such as EDF and GE, which are really big but we also work with small businesses and investors.

The sources of financing – the main resources come from local sources first such as city, municipality, local region.

The private financing for Reims comes from two large cooperatives (60 -70% public financing and 30% private financing)

What are the instruments of financing you are seeing? Grouping of funds that makes it possible to carry out expert reports on feasibility of projects – revolving funds that are refreshed based on whether the project works.

Today R20 has a number of projects that work and this success has made it possible for us to put in place this grouping of funds.

Lois – marketer looking to connect her client to financing.

Christopher Zimmerman, Smartgrowth America

Used to be in local government in Arlington as elected official.

SmartGrowth America – technical assistance and advocacy – working with communities around America to develop sustainably.

American context is challenging b/c of opposition to climate change policies and “sustainable” is not considered a good word.

On the other hand the economy is driving sustainable practices as people try to find ways to save money.



Automobiles have enabled sprawl – imbued in our system are rules that make it likely as well as inevitable that we will not invest in our central cities so our goal is to reverse the trend of sprawl and try to create walkable cities.

Millenials are coming into the workforce and they want to live in walkable cities with resources available near them – want to live in city centers.

To capture this value, need financing especially private b/c public financing is hard to come by when trying to develop sustainably.

Washington Metropolitan Area has 5 million people most of whom do not live close to public transportation.

Vice-mayor of Oldsmar, FL

I don't bother changing people's minds about climate change – I show them how financially it makes sense to follow my policies such as putting solar panels on Lockheed Martin plant – biggest challenge is financing however, b/c nobody wants to raise taxes.

Reims city center is very close to agri lands – we don't have housing problems in our small territory – 45% of social projects in terms of housing.

We are trying to develop those areas that have been abandoned by military and others – however, many young families are having problems buying a private house but they earn too much to live in public housing.

Our challenge is to find a balance between private need and public availability.

Andre Sobczak

Member of Council of Nantes

Presentation: Nantes Metropole's Multistakeholder CSR Platform

www.RSE-nantesmetropole.fr

Shared Governance: platform launched one year ago – public authorities, company networks, trade unions, civil society, academic institutions.

Want everybody to become more responsible when it comes to sustainability and the environment.

Also need support from all actors.

Different working groups that have representatives from each area such as climate change, gender equity.

City council working group on CSR.

CSR champions in each directorate.

Encouraging CSR Strategies: integrating social and environmental criteria in public purchasing (criteria defined through the platform)

CSR criteria concerning the good or service purchased

Evaluation of company's current CSR performance

Evaluation of the company's future CSR strategy

Launched a website that shows:

CSR Agenda; tools, initiatives, practices, networks

Very local so contacts can be made easily



40K visitors

Development of loans for CSR projects through local banks

Development of CSR consulting and training through local experts

TV program “CSR Minute”:

Principle: 1 company, 1 practice, 1 minute

So far 40 videos

GreenWeek Nantes – one week of events on green business

Focus on SMEs and small companies b/c large companies have usually integrated these criteria or have access to expert knowledge.

Now we try to go sector-by-sector and especially work with companies that already have relationships with local govt.

We want to share the methodology of how we have built this platform and how it operates but right now it is very local.

Note taker: Nausheen Iqbal (American University) - ni9147a@student.american.edu