



## **PRESS RELEASE**

# **MERIDIAM NAMED FUND MANAGER FOR INTERNATIONAL MUNICIPAL INVESTMENT FUND (IMIF)**

Durban, 12 November 2019

Durban, South Africa--Meridiam, the infrastructure investment and global asset manager, with USD 7 billion in assets under management, was formally selected as the fund manager of the International Municipal Investment Fund (IMIF)—a unique, bespoke fund designed to focus exclusively on supporting cities and local governments; notably municipalities in developing countries, including the least-developed countries—launched by the coalition for a financial ecosystem that works for cities and local governments. The IMIF Technical Assistance Facility (IMIF TAF), managed by UNCDF, will be formally constituted on 2nd January 2020 to support the pipeline for the fund.

The United Nations Capital Development Fund (UNCDF) and United Cities and Local Governments (UCLG) together with their technical partner, the Global Fund for Cities Development (FMDV) created a coalition for “a global financial ecosystem that works for cities and local governments” – the Malaga Coalition, because expanded sub national finance is crucial for sustainable development and our collective future. Cities and local governments are the key to accelerating implementation of Agenda 2030 and the Paris Agreement. From increased urbanization, to changing climate to plastic waste to peaceful streets, cities have the mandate, convening power, connection with the citizenry and comparative advantage to solve many global problems, and to advance national development agendas.

Yet the global financial ecosystem is not structured to adequately finance cities and local governments. Instead, it favours countries, which have access to capital markets with sovereign guarantees and a monopoly of taxation; and large businesses, which can move capital around the globe and limit their tax liabilities. The goal of the Malaga Coalition is to drive a global financial ecosystem that will enable municipalities to accelerate Agenda 2030.

In December 2018, UNCDF launched a request for Expressions of Interest from Asset Managers for the International Municipal Investment Fund (IMIF) to serve as an instrument of the Malaga coalition. The IMIF will accelerate progress towards Agenda

2030 and the Paris Agreement by increasing available investment for local Sustainable Development Goals (SDG) oriented projects in developing countries. The IMIF pipeline will consist of local government sponsored investments that drive the policy agenda of the coalition. Fourteen cities around the world have already been identified through a call for proposals launched by UCLG to its members to benefit from a pilot phase of the Fund. Each IMIF investment will:

- + expand the scope of municipal finance (for example, pioneer a new financial structure, contribute to a nascent municipal bond market, test a new type of PPP with local governments)

- + demonstrate how local government sponsored projects can accelerate the implementation of the global development agenda with measurable impact.

Following a competitive process, Meridiam was selected as IMIF fund manager.

UNCDF and UCLG in collaboration with FMDV will support cities access IMIF funding with policy and regulatory support at the national level that opens up domestic capital markets for sub national governments, and with technical support at the city level for project identification and structuring. IMIF will be open to investment in proposals from eligible cities. UNCDF, UCLG with FMDV and Meridiam will jointly design a common and transparent filter and investment process to select, develop and finance IMIF projects with developing country cities and local governments.

Notes:

**UNCDF** – The UN Capital Development Fund (UNCDF) makes public and private finance work for the poor in the world’s 47 least developed countries (LDCs). With its capital mandate and instruments, UNCDF offers “last mile” finance models that unlock public and private resources, especially at the domestic level, in support of households, localities and small enterprises that are underserved, where development needs are greatest and where resources are scarcest.

UNCDF’s Local Development Finance Practice (LDFP) is a centre of excellence and innovative fund for local government finance and local economic development finance in the world’s 47 LDCs. To promote and support transformative investments through local governments and domestic banks in LDCs, LDFP designs, pilots and tests out financing mechanisms and business models in both public and private sectors that support locally designed public investments and revenue generating capital investment projects.

**About UCLG:**

United Cities and Local Governments (UCLG) is the global organization of local and regional governments and their associations that represents and defends their interests on the world stage. Representing 70% of the world's population, UCLG members are present in all world regions: Africa, Asia Pacific, Europe, Eurasia, Middle East-West Asia, Latin America and North America - organised in seven continental sections, a metropolitan section and a regional forum. This network covers more than 240,000 cities, regions and metropolises and more than 175

local and regional government associations present in 140 countries. UCLG includes among its main areas of political interest local democracy, climate change and environmental protection, the achievement of Sustainable Development Goals, local finance, urban development and city diplomacy for peacebuilding. Visit [www.uclg.org](http://www.uclg.org) and follow @uclg\_org for more.

**FMDV** – The Global Fund for Cities Development (FMDV) is a Global network of Local and Regional Governments, initiated by UCLG, dedicated to promoting and developing financing and investment solutions for urban development in a resilient, integrated and sustainable approach.

FMDV provides the appropriate expertise, organizes the necessary instruments and facilitates the connections between supply and demand to create the conditions for long term financing and investments for local governments and urban development.

FMDV operates at global, regional, national and local levels and has collaborated with more than 1,500 cities and regions, from over 110 countries, 250 private companies, and most local development technical and financial partners.

Over the past 5 years, FMDV has contributed to mobilize around USD 1 billion in investment and financing for local governments in different regions of the world.

Since 2018, FMDV has integrated UCLG as a special mechanism.

**Meridiam:**

Meridiam was founded in 2005 by Thierry Déau, with the belief that the alignment of interests between the public and private sector can provide critical solutions to the collective needs of communities. Meridiam is an independent investment Benefit Corporation within the meaning of French law. It specializes in the development, financing, and management of long-term and sustainable public infrastructure projects and assets in three core sectors: mobility, energy transition and social infrastructure. With offices in Addis Ababa, Amman, Dakar, Istanbul, New York, Luxembourg, Paris,

Toronto and Vienna, Meridiam currently manages 7 billion Euros of assets, and more than 75 projects and assets to date. Meridiam is certified ISO 9001: 2015, ISO 26000 Advanced by VigeoEiris and operates on a proprietary methodology in relation to Environmental, Social and Governance (ESG) impact based on the UNSDGs. [www.meridiam.com](http://www.meridiam.com)  [Meridiam](#)