UN-Habitat’s Sustainable Urban Development Project Pipeline & Preparation Facility
Cities Investment Facility

Today, 4.2 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.¹

City infrastructure enables economic activity and growth. Rapid urbanization in the world’s poorest cities is fueling an annual infrastructure financing gap in excess of US$3.2 trillion.²

By convening and preparing a pipeline of SDG compliant bankable infrastructure projects, this new facility makes a significant contribution to achieving the UN’s Agenda 2030.

This facility complements existing investment facilities by looking at enhancing early stage design and origination particularly in secondary and emerging 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.

UN-Habitat is:

Building a pipeline of bankable sustainable urban development projects

Value Proposition:

Preparing upstream projects at the (pre) feasibility stage to unlock greater capital flows to finance sustainable urbanization

Pipeline Facility Aims:

- Pipeline of projects
- Project-level SDG impact assessment
- Upstream project preparation
- Blended Finance approach
- Project–Investor Matchmaking

Criteria for Projects:

1. Robust demand studies and/or business cases
2. Part of broader city’s development strategy
3. Matches UN-Habitat geographical footprint
4. Regional & national government commitment
5. Ticket size: US $20 million+
6. Demonstrated linkages to SDG Goals & indicators

By 2050, 68% of the world’s population will live in cities.¹
Process of Joining the Cities Investment Facility:

1. Urban development promoters propose their projects to the Cities Investment Facility through the CI Portal in conjunction with their local UN-Habitat office or focal point;
2. Assessed against the criteria, projects are selected to proceed into the Cities Investment Facility;
3. The local UN-Habitat country office acts as a relationship manager for these projects;
4. Projects information is shared with SDG assessment and planning teams, as well as the teams that advise on the projects’ bankability;
5. Projects are connected with early stage investors.

The proposed Cities Investment Facility (CIF) is a pioneering investment platform combining partners from the private and public sectors, to catalyse investments that will help achieve the urban dimensions of the Sustainable Development Goals (SDGs). The platform will mobilise significant capital for hundreds of SDG compliant municipal and UN-Habitat originated urban development projects in emerging and frontier markets. The CIF will target priority sectors in the post-COVID19 world.

The facility follows the UN mandate to Leave No One Behind, and takes a whole-of-society approach when preparing projects. The blended finance structure of many of the projects is designed to catalyse and de-risk low return projects in order to make a significant contribution to achieving the SDGs by 2030.

E.g.: Hyderabad, India (Blue-Green Infrastructure); Mwanza, Tanzania (Masterplan); Acapulco, Mexico (Solar Energy); Cape Town, South Africa (Settlement Upgrading); Georgetown, Malaysia (Blue Economy).

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1 United Nations Department of Economic and Social Affairs (UNDESA), 2018.  