Overview of Barriers to Financing SLCP Mitigation in the Waste Sector

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Overview

• Financial burden of solid waste management
• Common financing barriers
• Potential solutions to financing barriers
• CCAC Waste Initiative approach to addressing financing barriers
Financial Burden of Solid Waste Management

• Globally, solid waste management costs will increase from $205 billion USD (2016) to $375 billion USD (2025)
• Cost increases will be most severe in low-income countries (5x) and lower-middle income countries (4x)
• Waste management is expensive (20-50% of municipal budgets)
  o Often the largest budget item for cities

Common Financing Barriers

- Identifying and evaluating appropriate financing mechanisms and funding sources
- Making the business case for proposed projects
- Navigating disconnects between the language of project managers/implementers and financiers
- Limited capacity/expertise
  - Financial aspects: drafting tenders, setting up contracts, procuring services, and managing finances
  - Technical aspects: conducting feasibility assessments and developing specifications for tenders
- Establishing municipal creditworthiness, financial responsibility, and integrity
Solutions to Common Financing Barriers

• Engagement with financing, grant, and credit institutions to educate municipalities

• Capacity building (e.g., through trainings)
  o Identifying funding opportunities and financing mechanisms
  o Conducting feasibility assessments

• Access to tools and resources (e.g., for analyzing project costs)
WASTE INITIATIVE
Mitigating SLCPs from Municipal Solid Waste

Objective
- Reduce emissions of SLCPs across the municipal solid waste sector by providing a comprehensive package of resources, technical capacity building, and a global network of cities to facilitate the design and implementation of locally appropriate actions.

Added value of the Initiative:
- Working directly with cities
- Support from partners
- Mobilizing experts from all over the world
### How the Waste Initiative Works with Participating Cities

<table>
<thead>
<tr>
<th>Stage 0</th>
<th>Letter of Intent</th>
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<tbody>
<tr>
<td>The city is ready to mitigate SLCPs from the waste sector</td>
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<td>City joins CCAC Waste Initiative</td>
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<tr>
<th>Stage 1</th>
<th>City Assessment</th>
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<td>City collects waste-related data and develops baseline of emissions SLCPs of current MSW management in the city.</td>
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<th>Stage 2</th>
<th>Action Plan</th>
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<td>City develops course of action for mitigating SLCPs from the waste sector.</td>
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<th>Stage 3</th>
<th>Work Plan Design</th>
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<td>City identifies activities and projects that will lead to reduced SLCP emissions from the MSW sector.</td>
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<td>City assesses its financial readiness.</td>
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<th>Stage 4</th>
<th>Ready to Launch</th>
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<td>City prioritizes and plans a MSW project that will lead to the reduction of SLCP emissions.</td>
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<td>City prepares and submits proposals to financial institutions and other funding sources.</td>
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**Financing**

- **Barriers Identified**
- **Needs Identified**
- **Barriers Elaborated**
- **Barriers Addressed**
Waste Initiative Financing Resources

- **Financing Readiness Evaluation**
  - Provides a set of questions to help cities assess their readiness for financing

- **Primer for Cities for Accessing Financing for Municipal Solid Waste Projects**
  - Helps cities make decisions about financing and provides a “road map”

- **Municipal Solid Waste Financing Webinar**
  - Provides an overview of the financial readiness toolkit
  - Gives an overview of different funding and financing

- **C40 Cities Finance Facility (CFF)**
  - Provides technical assistance to mobilize financing for projects

These resources are accessible on the Municipal Solid Waste Knowledge Platform: waste.ccacoalition.org/
Thank you!