1. Overall Objectives

The Cities Investment Platform is a partnership between Abu Dhabi Department of Planning and Municipalities, Abu Dhabi Global Market and UN-Habitat. The platform aims to:

- Bridge the global gaps between the availability of global capital and the investment needs in cities to achieve the 2030 Agenda
- Support partnerships between market driven industries and services, and local governments
- Connect sustainable urbanization projects with sources of responsible investment and sustainable finance for early stage project development
- Provide support to scaling up investments in sustainable urban development projects as a means to enhance affordability, live-ability and sustainability of cities for all
- Contribute to the global conversation on the future of public/private/people partnerships for more sustainable cities and metropolitan areas across the globe

This will be achieved at WUF10 through hosting a key ‘legacy project session’, facilitating ongoing dealmaking, project pitching and discussion and creating an enabling environment matching investors to cities.

The Cities Investment Platform is:

An opportunity for cities to engage with investors ...
and

a digital marketplace for sustainable urbanization projects.
2. Background and summary

The Cities Investment Platform (CIP), launched at WUF 10, aims to bring together cities and investors, foster new partnerships and provide support towards making sustainable urbanization investable. This session and Digital Marketplace is the ‘proof-of-concept’ for a new initiative being piloted at UN-Habitat: the Capital Advisory Platform (CAP). CAP is a programme at UN-Habitat with the goal of capacitating local and regional governments in areas of project preparation, capital mobilisation and standard setting.

Through diversified advisory to countries, cities and investors, CAP helps cities to respond to investor needs, and close the gap between sustainable urban development projects and investors. With the support of UN-Habitat flagships such as Urban 2030, CAP will add to a growing set of tools with a relevant value proposition towards sustainable urbanization offered to member states. It will also provide improved in-roads towards UN-Habitat’s direct connections with local, municipal and regional authorities. Additionally, this programme complements the shift in the UN system in general from a model of funding projects to longer-term financing of strategic initiatives that can leverage financial resources in private hands towards causes for the public good.

In the lead-up to the CIP at WUF 10, UN-Habitat has issued an Open Call for urban development projects with the aim of presenting them during the ‘Pitching Session’. Cities and development authorities are invited to submit projects with a clear opportunity for private and commercial investment to finance part of the project together with public funds. UN-Habitat and partners will select a shortlist of projects, and subsequently work together with applicants to prepare their projects for presentation and pitching. Projects will need to be developed to a calibre both appealing to investors and with relevant information for financial terms to be discussed. UN-Habitat’s support includes technical assistance and matchmaking that will populate the digital marketplace and inspire an improved pipeline of sustainable urbanization projects vetted by UN-Habitat.

3. How CIP will function

3.1 Pitching Session

The Pitching Session will provide cities the opportunity to present their urban development projects to a panel of experts including project developers, dealmakers, DFIs and private investors. After the opening, cities will take to the stage in small groups, and be given the opportunity to make a pitch to the panel of experts. Experts will subsequently provide feedback on the projects, suggest pathways to financing. A more detailed programme will be made available shortly.

3.2 City investment clinics - Invest in cities room/investor platform space

During the course of the week, both cities and investors will have the chance to meet and discuss projects in the ‘Invest in Cities’ room. This includes the live presentation of case studies over the course of WUF 10. An innovative space will be curated to provide the opportunity for project discussions that fall within UN-Habitat’s mandate. UN-Habitat together with partners ADGM will work to organize ‘city investment clinics’ at the request of cities and/or investors.

3.3 Digital Marketplace (BETA) to be released at WUF10

An online platform where city projects will be hosted will be made available and widely publicised as a key legacy project from WUF 10. The precise technical specifications of the marketplace are still to be determined. As a marketplace, the platform will need to inspire connection, communication and exchange between the cities with projects and investors with interest in financing them.
4. Pitching Session Format

One-by-one, city representatives will present their projects by giving a summary or ‘elevator pitch’, limited to 10 minutes MAXIMUM. Next, investors will pose a series of questions to the presenter, and the presenter will reply and a discussion will ensue. Investors will determine whether the project is of interest for investment and provide feedback to the cities on their projects with recommendations on how to take them further towards the next phase and make them investment-ready. Not all projects will be at the same level of development and investors will need to be briefed in order to better understand this reality. Finally, investors will discuss the potential for investment and the terms of project equity or debt financing that they would be interested in. The event will be unscripted.

Towards the end of the session, reports from the ‘Invest in Cities’ room will be made, specifying the types of projects and potential matches we have made between cities and investors. Further information on the digital marketplace for projects will be given.

5. Expected Outcomes

5.1 New connections between city leadership and investors

Part of the objective of the Cities Investment Platform is to forge connections between investors and cities, bringing together communities that do not typically interact. UN-Habitat acts as the neutral broker in these discussions and will be there to verify, provide guidance and structure the conversation around the insurance of mutual interest.

5.2 Creation of a digital marketplace for urban projects vetted by UN-Habitat

An interactive database will be accessible to interested parties at WUF 10 and beyond to access the following:

- Bankable projects with opportunities for investment at city and country levels
- Potential investors – private or public - with clear areas of interest, types of investment and credentials in line with sustainability and inclusion principles
- Matchmaking of projects and potential investors

UN-Habitat has identified the need for a digital platform that can guide the transformation of financing the urban development industry. In the run-up to WUF 10 and aligned with its 4-pillar framework, UN-Habitat, DPM and ADGM will develop the digital marketplace. During WUF 10 it will be launched in beta, and in the long run, the digital marketplace aims to become a global reference point connecting cities and investors, bankable projects and financial products. The digital marketplace will also form the basis for a project pipeline to be developed under UN-Habitat’s Capital Advisory Platform, and will include sustainable urbanization projects from around the world. UN-Habitat will also work together with ADGM to ensure that this work can continue with similar providers.

5.3 Capacity development and engagement among both city leadership and investors

This interaction will be designed to:

- Give the case study city access to innovative ideas and inputs to enhance the feasibility, sustainability and impact of the project. The city will return home with an improved concept.
- Provide the opportunity for the case study city to interact with investors – to clarify its needs and understand investors’ interests, concerns and potential solutions that would enable future deals
- Provide a space for investors to identify opportunities and engaging in initial conversations with the case study cities.
6. Next Steps

The unscripted nature of the session means that investors and cities will have the chance to interact in new ways. UN-Habitat will support these discussions from a technical perspective. This will provide the opportunity not only for city leadership to improve their understanding of project development; but also through UN-Habitat and its expertise, project de-risking by way of normative tools such as the New Urban Agenda, the SDGs and Agenda 2030. UN-Habitat’s Capital Advisory Team will play the role of the ‘neutral broker’ in follow-up both with investors and cities. In this UN-Habitat will ensure to retain a monitoring an evaluation role as the projects move towards delivery. UN-Habitat will also play an active role in promoting new matchmaking using the digital marketplace. The diagram below illustrates this programmatic connection.

Capital Advisory Platform built from a Cities Investment Platform