



# SUSTAINABLE FINANCING FRAMEWORK

## CITY OF MARSEILLE



VILLE DE  
MARSEILLE



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# 1. Introduction

## 1.1. The City of Marseille's Strategic and Financial Context

Marseille, the second largest municipality in France with 870,000 inhabitants<sup>1</sup>, is the capital of the Bouches-du-Rhône department and the center of the Aix-Marseille-Provence metropolis. Covering an area of 240.6km<sup>2</sup>, the city has a wide range of responsibilities: urban planning, economic development, social and cultural policies, and sustainable development. Economically, Marseille benefits from a diversified industry-base:

- The Grand Port Maritime de Marseille, the leading French and Mediterranean port, supports the logistics, chemical, energy and international trade sectors<sup>2</sup>
- Tourism and culture also represent important economic drivers, reinforced by large-scale events as well as a unique heritage and seaside offering
- Local government initiatives are also closely linked to that of the metropolis and the Provence-Alpes-Côte d'Azur region, particularly in the fields of transport, energy and territory planning

The City of Marseille and its territory are growing rapidly. It is regaining its place as a major European and Mediterranean capital. It is a multifaceted city with an rich history but also a young, innovative and pioneering culture.

Since 2020, the City has undertaken a major financial and organizational turnaround to support its sustainable development ambitions that has **improved balance of accounts** and increased the community's investment capacity. As a result, in 2023, the Fitch Ratings Agency welcomed the improvement in municipal management by raising the City's rating to **AA-** (from A+ previously). At the same time, the debt was reduced by around **€150 million** between 2020 and 2023, giving back room for manoeuvre to finance ambitious public policies<sup>3</sup>. These indicators show a healthy financial situation, conducive to the **mobilization of capital for the ecological transition and social inclusion**.

The City of Marseille is pursuing its financial strategy of securing debt and diversifying financing. Since 2023, as part of the green transition of its financing, the City has been assessing banking institutions in with regard to non-financial criteria via an ESG (Environment, Social Governance) questionnaire in addition to traditional financial criteria.

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<sup>1</sup> INSEE. Complete file – Municipality of Marseille (2023). Link: <https://www.insee.fr/fr/statistiques/2011101?geo=COM-13055>

<sup>2</sup> Grand Port Maritime de Marseille (GPMM). *Annual Report* (2024)

<sup>3</sup> <https://gomet.net/fitch-rehausse-la-note-financiere-de-la-ville-de-marseille/#:~:text=Marseillais%20en%20juin%202020,l'amélioration%20de%20sa%20gestion%20financière>



**Figure 1: Map of the City of Marseille**



**Figure 2: Aerial view of the City of Marseille**

## 1.2. The City's Environmental and Social Commitments

### Environment

#### Many challenges for Marseille

The Mediterranean basin is particularly vulnerable to climate change, with regional warming 20% faster than the global average. Marseille is on the frontline of climate change. Whether it is heat waves (the number of hot days above 30 degrees has doubled in a century and the number of tropical nights has been multiplied by 5), water resources/water stress (-30% of water balance), coastal erosion and sea level rise (+20cm over the last century), climate change is a major challenge for the city, its ecosystem and biodiversity<sup>4</sup>.

Since all citizens of Marseille are exposed to climate risk, it is clear that this environmental problem cannot be separated from social issues. Notable populations who are particularly vulnerable include:

- Seniors (53,500 citizens who are over 80 years old, half of whom live alone)
- Young children (31,300 children under 3 years old)
- Outdoor workers
- Pregnant women

Finally, climate change contributes to the degradation of biodiversity and the environments (e.g. water, air, soil) which impact the health of the inhabitants of the City.

#### Proactive action by the City

To meet these challenges, the City has formalised its climate strategy through a **Climate City Contract (CCC)**, developed collaboratively after Marseille's selection by the European Commission in the initiative of 100 climate-neutral cities by 2030. The CCC sets a shared 2030 vision, broken down into a coherent action plan and **investment plan**, including a target of **a 50% reduction in greenhouse gas emissions by 2030** (compared to 2019) and a trajectory towards long-term carbon<sup>5</sup> neutrality. The CCC is both a governance process and a living document, it formalizes a city's commitments to 2030 as well as its action plan and investment plan, developed in co-construction with local stakeholders and other levels of government.

In addition, the City has launched a shared "Mission 2030" approach for the development of a climate change adaptation plan, which will be co-constructed with the territory's stakeholders and articulated around 20 strategic axes, aggregated into 4 priority categories:

1. Strengthening the civil protection of populations in the face of natural risks
2. Develop the city in a with biodiversity and climate in mind, limit artificialisation and continue to revegetate and increase soil absorption capabilities for rainwater
3. Increase the protection of the most vulnerable populations by accelerating thermal renovation and fighting against heat waves
4. Preserving biodiversity, coastlines and natural resources by adapting infrastructure

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<sup>4</sup> Municipal Council meeting of 20 June 2025 on the subject of the "Mission 2030" Plan

[https://event.novialys.com/Datas/vdm/2115211\\_684c0ca0303c2/](https://event.novialys.com/Datas/vdm/2115211_684c0ca0303c2/)

<sup>5</sup> [https://www.marseille.fr/sites/default/files/contenu/contrat-ville-climat\\_synthese\\_version-complete-56\\_pages\\_18-09-23.pdf#:~:text=Nous%20nous%20sommes%20fix%C3%A9s%20un,la%20Ville%20pour%20en%20faire](https://www.marseille.fr/sites/default/files/contenu/contrat-ville-climat_synthese_version-complete-56_pages_18-09-23.pdf#:~:text=Nous%20nous%20sommes%20fix%C3%A9s%20un,la%20Ville%20pour%20en%20faire)



Among the 20 priority areas, the municipality aims to mobilise 500 municipal agents trained in the ecological transition and planning to create a municipal campus on climate issues. The Heatwave Plan is reinforced by the opening of air-conditioned places of refuge, the mobilization of the Communal Center for Social Action (CCAS) and the implementation of refreshment trails “A School Plan” is deployed with the dewaterproofing of schoolyards and nurseries to mitigate the heat in the city. Coastal protection is being intensified through nature-based solutions such as the Posidonia Plan, which protects seagrass beds and fights coastal erosion, and Marseille is strengthening its international commitment by cooperating with its twin cities in Africa to develop joint adaptation solutions<sup>6</sup>.

The CCC, the "Mission 2030" plan and the "2024 Sustainable Development Report" are linked to the **Territorial Air-Energy Climate Plan (PCAET)**<sup>7</sup> of the Aix-Marseille-Provence Metropolis to place local action within the broader framework of national commitments (Paris Agreement, UN Sustainable Development Goals and the European Green Deal). This common climate strategy consolidates Marseille's leading role in the fight against climate change, by aligning **municipal and metropolitan policies** towards carbon neutrality by 2050. Marseille was the first French city to be awarded the Mission City label by the European Commission, mobilising more than 200 projects and stakeholders in the region around the ecological transition. The adoption of these strategic plans demonstrates the desire to place local action within the broader framework of national and international commitments to combat climate change.

On the international scene, Marseille also asserts its leading role. In 2025, the City co-organised the **Climate Chance Europe-Africa Summit** with the Climate Chance Association, dedicated to adaptation to climate change. This event led to the **Marseille Declaration**, an ambitious plea for enhanced cooperation between Europe and Africa in the face of climate challenges<sup>8</sup>. The Marseille Declaration calls for the intensification of joint efforts on adaptation (water management, urban resilience, sustainable agriculture, etc.) and has already been signed by the largest networks of cities and regions, NGOs, businesses and non-state actors on both continents<sup>9</sup>.

## Social

At the same time, Marseille has **strong social ambitions**, integrated into its sustainable development policy. The ecological transition is thought of as “**combatting disproportionate outcomes for the most vulnerable**”, because the first victims of climate change are the most precarious<sup>10</sup>. Marseille has the ambition of a fairer and greener city. Committed to restoring territorial equity, **Marseille has made schools and housing priority public policies**. It is developing a new urban model of social justice, by acting for the health of its inhabitants, for inclusion, and the fight against inequalities. Marseille wishes to co-construct the future with its citizens and develops democratic and participatory spaces.

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<sup>6</sup> Municipal Council meeting of 20 June 2025 on the subject of the "Mission 2030" Plan  
[https://event.novialys.com/Datas/vdm/2115211\\_684c0ca0303c2/](https://event.novialys.com/Datas/vdm/2115211_684c0ca0303c2/)

<sup>7</sup> <https://ampmetropole.fr/missions/strategie-environnementale/plan-climat-air-energie/>

<sup>8</sup> <https://www.marseille.fr/actualites/sommet-climate-chance-europe-afrique-2025#:~:text=La%20D%C3%A9claration%20de%20Marseille>

<sup>9</sup> <https://www.marseille.fr/actualites/sommet-climate-chance-europe-afrique-2025#:~:text=La%20D%C3%A9claration%20de%20Marseille>

<sup>10</sup> [https://www.marseille.fr/sites/default/files/contenu/contrat-ville-climat\\_synthese\\_version-complete-56\\_pages\\_18-09-](https://www.marseille.fr/sites/default/files/contenu/contrat-ville-climat_synthese_version-complete-56_pages_18-09-23.pdf#:~:text=doux%2C%20réduire%20nos%20consommations%20sans,à%20laquelle%20nous%20devons%20tous)

[23.pdf#:~:text=doux%2C%20réduire%20nos%20consommations%20sans,à%20laquelle%20nous%20devons%20tous](https://www.marseille.fr/sites/default/files/contenu/contrat-ville-climat_synthese_version-complete-56_pages_18-09-23.pdf#:~:text=doux%2C%20réduire%20nos%20consommations%20sans,à%20laquelle%20nous%20devons%20tous)

### **Actions Supporting Housing :**

- The fight against substandard housing: The City places the fight against substandard housing and access to housing for all among its priorities and intervenes to protect the inhabitants from any serious and imminent danger resulting from substandard housing.
- Scaling up against energy poverty: By fighting against energy poverty, in particular through housing renovations and access to renewable energy, Marseille aims to make energy more affordable for all, combining sustainability, equity and improved living conditions for the most vulnerable.
- Experimentation with a social housing demand rating grid: Since 2021, the City of Marseille has established a demand rating grid, making it possible to prioritize social housing within the framework of the municipal quota. The objective is to prioritize these applications and justify the choices of the City Commission. This objectification of the requests is in addition to the social diagnosis carried out by one of the four social workers in the service.
- The development of the social housing stock in new construction and in the recycling of run-down housing: The City is mobilising all levers (regulatory, budgetary, partnership) to support the construction of social housing. Firstly, Marseille has included in the Local Intercommunal Urban Plan (PLUi) a social diversity easement, applicable since May 2024, which requires the creation of 30% of social housing for any operation from 30 units. Then, the City Council voted on an intervention framework with a budget of €28.85 million over the period 2024-2029, to support social housing landlords with the creation of housing for the most modest tenants. In addition, in June 2024, as part of the Local Metropolitan Housing Programme (PLH), the City signed a Social Diversity Contract with the Marseille Aix Provence Metropolis (AMP) and the State, to revitalise and rebalance the production of social housing.
- Rental intermediation: The City of Marseille wishes to boost the production of affordable housing for people in great difficulty and thus meet the challenges of territorial rebalancing and social diversity. Rental intermediation is a system that makes it possible to secure and simplify the relationship between the tenant and the landlord thanks to the intervention of a social third party (operator, approved body or association). This scheme is a tool for capturing private housing (rent-controlled), complementary to the production of social housing (which is also supported), making it possible to diversify the responses aimed at the most vulnerable people: the homeless, but also more broadly households affected by poor housing or substandard housing.
- Prevention against rental evictions: In the municipality, there are many legal actions seeking the termination of residential leases with a view to eviction and constitute a source of exclusion for many households. Housing retention actions are therefore essential.
- The renovation of priority neighbourhoods and run-down condominiums: In March 2022, the City of Marseille defended a project involving 10 priority neighbourhoods of the urban policy (QPV) to the National Agency for Urban Renewal (ANRU) to the tune of €2.7 billion during the National Commitment Committee. In addition, in September 2022, the City voted, as part of the partnership agreement for an intervention strategy on run-down condominiums, a budget of €11 million to carry out work in run-down condominiums between 2022 and 2026. This financial participation in large run-down condominiums will allow, among other things, support for the implementation of packages of work (thermal insulation from the outside of facades, insulation of roofs, etc.) that contribute to the fight against fuel poverty, the reduction of condominium fees and the improvement of the living conditions of housing.
- Municipal action in favour of the production and improvement of the housing stock: Faced with the need to finance and carry out urban revitalisation projects, the Development Partnership Programme (PPA) makes it possible to coordinate the action of the city, the State, and public and private actors. In line with this programme, the City committed in October 2024, alongside other public partners, by signing 3 OPAH-RU (programmed

operation for the improvement of housing – urban renewal) agreements for run-down condominiums with several objectives:

- Ensure the completion of work guaranteeing the sustainability of the buildings
  - Fight against substandard housing and housing vacancies
  - Mobilize the buildings of single-owner landlords to promote the habitability of housing and respond to the climate challenges of a Mediterranean city and enhance the heritage of Marseille
  - To promote the maintenance of modest populations in the city centre of Marseille
  - To improve the living environment and urban amenity of dense neighbourhoods
- Participation in the financing of sustainable housing: By providing a guarantee for loans taken out by social landlords, the City of Marseille supports the construction of housing in the area. In accordance with its loan guarantee granting regulations adopted in July 2023, the local authority paid particular attention in 2024 to the analysis of housing construction or rehabilitation projects, with regard to their sustainability and compliance, in particular, with the Sustainable Construction Charter. This charter, adopted by the City, is intended to promote a high environmental and energy quality of buildings, while improving the living environment of the inhabitants.

#### **Investing in Education :**

- Marseille – a “Child-Friendly City”: For the City of Marseille, education is considered the key to the behavioural changes that are essential to meet the challenges of the ecological and social crisis. The city is taking concrete action by raising awareness among the younger generations about the issues of sustainability, social justice, and civic responsibility through various educational programs and local initiatives. In 2021, Marseille became a "Child Friendly City". With the national and international network of UNICEF France and the Association of Mayors of France (AMF), the City is committed to taking initiatives and promoting actions to facilitate the integration of children and young people into the life of the city, as well as to encourage their openness to the world.
- A quality educational path with the Territorial Educational Project: The Territorial Educational Project (PEDT) was adopted by the Municipal Council on March 4, 2022 for 3 years. It helps children from 3 to 12 years old who are seeking their emancipation. It makes it possible to offer a coherent and quality educational path on extracurricular and extracurricular time, in conjunction with the school. This cooperation is based on 5 thematic bases which are broken down into specific actions in the territories: culture, sport, prevention of risk situations, citizenship and ecological transition, and quality of life.
- The "Educational Cities" scheme: Actions in favour of educating young people about ecological issues, which concern them directly, have been carried out with the "Educational Cities" scheme. This scheme, set up at the end of 2019, aims to contribute to the success of children and young people, from young ages till they are 25 years old, in certain priority neighbourhoods (as defined in the relevant Urban Policies). Projects were proposed for the beautification and greening of schoolyards and nurseries, the development of gardening activities involving children, families and residents, as well as cooking workshops and awareness-raising programmes on recycling, the marine environment, and biodiversity.
- Educational projects in Nurseries: The City of Marseille is committed to a perpetual improvement in the quality of care for children and their families in nurseries, in compliance with the National Charter for the Care of Young Children. The nursery teams carry out many projects throughout the year to support the development of children and their fulfilment: intergenerational projects with neighbouring Residential Establishments for Dependent Elderly People (EHPAD), bridging projects with nursery schools at the end of the year to facilitate the transition to school, participation in La Grande Lessive, an international



ephemeral art event, psychomotor development activities with the Olympic Games as their theme in 2024, etc.

- Financial aid for families' budgets: During the periods of inflation, to ensure that school meals do not add onerous burdens to disadvantaged families, the price of the canteen in schools remains unchanged. In concrete terms, the share that the City pays for it allows savings of up to €1,282/year for the most disadvantaged households. It is the same approach that led the City to distribute 90,000 school supply kits to students in Marseille's public elementary and nursery schools this year, a saving of €65 per child.

### 1.3. Sustainable Development Governance

The governance of sustainable development in Marseille is based on **robust internal structures**, cross-functional coordination mechanisms and a responsible management approach that guarantee the effective implementation of the City's climate and social strategy. Since 2020, the municipality has evolved its administrative organization to fully integrate sustainability objectives into its operations. A dedicated Mission – The **Marseille 2030 Climate Objective** – has been set up to steer the city's climate strategy for 2030 and to monitor the **Climate City Contract (CCC)**. This mission mobilizes the various municipal departments around climate-energy commitments, ensures the consistency of actions with national and European plans, and coordinates more than 200 local projects contributing to carbon neutrality.

Beyond internal bodies, Marseille promotes **transversal and participatory governance** of sustainable development, involving all the stakeholders of the territory. This collaborative approach continues in implementation: the City regularly organises public consultations and participatory workshops on major projects (sustainable urban planning, soft mobility, urban greening, etc.), in order to integrate feedback from residents and strengthen the **social acceptability** of the transformations undertaken.

In addition, **close partnerships with the Metropolis** are in place to coordinate climate and environmental policies at the scale of the living area (for example, synchronization of the Municipal Tree Plan with metropolitan renaturation actions, or cooperation on water and waste management). Similarly, associations, local NGOs and citizens' collectives are integrated into governance via advisory councils (in particular through the organisation of the General Assembly of Associative Life, which is part of a strong desire of the City of Marseille to rethink, consolidate and enhance the essential role of the associative fabric in the democratic, social and cultural life of the territory), or partnership agreements (for example with environmental associations on urban biodiversity, or with the **Local Energy and Climate Agency (ALEC)** to support individuals in the energy transition).

This multi-level governance, based on **consultation and cooperation**, makes it possible to decompartmentalize sustainable development policies and to ensure the involvement of all actors to achieve common objectives.

#### 1.4. A multi-year investment plan for the City's sustainable development

Marseille now has a strengthened public investment capacity, materialized by a **Multi-Year Investment Plan (PPI) 2024-2029**<sup>11</sup> for a total amount of **€1.9 billion** (i.e. an average of €320 million per year). This program marks a historic effort to modernize local equipment and infrastructure. It includes about 300 projects for the maintenance of schools, sports and cultural facilities, roads and other essential services. The central objective is to ensure equitable access to quality public services in all neighbourhoods.

The 2024-2029 PPI is structured around major areas of intervention illustrating the City's strategic priorities. The breakdown by sector can be summarized as follows:

Investment Area	Amount over 2024-2029 (M€)	Total share of the PPI
<b>Education and youth</b> (Schools Plan, nurseries, etc.)	<b>€404 million</b>	<b>22 %</b>
<b>Environment</b> (energy, greening, climate)	<b>€360 million</b>	<b>21 %</b>
<b>Solidarity, health and inclusion</b> (housing, social)	<b>€318 million</b>	<b>17 %</b>
<b>Security and civil protection</b> (firefighters, police)	<b>€198 million</b>	<b>11 %</b>
<b>Culture and heritage</b> (libraries, museums, etc.)	<b>€191 million</b>	<b>10 %</b>
<b>Sports for all</b> (stadiums, swimming pools, etc.)	<b>€170 million</b>	<b>9 %</b>
<b>Modernization of the administration</b> (digital, offices)	<b>€125 million</b>	<b>7 %</b>
<b>Living environment</b> (shops, public spaces, villages)	<b>€66 million</b>	<b>3 %</b>
<b>Total PPI 2024-2029</b>	<b>€1,900 million</b>	<b>100 %</b>

**Table 1: Areas and amounts of PPI investments**

The education, environment and social cohesion sectors alone account for more than half of the planned investments, reflecting the municipality's desire to invest in youth, the ecological transition and solidarity as a priority:

- **Modernization of public schools (School Plan):** The City is rolling out a massive plan to re-build or rehabilitate **470 schools** by 2029. A budget of **€404 million** has been allocated to it, making it possible to **create or completely rebuild 188 schools** and to renovate the others, with a pace of work multiplied by four compared to the past. Each school also benefits from new educational equipment (furniture, digital boards, innovative equipment) in order to offer Marseille's 73,000 students dignified, healthy learning conditions adapted to the needs of the 21st century. The **Schools Plan** embodies the priority given to young people and illustrates the desire to make up for years of delay in terms of school maintenance.

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<sup>11</sup> <https://www.marseille.fr/sites/default/files/contenu/mairie/ppi.pdf>

- **Energy renovation of buildings (public and residential):** To achieve its climate objectives, Marseille invests in the energy efficiency of its buildings. The PPI provides for **+€85 million** dedicated to the thermal renovation of municipal buildings (insulation, low-carbon heating, LED lighting, etc.), while maintaining the historical heritage. This is reflected in the work done in schools, nurseries, sports and cultural facilities, in order to reduce their energy consumption and improve user comfort. At the same time, the City is stepping up its support for the renovation of private housing: it is working with the Local Energy and Climate Agency (ALEC) of the metropolis to support condominiums and households in thermal renovation (advice, "MaPrimeRénov" bonuses, subsidies for facades, etc.). The fight against **energy poverty**, lower bills and reduced emissions go hand in hand in this strategy, with an emphasis on working-class neighbourhoods.
- **Green spaces and urban reforestation (Trees Plan):** Marseille has embarked on a vast effort to "renaturate" the city, which is crucial for climate adaptation. Adopted in 2022, the **Tree Plan** aims to plant **308,000 new trees, shrubs and forest seedlings** in Marseille by 2029. With a budget of €10 million, this plan has already made it possible to plant **100,000 trees** since 2020, particularly in parks, gardens, schoolyards and streets in the city<sup>12</sup>. The objective is to create islands of freshness to fight against heat waves, improve air quality and biodiversity in urban areas. In concrete terms, the PPI provides for the creation or renovation of **38 parks and public gardens**, as well as the greening of many arteries and squares, with species adapted to the Mediterranean climate. The City is also innovating with initiatives such as the "Rue Jardin" program involving residents in the greening of their street, and the establishment of a municipal nursery providing local seedlings for the tree plan. Ultimately, these significant efforts will increase the urban canopy rate and make Marseille more breathable and resilient to climate extremes.
- **Social housing and sustainable housing:** Guaranteeing dignified housing for all citizens in Marseille is an integral part of the City's social priorities. The PPI is devoting **€91 million** to the production and rehabilitation of **social or affordable housing**, in order to respond to the crisis of poor housing. The municipality actively supports low-rent housing (HLM) operators in the renovation of existing housing estates (insulation, reduction of unhealthy conditions, increasing accessibility) and encourages the construction of new low-rent housing units, spread throughout the city to promote social diversity. In addition, Marseille is committed to the **New National Urban Renewal Programme (NPNRU)** alongside the State and the **National Agency for Urban Renewal (ANRU)**: a major plan to transform **priority neighbourhoods** is underway, including the renovation of housing, the demolition and reconstruction of dilapidated buildings, the requalification of public spaces and the development of local facilities. These interventions target sectors such as Bassens, Campagne Lévêque, Air-Bel or Kalliste, with a threefold objective: to improve the quality of life of the inhabitants, to reweave the urban fabric and to reduce territorial inequalities. Finally, the City is working on the prevention of evictions, the creation of renovated emergency accommodation and the support of homeless people towards sustainable solutions, thus integrating the fight against exclusion into its housing policy.
- **Urban agriculture and sustainable food:** Aware of the challenges of food resilience and social inclusion, Marseille promotes the development of agriculture in the city. **Urban farms**

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<sup>12</sup> <https://www.marseille.fr/environnement/nature-en-ville/plan-arbres#:~:text=Les%20arbres%20en%20milieu%20urbain,culturels%20et%20%C3%A9quipements%20sportifs>



and shared gardens are being created on the municipal territory, often on wasteland or municipal land, to produce fruit and vegetables locally while creating social links. An example is the **Montgolfier agricultural estate**, a vast municipal property that has been redeveloped, which has been opened to the public and schools to make it a space for educational discovery and local market gardening. The City also supports urban agriculture associations and startups (vegetable gardens, hydroponics, collective composting, etc.) in order to multiply field-to-fork initiatives in urban areas. These projects contribute to greening forgotten plots, raising awareness among city dwellers (especially the youngest) about healthy and sustainable food, and creating economic activity around short circuits. Finally, the City is integrating food considerations into its climate policy: partnership with the Metropolis for **sustainable school canteens** (more organic and local), fight against food waste, support for neighbourhood solidarity grocery stores, etc. Urban agriculture is thus part of a global vision of a more **sober, circular and united city**.

With regard to the context above, the City has decided to create this Sustainable Financing Framework. Sustainable Finance Instruments, such as Green, Social and Sustainability bonds, allow domestic and international investors to diversify their portfolios by integrating more responsible assets. The City of Marseille will thus use this Sustainable Financing Framework to communicate on its commitments and progress in favor of the ecological and social transition, and to highlight its work in identifying and quantifying the funding allocated to these issues.

## 2. The City of Marseille's Sustainable Financing Framework

This framework document is aligned with the *International Capital Market Association* (ICMA) principles, namely, the *Green Bond Principles (GBP) 2025*<sup>13</sup>, the *Social Bond Principles (SBP) 2025*<sup>14</sup> and the *Sustainability Bond Guidelines (SBG) 2021*<sup>15</sup>.

Within this Sustainable Financing Framework, the City of Marseille can issue the following instruments:

- Green Bond(s) - the proceeds of which are used to finance/refinance projects defined in the eligible green categories
- Social bond(s) - the proceeds of which are used to finance/refinance projects defined in the eligible social categories
- Sustainability bond(s) – the proceeds of which are used to finance/refinance projects defined in the eligible green categories and eligible social categories

This Sustainable Financing Framework document is structured around the following core elements and recommendations of the GBP, SBP and SBG:

- Use of Proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting
- External Review

The City of Marseille acknowledges that this framework document is likely to be amended at a later date in order to reflect the main developments in the Sustainable Finance market and associated regulations.

### 2.1. Use of Proceeds

An amount equivalent to the net proceeds raised from any Green, Social or Sustainable bond issued by the City of Marseille under this framework will be allocated, in part or in full, to the financing and refinancing of eligible Green and/or Social projects aligned with the eligibility criteria listed below. Eligible Green and/or Social projects can include capital expenditure, operating expenditure, as well as subsidies to finance these types of expenditure.

The majority of the financing will be for the year of the Green, Social or Sustainable bond issuance, and the following two years, while refinancing will be limited to the two years prior to the bond issuance.









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<sup>13</sup> <https://www.icmagroup.org/assets/documents/Sustainable-finance/2025-updates/Green-Bond-Principles-GBP-June-2025.pdf>

<sup>14</sup> <https://www.icmagroup.org/assets/documents/Sustainable-finance/2025-updates/Social-Bond-Principles-SBP-June-2025.pdf>

<sup>15</sup> <https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Sustainability-Bond-Guidelines-June-2021-100621.pdf>










### 2.1.1. Eligible Green Categories

Alignment with GBP	Alignment with the SDGs	Eligibility criteria	Alignment with the EU Taxonomy
Renewable Energy	  	<ul style="list-style-type: none"> <li>• Electricity generation from photovoltaic solar energy</li> <li>• Development of district heating and cooling networks powered by renewable sources (marine geothermal, biomass and solar thermal)</li> </ul>	<b>Climate Change Mitigation</b> <ul style="list-style-type: none"> <li>• 4.1 Electricity generation using solar photovoltaic technology</li> <li>• 4.15 Heating/cooling systems</li> <li>• 4.21 Heating/cooling by solar thermal heating</li> <li>• 4.22 Generation of heat/cooling from geothermal energy</li> <li>• 4.24 Heating and cooling from bioenergy</li> <li>• 4.25 Generation of heat/cold by the use of waste heat</li> </ul>
Green Buildings and Energy Efficiency	 	<ul style="list-style-type: none"> <li>• Thermal renovation of schools and municipal buildings (insulation, high-performance lighting, HVAC systems), aiming for a reduction of at least 20% in energy consumption</li> <li>• Construction of buildings according to the BDM (Mediterranean Sustainable Buildings) standard<sup>16</sup></li> </ul>	<b>Climate Change Mitigation</b> <ul style="list-style-type: none"> <li>• 7.2 Renovation of existing buildings</li> <li>• 7.3 Installation, maintenance and repair of energy efficiency equipment</li> </ul>
Clean Transportation	 	<ul style="list-style-type: none"> <li>• At-berth electrification for vessels (CENAQ)<sup>17</sup></li> <li>• Modernisation of the City's professional vehicles, with the aim of electrifying the entire fleet</li> <li>• Acquisition of bicycles and intermediate vehicles (cargo bikes, electric carts)</li> </ul>	<b>Climate Change Mitigation</b> <ul style="list-style-type: none"> <li>• 6.4 Operation of personal mobility devices, bicycle logistics</li> <li>• 6.5. Transport by motorcycles, passenger cars and light commercial vehicles</li> <li>• 6.16 Infrastructure enabling low-carbon water transport</li> </ul>
Sustainable Water and Wastewater Management		<ul style="list-style-type: none"> <li>• Stormwater management, de-waterproofing, nature-based solutions, network upgrades for flood and drought resilience.</li> <li>• Deployment of the city's "water" sobriety plan: connected and differentiated watering, closed-circuit water management in ornamental fountains,</li> </ul>	<b>Sustainable use and protection of water and marine resources</b> <ul style="list-style-type: none"> <li>• 3.1. Nature-based solutions for flood and drought risk prevention and protection</li> </ul>











<sup>16</sup> <https://envirobatbdm.eu/l-association>







<sup>17</sup> <https://www.marseille-port.fr/projets/cenacq>



Alignment with GBP	Alignment with the SDGs	Eligibility criteria	Alignment with the EU Taxonomy
		basins and canals, deployment of drinking fountains, etc.	
Climate change adaptation	  	<ul style="list-style-type: none"> <li>• Creation/renovation of parks and gardens, tree plan, green roofs/islands to fight against heat islands and improve air quality.</li> <li>• Forest fire prevention</li> </ul>	<b>Adaptation to climate change</b> <ul style="list-style-type: none"> <li>• 3.1. Nature-based solutions for flood and drought risk prevention and protection</li> </ul>
Terrestrial and Aquatic Biodiversity	  	<ul style="list-style-type: none"> <li>• Protection/restoration of terrestrial and marine habitats (ecological corridors, renaturation of wastelands)</li> <li>• Adaptation of the coastline: defences against erosion, beach recharge, restoration of the coastline,</li> </ul>	<b>Biodiversity</b> <ul style="list-style-type: none"> <li>• 1.1. Conservation, including restoration, of habitats, ecosystems and species</li> </ul> <b>Adaptation to climate change</b> <ul style="list-style-type: none"> <li>• 14.2 Infrastructure for the prevention and protection against flood risks</li> </ul>
Pollution Prevention and control	 	<ul style="list-style-type: none"> <li>• Reduce/reuse/recycle, composting of bio-waste, recycling centres</li> </ul>	<b>Climate Change Mitigation</b> <ul style="list-style-type: none"> <li>• 5.8 Composting of bio-waste</li> <li>• 5.9 Recovery of non-hazardous waste</li> </ul> <b>Pollution prevention and control</b> <ul style="list-style-type: none"> <li>• 2.4 Remediation of Contaminated Sites and Areas</li> </ul>

## 2.1.2. Eligible Social Categories

Alignment with SBPs	Alignment with the SDGs	Eligibility criteria	Target populations
Affordable Housing		<ul style="list-style-type: none"> <li>Construction/renovation of social housing and treatment of substandard housing (including the fight against fuel poverty)</li> </ul>	Low-income households, residents of substandard/overoccupied housing, priority neighbourhoods of the city (QPV).
Access to Essential Services — <b>Health</b>	 	<ul style="list-style-type: none"> <li>Creation/extension of municipal health centres, sport-health centres, social centres, Residential Establishments for Dependent Elderly People (EHPAD), and modernisation of public hospitals</li> </ul>	Residents of medical deserts, low-income/uninsured patients, elderly/disabled people
Access to essential services — <b>Education</b>	 	<ul style="list-style-type: none"> <li>Construction/renovation of schools, nurseries, educational facilities (accessibility, digital equipment, sanitary facilities)</li> </ul>	Children/students from disadvantaged neighborhoods, low-income families, early childhood
Affordable Basic Infrastructure — <b>Accessibility</b>	 	<ul style="list-style-type: none"> <li>Improvement of the accessibility of equipment (facilities for people with reduced mobility (PRM))</li> </ul>	Residents of peripheral/precarious neighbourhoods, people with reduced mobility, low-income commuters
Socioeconomic Advancement and Empowerment — <b>Security &amp; Urgency</b>	 	<ul style="list-style-type: none"> <li>Fire Stations</li> <li>Training centres for firefighters</li> </ul>	Neighbourhoods with high insecurity/risks, the general public in dense or exposed areas, families in dangerous housing
Socioeconomic Advancement and Empowerment — <b>Culture &amp; heritage</b>		<ul style="list-style-type: none"> <li>Media libraries, libraries, museums, socio-cultural centres, heritage restoration with public access and programmes at reduced rates</li> </ul>	Low-income families, young people, marginalised groups and neighbourhoods far from cultural facilities

Alignment with SBPs	Alignment with the SDGs	Eligibility criteria	Target populations
			
Socioeconomic Advancement and Empowerment nt — <b>Sport &amp; recreation</b>	 	<ul style="list-style-type: none"> <li>Swimming pools, stadiums, gymnasiums, playgrounds open to all, including PRM facilities and inclusion through sport programmes</li> </ul>	Inhabitants of QPVs, low-income households, people with disabilities, local clubs
Food security and access to Sustainable Food	  	<ul style="list-style-type: none"> <li>Outreach markets, food banks, community kitchens, urban farms/gardens targeting food deserts</li> </ul>	Food insecure people, children/families receiving assistance, homeless/unemployed people

### **Sectoral exclusions**

Eligible expenditure excludes expenditure relating to the following activities:

- Production or trade in arms and ammunition
- Fossil fuel production
- Tobacco production or trade
- Nuclear and fossil energy production
- Production of any product or activity that does not comply with the legal framework of local authorities, national and international agreements.

## **2.2. Process for Project Evaluation and Selection**

The evaluation and selection process of "Eligible Green and Social Projects" is coordinated by the Finance Department of the city of Marseille, in conjunction with all the technical departments concerned by the categories of Eligible Green and Social Projects.

The City of Marseille has set up a Technical Committee for Sustainable Financing (CTFD), composed of the following services:

- Financial, Fiscal and Census Resources Department
- Partnership Financing Department



- Marseille 2030 Mission Climate Objective
- Any other department involved in Eligible Green and Social Projects

The missions of the CTFD are as follows:

- Assess the eligibility of projects for Green, Social or Sustainability bonds in accordance with the predetermined eligibility criteria set out in the Use of Proceeds section of this framework document
- Oversee the arrangements put in place to ensure that Green, Social or Sustainability bonds remain aligned with GBP, SBP and SBG until the maturity of the bonds
- Oversee the arrangements put in place to ensure that Green, Social or Sustainability bond proceeds are used in accordance with the uses specified in the framework document
- Oversee the introduction and operation of arrangements to generate the information necessary for the production of periodic reports on Green, Social or Sustainability bonds, in accordance with the framework document and as well as the GBP, SBP and SBG

Eligible projects will be selected from among those pursued in the context of the vote on the initial budget for the current year and the multi-year investment programme. In this respect, the launch and individualisation of programme authorisations corresponding to eligible and selected projects will be closely monitored during the working sessions of the CTFD, which will meet regularly, on the basis of a biannual meeting.

## 2.3. Management of Proceeds

The monitoring of the net proceeds of the City of Marseille's Green, Social or Sustainability bonds is carried out within the regulatory framework applicable to French local authorities, which requires the deposit of free funds in a single account at the Public Treasury. It is provided by the Finance Department of the City of Marseille.

In the event that a selected project becomes ineligible or subject to a major controversy, the City of Marseille undertakes to reallocate the amount concerned to another eligible project within 24 months.

## 2.4. Reporting

Annually, the City of Marseille will publish an allocation report and an impact report on its green, social or sustainable bonds issued, as detailed below, and in line with the recommendations of the ICMA *Handbook – Harmonised Framework for Impact Reporting*<sup>18</sup>. This report will be updated annually until the net proceeds of any Green, Social or Sustainability bonds issued are fully allocated.

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<sup>18</sup> <https://www.icmagroup.org/sustainable-finance/impact-reporting/green-projects/>

### 2.4.1. Allocation Report

The City of Marseille will provide information on the list of eligible Green and Social projects on the City of Marseille website.

The information shall contain at least the following:

- I. The total amount of proceeds allocated
- II. The list of eligible projects funded
- III. The distribution of the allocation by eligible project category
- IV. The balance of unallocated proceeds

### 2.4.2. Impact report

To the extent possible, the City of Marseille will provide reports detailing the environmental/social impact of eligible Green and Social projects. The impact report will also contain information on the methodologies and assumptions used in the calculation of impact measures.

Below is a list of potential impact indicators that the City of Marseille may include in the impact report:

#### Green Categories

Alignment with GBP	Potential impact indicators
Renewable Energy	<ul style="list-style-type: none"><li>• Amount of renewable energy produced or used (MWh)</li><li>• Amount of CO2 emissions avoided/reduced (tCO2e)</li></ul>
Green Buildings and Energy Efficiency	<ul style="list-style-type: none"><li>• Annual energy savings in MWh/GWh (electricity) and GJ/TJ (other energy savings)</li><li>• Number of LED or SSL luminaires with lumen/watt (Lm/W)</li></ul>
Clean Transportation	<ul style="list-style-type: none"><li>• Number of bicycles and intermediate vehicles deployed</li></ul>
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"><li>• M3 of water saved (via connected sprinklers, reduction of water leaks, etc.)</li><li>• Surface disconnected from rainwater management networks</li></ul>
Climate Change Adaptation	<ul style="list-style-type: none"><li>• Total surface area of new (and renovated) green spaces open to the public (park, wasteland, etc.) (m²)</li><li>• Total number of trees planted (tree, shrub, groves, etc.)</li></ul>
Terrestrial and Aquatic Biodiversity	<ul style="list-style-type: none"><li>• Maintenance/safeguarding/increasing the area of natural landscapes in urban areas (m²)</li><li>• Reduction of land loss due to flooding and/or coastal erosion</li></ul>
Pollution Prevention and Control	<ul style="list-style-type: none"><li>• Avoided, minimized, reused or recycled waste before and after the project</li><li>• Absolute annual (gross) quantity of waste separated and/or collected, then treated (including composted) or disposed</li></ul>

#### Social categories

Alignment with SBPs	Potential impact indicators
Affordable housing	<ul style="list-style-type: none"><li>• Number of beneficiaries</li></ul>
Access to Essential services	<ul style="list-style-type: none"><li>• Number of beneficiaries – schools, nursing homes, health centres</li><li>• Number of schools, classrooms, laboratories, libraries or other educational or training institutions constructed, upgraded, funded or acquired</li></ul>

Affordable Infrastructure	Basic	<ul style="list-style-type: none"> <li>• Number of people with reduced mobility with access to public facilities</li> </ul>
Socio-economic Advancement and Empowerment		<ul style="list-style-type: none"> <li>• Number of beneficiaries – stadiums, BmDP (Municipal Proximity Offices), MPT (Maisons Pour Tous, Social Centres), public reading, museum, fire stations</li> <li>• Number of equipment</li> </ul>
Food security and access to Sustainable Food		<ul style="list-style-type: none"> <li>• Number of people with access to affordable, safe, nutritious and sufficient food</li> <li>• Fair prices for farmers</li> <li>• Area returned to agriculture</li> </ul>

## 2.5. External Review

### 2.5.1. External Verification of the Framework Document

This Sustainable Financing Framework has received a Second Party Opinion (SPO) from Moody's Ratings.

This second opinion is available on the City's website at the following address: [www.marseille.fr/mairie/administration-de-la-commune/le-budget](http://www.marseille.fr/mairie/administration-de-la-commune/le-budget)

### 2.5.2. External verification of allocation reports

The Regional Directorate of Public Finances (DRFiP) checks the regularity of the expenditure mandated by the city of Marseille and makes its payment. The Accountant of the Accounting Management Service of Marseille – Métropole Aix Marseille Provence, in his capacity as public accountant, certifies that the expenses listed on the statement have been paid.

## 2.6. Amendments

In the event of an update of its framework document, the City of Marseille undertakes to obtain a new second opinion.





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