

## I. Expanding sustainable energy sources and consumption in developing areas

World leaders gathered in Lima, Peru from 1-12 December 2014 for the 20th session of the Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC). At the conference, Member States were encouraged to renew their commitments on Clean Development Mechanism (CDM), which is a key tool in encouraging cooperation and handling climate change. This agreement marks the first global standard for measuring greenhouse gas emissions launched by the UN. UNFCCC states also launched the Nazca Climate Action portal with a first group of non-state actors, which will highlight the actions of cities, investors and corporations to increase energy efficiency, deploy renewables, and enact carbon dioxide reduction policies.

Adnan Z Amin, Director-General of the International Renewable Energy Agency (IRENA) recently made a statement that “renewables have become the best value energy for areas off the grid everywhere,” arguing that alternative energy is becoming more viable. Furthermore, the Renewable Energy Policy Network for the 21st Century issued the Renewables 2014: Global Status Report stated that the global renewable energy industries have responded to challenges by being more flexible, diversifying products, and developing global supply chains. The report also states that renewables have become increasingly affordable which has opened opportunities for developing countries.

Urban planners are also increasingly incorporating clean energy planning into their development strategies. On December 17-19, urban planners from around the world will meet in Bangladesh for the Urban Planning for City Leaders Workshop, which will instruct developers on sustainable urban planning for rapidly developing cities. UN-Habitat recently released a report entitled State of African Cities 2014, Re-imagining sustainable urban transitions, to provide suggestions for sustainable urban development. The report highlights the importance of smart energy planning as Africa’s technology and infrastructure undergoes a development transition. Lastly, Member States of the General Assembly further decided to plan for the Habitat III conference, with the goal of renewing political commitment for sustainable urban development, which will result in an action-oriented outcome document.

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## II. Financing in Urban Development

On 4 December 2014, the UN released the “Synthesis report of the Secretary-General on the Post-2015 Agenda” (A/69/700). In the section devoted to financing the post-2015 agenda, the Secretary-General urges Member States to meet their official development aid commitments, create strategies for financing development, and address illicit finance flows. The report also mentioned the potential of blended finance platforms in providing new sources of funding, while admonishing some of the possible consequences of letting these platforms go unchecked. He stated that expanding financing options is imperative to committing to sustainable development.

The Future Cities Catapult in the United Kingdom is an organization devoted to urban innovation and sustainable development. In December 2014, they published a report about the influence of international financial institutions (IFIs) on urban development. The report explains the role of IFIs as lenders to individuals and private banks as well as the expanding focus of IFIs on urban development. IFIs have started trends of lending directly to municipalities and becoming the development partners of urban areas by offering technical assistance and capacity-building in addition to loaning money. The report concluded that IFIs could be helpful through investments in urban infrastructure, promoting long-term urban planning, innovating financial mechanisms to fund projects, and promoting integration at a national level.

### *Case Study: PPP in Minas Gerais, Brazil*

In March 2014, the Inter-American Development Bank produced a report about the perceived success of public-private partnership (PPP) programs in Brazil, specifically in the state of Minas Gerais. The program started in 2003 with a guaranteed fund for urban development and a contracting model to use between public and private entities. After this, PPP Units were established with the most prominent being in Minas Gerais. The sole purpose of the PPP was to manage processes and ensuring projects would be carried out. On three occasions, the World Bank has assisted in the provision of funds and service delivery for the program. The program has largely been seen as a success by the stakeholders in providing funding and finishing projects. However, stakeholders also expressed concerns, mostly about the transparency and monitoring of procurement procedures and expressed worries about future investment in education and public health under PPP programs.

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