

Governance & Finance

Funding: Finding Ways to Finance Urban Transformation

EXPO WORLD CONGRESS



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12:45 - 14:45h

Participants

Mike Lake / President & CEO - *Leading Cities*

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Tatiana Gallego / Chief Housing & Urban Development - *Inter-American Development Bank*

Jerome Engel / Adjunct Professor Emeritus - *Haas School of Business, University of California Berkeley*

Patrick Alexander Avato / Lead, Cities Initiative, Europe & Central Asia - *International Finance Corporation*

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Rahul Gupta / Managing Director, Infrastructure & Capital Projects - *Deloitte*

Bruno Hervet / Executive Vice President, Smart & Resourceful Cities - *Suez*

Cities are aware that they need to rally their infrastructures and systems to improve their citizens' lives. In fact, it is estimated that we will need to invest around +70 trillion dollars in city infrastructure over the next decade. Yet we cannot rely on city budgets, bonds or other traditional mechanisms alone to fund all the necessary advancements cities need. In this scenario, exploring new finance and funding models has become a necessity.

"New smart systems need new funding tools."

Tatiana Gallego

There are several options as green bonds, PPPs and civic crowdfunding that are already in place to ensure no city is left behind. In this 2-hour session, the panelists talked about the complex process of identifying, pursuing and securing funds for a Smart City program.

TAKEAWAYS:

- The lack of financing is no longer an acceptable excuse not to improve cities. Yet funding smart cities requires interconnectivity, multisectoriality, and systems in constant change and adaptation over time. These new needs are far from traditional funding structures.
- Supporting the local system of universities is a key strategic investment to advance Smart City innovation. This support includes building an infrastructure around universities and supporting the financing and commercialization of university-based ideas.
- Private investment can also bring knowledge, efficiency and transparency to the smart city financing.
- The right financing mix for smart city initiatives comes down to bankable projects, clusters of innovation, convening leadership and the shift to greater private funding.
- As long as projects and strategies are clear, cities will be able to find the right partnerships to undertake their transformation into smarter cities.