

UN-Habitat's Sustainable Urban Development Project Pipeline & Preparation Facility



Cities Investment Facility

Today, 4.4 billion people live in cities and that number is growing by 1.5 million each week. 90% of this urban growth will occur in developing countries in Asia, Africa, the Middle East, and Latin America.

This rapid urbanisation and infrastructure growth is fueling **an infrastructure financing gap of US \$15 trillion by 2040**. Thus, there is a need to engage a diverse range of actors to attract substantial private capital to public infrastructure projects.

By convening and preparing a pipeline of SDG-compliant and investor-ready infrastructure projects, the **Cities Investment Facility (CIF) strives to unlock significant capital flows to inclusive, sustainable urbanisation projects**. Through its three pillars – Cities Investment Portal, Cities Investment Advisory Platform and Cities Investment Vehicles – CIF helps prepare upstream infrastructure projects at the (pre)feasibility stage to become “investable” and connect them with investors.

This facility complements existing investment facilities by looking at enhancing early-stage design and origination particularly in secondary cities in frontier and emerging markets. It is further unique in its focus on the broad range of the SDGs, urban masterplan-integrated projects, and its global scope with a project pipeline spanning across three main regions and ten sub-sectors.

VALUE PROPOSITION

Support to local governments to develop financeable and sustainable infrastructure projects and enable flow of capital into urban projects

FACILITY OBJECTIVES

Manage a pipeline of sustainable urban development projects

Align projects to UN Sustainable Development Goals (SDGs)

Provide advisory services for project preparation

Promote blended financing

Facilitate project-investor matchmaking

CRITERIA FOR PROJECTS

Undergone preliminary scoping & preparation supported by a business case and demand study

Part of city's broader development strategy

Matches UN-Habitat geographical footprint

Regional and/or national government commitment

Demonstrated linkages to SDG Goals & Indicators

The three pillars of CIF

1 Cities Investment Portal

2 Cities Investment Advisory Platform

3 Cities Investment Vehicles

US\$ **15** Trillion

¹ The infrastructure financing gap by 2040 fuelled by rapid urbanisation and infrastructure growth

4.4 Billion

² The number of people that live in cities today



CITIES INVESTMENT FACILITY PROCESS FLOW



The Cities Investment Facility supports project sourcing and preparation in line with UN-Habitat's strategic focus. The following are our priority infrastructure sectors:

- Housing
- Energy
- Waste Management
- Transport and Mobility
- Water and Sanitation

CIF STRUCTURE

A series of three instruments work to engage city authorities, investors and other stakeholders in CIF: The Cities Investment Portal (CIP), Cities Investment Advisory Platform (CIAP) and Cities Investment Vehicles (CI Vehicles).



The CIP enables cities to better promote their urban development projects to an audience of investors and third-party experts who can provide financing, technical and advisory support through an online portal.



The CIAP then focuses on the upstream stages of project development, providing cities with in-depth project preparation, bankability advisory and technical assistance.



Finally, the CI Vehicles works to improve the ability of cities to access financing and reach implementation stage of their urban development projects.

¹ <https://www.github.org/articles/can-we-mobilise-private-capital-to-help-establish-infrastructure-as-an-asset-class/>

² <https://www.worldbank.org/en/topic/urbandevelopment/overview>