

*Climate change
and on P1000*

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MEMORANDUM OF UNDERSTANDING

BETWEEN

**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT,
INTERNATIONAL DEVELOPMENT ASSOCIATION,
INTERNATIONAL FINANCE CORPORATION**

AND

THE C40 CITIES CLIMATE LEADERSHIP GROUP

ON

COOPERATION RELATING TO CLIMATE ACTION IN CITIES

6th, 2011

WORLD BANK -C40 MOU

This Memorandum of Understanding (“Memorandum”) dated June 1, 2011, is between the International Bank for Reconstruction and Development (“IBRD”), the International Development Association (“IDA”), and the International Finance Corporation (“IFC”) (together, the “World Bank Group”), and the C40 Cities Climate Leadership Group (the “C40”). The World Bank Group and the C40 are hereinafter collectively referred to as the “Participants”, and individually as a “Participant”.

The Participants recognize that the cities are at the forefront of the challenges of mitigating and adapting to climate change. They share the goal of reducing global greenhouse gas emissions and supporting adaptation measures to avoid the harmful impacts of climate change, and are undertaking a number of actions to assist cities in this regard. Such efforts are aimed towards the broader objective of sustainable and inclusive development. The Participants have therefore agreed to sign this Memorandum, which represents a statement of intent to work together and outlines the basis for collaboration on joint activities in these areas of mutual interest.

1. **Background**

- (a) IBRD, IDA and IFC are international financial institutions established by Articles of Agreement adopted by their Member Countries. They pursue their developmental objectives by providing loans, concessional financing, technical assistance, and knowledge-sharing services to their member countries and through partnerships with other entities. The World Bank Group’s support for the Mayors’ Task Force on Climate Change, Disaster Risk, and Urban Poverty is one example of the World Bank Group’s support for cities in the area of climate change.
- (b) C40 cities account for 8 percent of the global population, 12 percent of global greenhouse gas emissions and 21 percent of global GDP. C40 cities are taking a variety of actions to address the challenges of climate change.
- (c) The Participants already work together through the C40 Carbon Finance Capacity Building program established in 2008. This program is a pilot to build the capacity of a small number of cities in developing countries to benefit from the Clean Development Mechanism.
- (d) Recognizing that they bring different strengths and capacities to the challenges of cities and climate change, the Participants hereby endeavor to reinforce their ongoing cooperation and to open new avenues for deeper and sustained collaboration in this area.

2. **Common Objectives**

With the common objective of facilitating actions addressing climate change in large metropolitan cities, including the reduction of greenhouse gas emissions and the implementation of adaptation measures, the Participants would:

- (a) Promote a consistent approach to city climate action plans and strategies;
- (b) Advance standardized reporting frameworks for city greenhouse gas emissions;
- (c) Identify opportunities for climate finance for cities; and

- (d) Enhance knowledge sharing and capacity building for climate action in cities.

3. Guiding Principles

Joint activities within the framework of this Memorandum will be undertaken in accordance with the following general guiding principles:

- (a) A city-driven approach – The Participants will focus on the perspectives and needs of cities in developing and implementing activities under this Memorandum.
- (b) Simplified and direct procedures – The Participants acknowledge the value of simple processes and procedures that reduce administrative complexities and accelerate timelines without compromising accountability and oversight requirements.
- (c) Openness and transparency – The Participants will share all new information that is pertinent to joint activities or the nature of the collaboration, in a timely manner, and in accordance with their respective policies and procedures, as part of their ongoing dialogue and cooperation.
- (d) Peer-to-peer learning – The Participants embrace the value of peer-to-peer learning, including twinning opportunities, knowledge exchanges on good practices, among all cities across the globe.
- (e) Inclusiveness – To the extent possible, the activities undertaken as part of this Memorandum will be made available to all interested cities.

4. Areas of Collaboration

The collaborative framework provided for in this Memorandum includes, but is not limited to, as follows:

- (a) City climate action plans and strategies: A consistent approach to climate action plans and strategies in large metropolitan cities will enable better understanding of the combined impact of actions taken in cities, and permit potential investors to identify opportunities. It will also allow national governments to relate the information to national mitigation (e.g. nationally appropriate mitigation actions - NAMAs) and adaptation (e.g. national adaptation programs of action - NAPAs) strategies and implementation plans.
 - (i) The C40 to make climate action plans, implementation strategies and adaptation strategies across C40 cities available in a standardized format.
 - (ii) The World Bank Group to contribute to the development of standardized low carbon strategy, adaptation strategy and implementation plan templates that will be made available to C40 cities, and provide technical assistance for cities to apply these.
- (b) Standardized reporting frameworks for city greenhouse gas emissions: A common approach to reporting on city greenhouse gas emissions will allow the monitoring of

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- progress in emissions reductions, identify actions that result in the greatest emission reductions, and facilitate access to carbon finance.
- (i) The C40 to engage participating cities in a standardized approach to greenhouse gas emissions measurement, monitoring and reporting and will continue to seek consensus among all major organizations working on greenhouse gas reporting in large metropolitan cities.
 - (ii) The World Bank Group to promote the standardized approach, and provide technical assistance on its application to C40 cities in its client countries, as requested.
- (c) One-window access to World Bank Group support: The World Bank Group intends to establish “one-window access”, by December 1, 2011, for C40 cities to access World Bank Group climate change-related capacity building and technical assistance programs, and funding initiatives.
- (i) In addition to existing eligibility requirements for individual programs, interested cities will be asked to present their standardized greenhouse gas emissions inventories and/or climate action strategies and implementation plans according to common approaches in 4(a) and 4(b) above.
- (d) Climate finance for cities: Leveraging available resources requires an understanding of existing and potential sources and instruments of climate finance, including carbon markets. These are, however, complex and not easily accessible to cities.
- (i) The C40 to identify and work with national governments who are interested in funding aspects of the Partnership’s work through the World Bank Group.
 - (ii) The C40 to identify appropriate private sector partners to assist with leveraging investments, including climate finance, in C40 cities.
 - (iii) The World Bank Group to identify opportunities from among sources of concessional finance, carbon finance, and innovative market and risk management instruments, which may be accessed to support climate action in cities.
- (e) Knowledge sharing and capacity building: Information and capacity building support is intended to be made available to staff in large metropolitan cities to accelerate efforts to reduce greenhouse gas emissions and build more resilient cities.
- (i) The World Bank Group to identify appropriate climate-related initiatives in the World Bank Group including the World Bank Institute and IFC (in particular under the auspices of the Sustainable Development Network including but not limited to the following sectors: Urban Development, Environment, Social Development, Energy, Transport and Water Resources), and make that information available to C40 cities.
 - (ii) The World Bank Group to make available scientific, technical and economic information and tools related to climate change in accordance with the World

Bank Policy on Access to Information – such as the Urbanization Knowledge Platform, which includes extensive provisions for peer-to-peer exchange, and the Urban Risk Assessment framework – to C40 cities.

5. Implementation

- (a) This Memorandum provides a framework within which the Participants may develop and coordinate collaborative activities. Specific arrangements for individual activities and projects intended to be carried out pursuant to this Memorandum are to be jointly formulated by the Participants.
- (b) The overall direction of the collaboration between the Participants, and the implementation of activities, will be overseen by a Steering Group, comprising three representatives from the C40, and three representatives from the World Bank Group.
 - (i) Two of the C40 representatives will be mayors of large metropolitan cities, or their appointed representatives, and will be accountable to the C40 Steering Committee.
 - (ii) The World Bank Group’s representatives will be senior officials nominated by the World Bank’s Vice-President for Sustainable Development and IFC’s Vice President for Business Advisory Services.
 - (iii) The Steering Group will convene twice yearly by conference call (or in person if circumstances permit), or more frequently if necessary.
- (c) Each Participant is to designate and appoint a focal point (“Focal Point”) with general responsibility for implementing this Memorandum on its behalf, including responsibility for formulating activities to be carried out pursuant to it.
- (d) The Participants intend to jointly issue an annual update on the activities undertaken through this Memorandum, including on outcomes and impacts achieved.
- (e) The collaboration under this Memorandum may be jointly reviewed by the Participants after two (2) years, to revise priorities and activities as needed.
- (f) Each Participant is to be responsible for its own costs in implementing its part of activities under the Memorandum, unless otherwise mutually determined by the Participants.
- (g) The Participants acknowledge that this Memorandum will not impact any existing collaborative activities between the World Bank Group and C40 cities.

6. Focal Points of the Participants:

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For the C40: C40 Chair: Mayor Michael R. Bloomberg, or designate
Operational contact:
Mary MacDonald
C40 Advisor to the Chair
Tel: 1 416 668 6825
Email: mary@c40.com

7. Limits to Participation

- (a) The Participants acknowledge that this Memorandum does not constitute a legally binding commitment by either Participant to undertake any obligation or responsibility and/or provide support to any project or activity. Nothing in this Memorandum should be construed as creating a joint venture, an agency relationship, or a legal partnership between the Participants. Nothing in this Memorandum is intended to be, or should be construed as, a waiver of the privileges and immunities of either Participant or its officers and employees, which privileges and immunities are hereby specifically reserved. This Memorandum is not intended to commit either Participant to the potential or actual commitment of funds.
- (b) This Memorandum does not establish any exclusive relationship between the Participants. Neither Participant is restricted in any way from engaging a third party or parties to pursue independently of the other Participant the objectives and activities described in this Memorandum.

8. Intellectual Property

- (a) The Participants recognize the importance of intellectual property rights protecting the materials used for or resulting from the joint activities conducted under the framework established by this Memorandum. This Memorandum does not grant the right to use materials belonging to or created by each of the Participants. The World Bank Group will retain intellectual property rights in all materials developed and produced by the World Bank Group, its staff or consultants and the C40 will retain intellectual property rights in all materials developed and produced by the C40, its staff and consultants. The Participants will agree in writing on the ownership of any intellectual property rights that may arise in any work to be created by the collaborative activities to be undertaken pursuant to this Memorandum, at the time of agreeing on the work plans for such activities.

- (b) The Participants intend that publications resulting from collaborative activities are to acknowledge the collaboration between the Participants.

9. Names, Marks, Acronyms and Logos

The Participants acknowledge that their respective names, marks, acronyms and logos, and any variation thereof, are the sole and exclusive properties of their owner. Any and all uses by one Participant of the other Participant's name is to inure solely to the benefit of the other Participant. No Participant may acquire any right, title or interest in the other Participant's name, marks, acronyms or logos, or any variation thereof, under this Memorandum. A Participant should not use the other Participant's name, marks, acronyms or logos in any material or content for public dissemination arising out of the collaborative activities to be carried out pursuant to this Memorandum without the written consent of that Participant.

10. Disclosure and Publicity

- (a) The Participants will acknowledge and disclose to the public this Memorandum and information with respect to the collaborative activities contemplated herein. Any and all disclosure of information related to this Memorandum will be subject to the relevant Participant's prior approval and will be made in accordance with the Participants' respective disclosure policies. The Participants will obtain each other's prior written consent before publicly disclosing information that (1) has been provided as a result of this Memorandum; and (2) has been explicitly indicated in writing and marked as confidential and not be disclosed outside of the World Bank Group or the C40. The Participants agree to consult with each other concerning the manner and form of any acknowledgement of the other Participant's support regarding the activities.
- (b) At public events, media conferences or meetings of any kind, representatives of the Participants may speak about the collaboration related to this Memorandum, but strictly not on behalf of the other party without prior authorization.
- (c) Any unilateral media release by a Participant relating to this Memorandum, or the activities undertaken through it, will be shared at least one week in advance of release with the appropriate communications lead of the organization not issuing the release, for review and assent.

11. Conflict of Interest

The World Bank Group's collaboration with the C40 or its members, on activities under this Memorandum, is not intended to confer a special advantage or preference to the C40 or its members in competing with any other entity as regards the procurement of goods, works or services by the World Bank Group or third parties, where such procurement results from or has a direct relationship to such activities. Similarly, the C40's collaboration with the World Bank Group is not intended to confer a special advantage or preference to the World Bank Group.

12. Difference in Interpretation

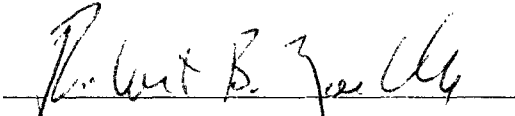
In the case of a difference of opinion or interpretation between the Participants arising out of or relating to this Memorandum or a work plan commenced pursuant thereto, the Participants intend to work towards an amicable resolution in good faith through consultation and negotiation.

13. Effectiveness, Modification, Discontinuation

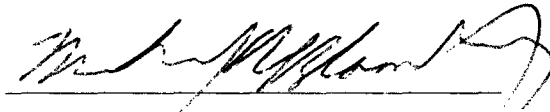
This Memorandum is intended to become effective upon signature by both Participants and may be modified or discontinued at any time by mutual written determination of the Participants. Further, either Participant may discontinue this Memorandum, at its sole discretion, and should endeavor to provide sixty (60) days' prior notice in writing to the other Participant.

**FOR THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT,
INTERNATIONAL DEVELOPMENT
ASSOCIATION, INTERNATIONAL FINANCE
CORPORATION (TOGETHER, THE WORLD
BANK GROUP):**

**FOR THE C40 CITIES CLIMATE LEADERSHIP
GROUP:**



**Robert B. Zoellick
President**



**Mayor Michael Bloomberg
Chair**

THE WORLD BANK GROUP

**C40 CITIES CLIMATE LEADERSHIP
GROUP**

Date: 1 June 2011

Date: June 1, 2011