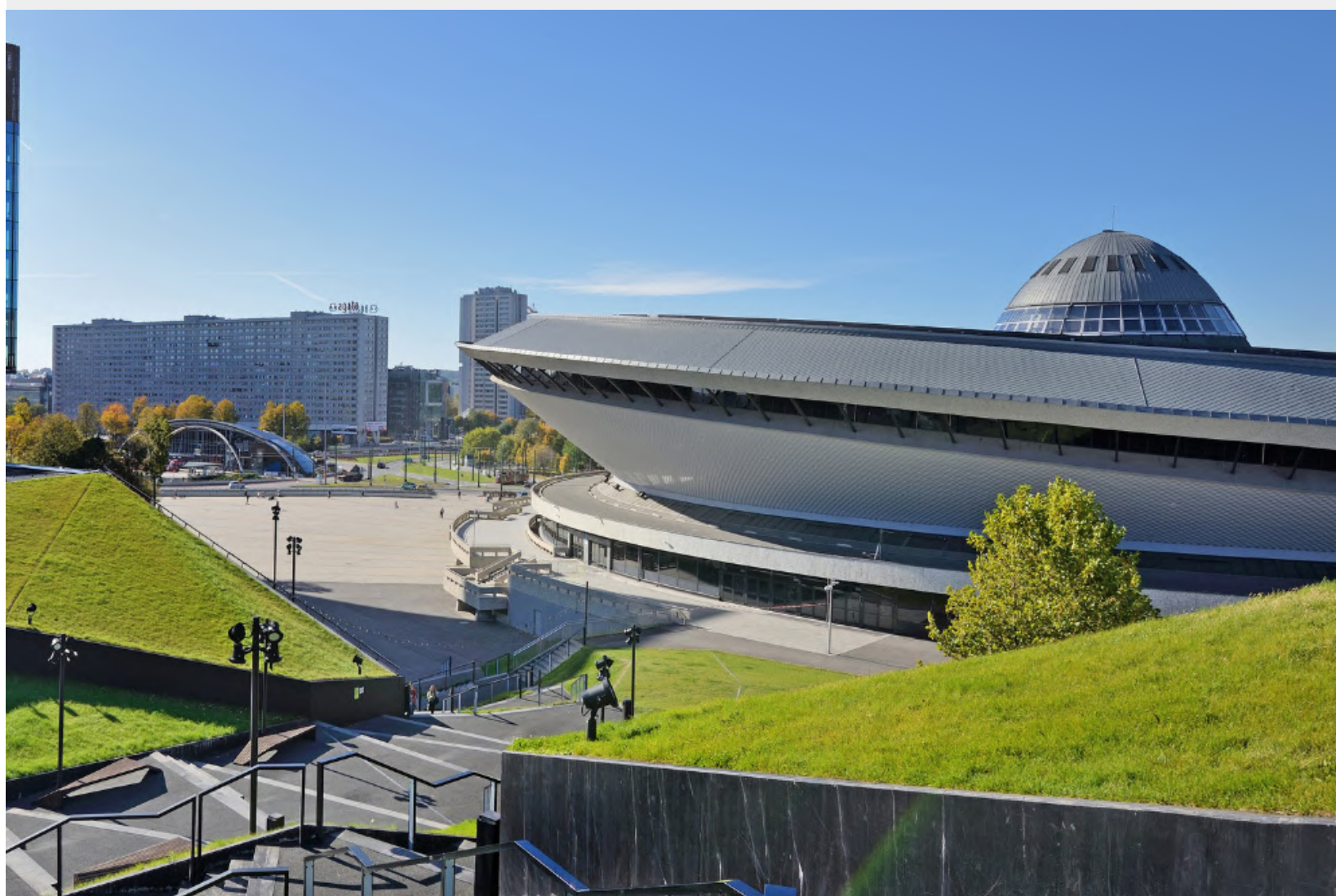


# CITIES INVESTMENT FACILITY

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QUARTERLY NEWSLETTER

ISSUE 02 | APRIL-JUNE 2022



# CONTENTS

---

---

**3**  
FOREWORD

---

**3**  
INTRODUCTION OF CIF AND  
ITS COMPONENTS

---

**4**  
CIF SECRETARIAT: UNCDF  
INTEGRATION TO CIF

---

**5**  
CIF IMPLEMENTING  
PARTNERS

---

**6**  
INTRODUCTION TO NEW CIF  
COLLEAGUES

---

**10**  
URBAN FINANCE  
MASTERCLASS:  
CIF'S INITIATIVE TO  
PROJECT IDEATION AND  
PREPARATION

---

**11**  
DATA FOR DOLLARS-  
DEVELOPING  
COMMERCIALY VIABLE  
INFRASTRUCTURE  
PROJECTS

---

**11**  
BACKGROUND

---

**12**  
INTRINSIC DATA

---

**13**  
EXTRINSIC DATA

---

**14**  
ACHIEVING NET ZERO AND  
BUILDING RESILIENCE  
THROUGH GREEN  
AFFORDABLE HOUSING

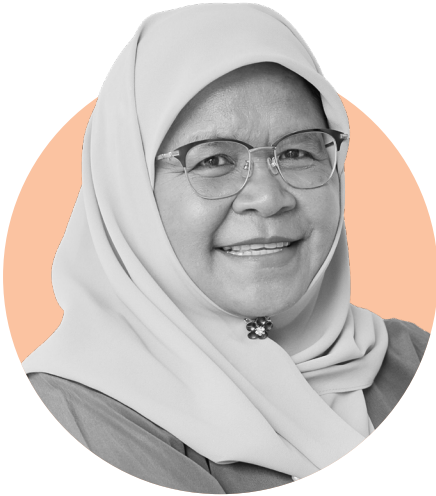
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The Cities Investment Facility (CIF) is a multi-stakeholder initiative that strives to unlock significant capital flows to inclusive, sustainable urbanisation projects. Through the three pillars – Cities Investment Portal, Cities Investment Advisory Platform and Cities Investment Vehicles – CIF helps prepare upstream infrastructure projects at the (pre)feasibility stage to become “bankable” and connect them with investors. 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.

<https://citiesinvestmentfacility.org>  
Twitter: @cif\_org (Cities Investment Facility)  
LinkedIn: Cities Investment Facility

## EDITOR'S NOTE

# FOREWORD



This Special World Urban Forum Edition of the Cities Investment Facility (CIF) Newsletter presents our three main facets that outlines CIF's strategy for 2022-2023 biennium.

First, we have defined and refined our product – a healthy pipeline of sustainable urban development IMPACTFUL projects that is now a fused offering with the United Nations Capital Development Fund Dual Key pipeline.

Second, we have solidified our strength in delivery by incorporating the Resilient Cities Catalyst, Smart Cities Network and Gensler as our Cities Investment Advisory Platform Partners. In the Cities Investment Facility secretariat, we have added new expertise with Mr. John Safrance and Mr. Janus Leonhardt joining the team. The Sustainable Urban Finance masterclass is now ready for rollout, aiming to extend CIF capacity to local authorities.

Third, we have accelerated efforts to fund project preparation, which is the key element of CIF, executed by the CIAP. We have now structured the fund and identified grant donors to support the Feasibility Fund to reach the \$50m target by end of 2023.

We had a very successful at the Investors' Roundtable in the Africities Summit held on Thursday, 19 May 2022, in Kisumu, Kenya. This event was jointly organized by UN-Habitat, UNCDF and the CIF Implementing Partners.

Marching onwards to the Eleventh Session of the World Urban Forum to be held from 26-30 June 2022, in Katowice, Poland we look forward to lively engagements with all of you.

**Ms. Maimunah Mohd Sharif**  
Executive Director, UN-Habitat

## INTRODUCTION OF CIF AND ITS COMPONENTS

The Cities Investment Facility (CIF) is a multi-stakeholder, partner-driven initiative of UN-Habitat. The Facility enables the flow of capital into urban development by supporting projects through the process of ideation, design, feasibility, and financial close. CIF aims to meet the immediate infrastructure needs resulting from rapid urban growth by providing technical assistance to up to 100 urban projects by 2023. It complements existing investment facilities and market-making services by looking at enhancing early-stage design and origination, particularly in low and middle-income countries and secondary cities.

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.



# CIF SECRETARIAT: UNCDF INTEGRATION TO CIF

**The United Nations Capital Development Fund (UNCDF) makes public and private finance work for the poor in the world's 46 least developed countries (LDCs).**

UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development.

UNCDF's financing models work through three channels: (1) inclusive digital economies, which connects individuals, households, and small businesses with financial eco-systems that catalyze participation in the local economy, and provide tools to climb out of poverty and manage financial lives; (2) local transformative finance, which capacitates localities through fiscal decentralization, innovative municipal finance, and structured project finance to drive local economic expansion and sustainable development; and (3) investment finance, which provides catalytic financial structuring, de-risking, and capital deployment to drive SDG impact and domestic resource mobilization.

UNCDF is a technical and financial partner for local transformation. Its clients encompass local and regional governments, cities as agencies of local transformation, domestic capital market participants and regulatory and budgetary authorities.

UNCDF combines finance and investment instruments with sector expertise across all aspects of subnational public and private finance. To this end, UNCDF offers its clients financing and policy expertise in three overlapping transitions: (a) the urban transition to implement the New Urban Agenda that transforms cities into inclusive, sustainable and resilient places with everyone benefiting from growth, access to transport, housing, water and sanitation, green space and the "right to the city"; (b) the green transition; and (c) the productive transition.



The United Nations Human Settlements Programme (UN-Habitat) and the United Nations Capital Development Fund (UNCDF) announced the launch of the Cities Investment Facility on the 27th of April 2022 in New York, United States—which will advance and support sustainable financing at the local level, including for the world's 46 least developed countries—as part of a partnership between the two organizations.

As part of a memorandum of understanding signed on the 27th of April 2022 by the two organizations, UN-Habitat and UNCDF will jointly implement the Cities Investment Facility (CIF), which is designed to support investment in small and intermediary cities, as well as develop and deploy innovative financial models. The CIF will play a critical role in advancing sustainable financing at the local/subnational level, where the vast majority of services that support sustainable development are delivered.

*Preeti Sinha (Executive Secretary of UNCDF) and Maimunah Mohd Sharif (Executive Director of the UN Habitat) signing the partnership between UNCDF and UN Habitat, 27th April 2022, New York, United States.*



# CIF IMPLEMENTING PARTNERS

In conjunction with the consolidation process of CIF, the team undertook a formal procurement process to identify and onboard Implementing Partners. During the fourth quarter of 2020, nineteen expressions of interest were received for the three streams of CIF. Of these nineteen, CIF has proceeded in discussions and the construction of MoUs with five.



As the first step, the CIP is a matchmaking tool to bring together project owners and investors. The Cities Investment Advisory Platform or CIAP, is where we take you to the next phase. It supports upstream projects to ensure they align better with the United Nation's Sustainable Development Goals in order to be ready for funding.

## Gensler

Gensler Architecture, Design & Planning, P.C. is a global architecture, design, and planning firm founded in 1965 in San Francisco, United States of America (USA). Nowadays, Gensler has 49 locations and over 5,500 professionals in the Americas, the UK, the Middle East, Australia, and Asia. As the largest architecture and planning firm in the world, Gensler brings an unparalleled network of design professionals, partners, and industry network to every project, with more than 3,500 active clients in virtually every industry

of urban energy, land use, mobility, local/regional food systems, affordable housing, and individual property development projects. RCC advises city governments on how to better use their own resources and powers—such as their budgets and revenue streams, procurement powers, and physical assets—as strategic levers to secure investments, develop new markets, adopt new technologies, and demonstrate new forms of infrastructure and building

## Resilient Cities Catalyst (RCC)

Resilient Cities Catalyst, Inc. (RCC) is a nonprofit that was founded in 2019 by members of the 100 Resilient Cities (100RC) leadership team. Building on the pioneering legacy of 100RC, and in partnership with a large, global community of urban resilience actors, RCC helps cities build the capacities and partnerships needed to understand, prioritize and concretely address their risks and chronic stresses as they pursue their strategic goals or recover from a crisis. Headquartered in New York City, United States of America (USA), RCC team members possess advanced applied expertise in senior municipal administration, asset management, and service design and delivery; in public and public-private finance; in risk assessment and management, and in economic and community development. Its planning and project work ranges in the fields

## Smart Cities Network (SCN)

Smart Cities Network Ltd (SCN) is a not-for-profit individual membership-based organization, whose members are professionals with expertise in a wide variety of themes, from strategic planning, integrated command centre, circular economy, smart mobility (transportation), cyber security, smart locks, digital twins, augmented and virtual reality, education, healthcare, food security, start-up incubation and others. Headquartered in Singapore, SCN is a global platform for thought leadership, business intelligence, knowledge sharing and creating business opportunities for the smart city global community, aiming to build inclusive, sustainable and smart cities that are physically and digitally secure, respectful of our natural environment, improving the quality of lives, developing a competitive economy and aligned to the UN Sustainable Development Goals

## STAFF NEWS

# INTRODUCTION TO NEW CIF COLLEAGUES

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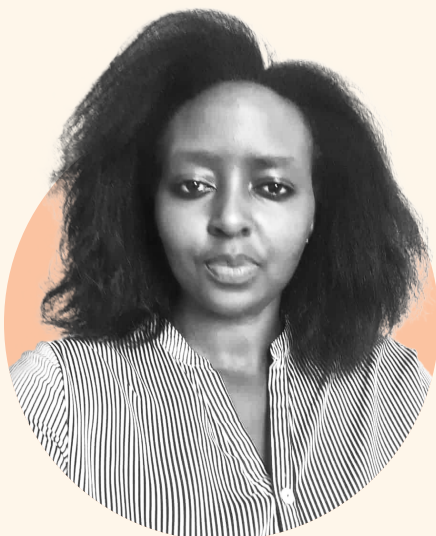
**John Safrance****Senior Consultant****BIOGRAPHY**

John is the CEO and a founding partner at EMIF Group, a private equity manager focussed on accelerating infrastructure investment in low and middle-income countries. With EMIF Group he currently leads the current fundraising activities for its inaugural \$100 million upstream project preparation fund. The Fund employs a blended finance approach and has partnered with UN-Habitat's Cities Investment Facility Programme to invest development equity as a means to catalyze subnational infrastructure construction financing.

Prior to joining EMIF Group, John led JCM Power's financial forecasting department and managed a group who were responsible for financial modelling during the development and operating stages of the company's portfolio which is primarily located within frontier economies. John was also a senior member of JCM's corporate finance group which raised over \$100mm of equity from development finance institutions and private investors. He also led the political risk mitigation strategy and worked closely with multi and bi-lateral institutions such as the World Bank through MIGA, and the U.S. International Development Finance Corporation (DFC), to secure political risk insurances for JCM's operating projects.

Following his graduation with a B.A. in Economics from the University of Windsor, John spent 15 years in investment banking, most recently with Cantor Fitzgerald, as a senior institutional equities analyst. He provided investment insights directly to mutual and pension fund managing teams and regularly published research with a focus on Canadian TSX listed Independent Power Producers and Clean Technology companies.

John is working in a consulting capacity with UN-Habitat to help drive donor and grant capital into the CIF's feasibility fund while ensuring that the program reaches its overarching goals for 2022.

**Sharon Kitur****Intern****BIOGRAPHY**

Sharon Kitur is a Law graduate from Strathmore University and is currently pursuing a Master's Degree in International Relations at the Queen Mary University of London. Sharon has a keen interest in international affairs. She has previously worked at Ogetto Otachi & Company Advocates, Edward C. Asitiba & Associates Advocates and Ministry of Labour and Social Protection.



## Janus Leonhardt

Junior Consultant

### BIOGRAPHY

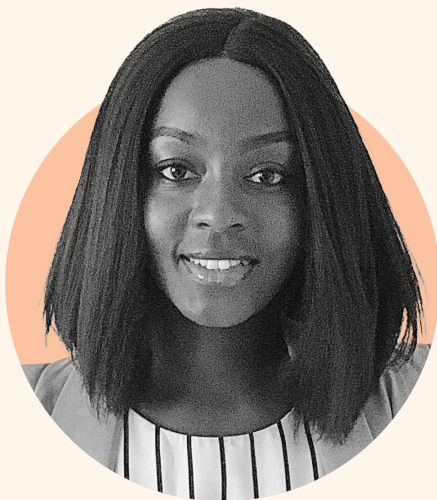
Mr. Janus Leonhardt (Chile) is a Junior Consultant at the Cities Investment Facility of the United Nations Human Settlements Programme (UN-Habitat). Prior to this appointment, Mr. Leonhardt was a Project Engineer at the Complex Engineering Systems Institute in Chile, leading the development of an innovative simulation platform that represents the interaction between real estate and transportation markets, modeling the location decisions of households, businesses, and real estate developers.

Born in Puerto Montt, Chile, on 22 December 1997, Mr. Leonhardt holds a Bachelor of Science in Engineering from Pontificia Universidad Católica de Chile, specializing in Transportation Systems. Seeking to make a real impact, Mr. Leonhardt moved to Tanzania in 2018 for volunteering in Tabora and serving its community. Afterwards, he attended Hong Kong University for an academic exchange, enhancing his conceptual and analytical skills in urban planning and sustainable development.

Upon his return to Chile, Mr. Leonhardt served as a Transportation Planning Intern at the Ministry of Housing and Urbanism, where he conducted urban impact assessments for housing development projects. After that experience, Mr. Leonhardt joined the Cities Investment Facility as a Sustainable Finance Intern, where he supported the selection process of its project portfolio, within the framework of the 11th Session of the World Urban Forum in 2022.

Throughout his life, Mr. Leonhardt has demonstrated his interest in public policy and international development. Outstanding is his bibliographic analysis on the experience of Santiago de Chile in the set of reforms to its public transport system, presented at the International Transport Forum in 2019 and published by the Organization for Economic Cooperation and Development (OECD).

These experiences have defined Mr. Leonhardt as a proactive person who seeks to solve the challenges imposed on him from an innovative perspective, facilitating communication between all entities involved and always based on teamwork. He combines this with his passion for tennis, photography, and travel.



## Gladys Dushime

Intern

### BIOGRAPHY

Gladys is a holder of a bachelor's degree in Mathematics and Actuarial Science from the Catholic University of Eastern Africa.

She has over 2 years of work experience in development sectors and in multicultural environments. She has worked in supporting various initiatives with different organisations with specific contributions in supporting organisations to develop new ideas and innovative ways of implementation.

She has also worked as a digital marketer and product manager at Weza Prosoft Ltd.

Her roles at the Cities Investment Facility (CIF) programme include assisting in designing and implementing the overall marketing strategy for CIF and assisting with planning and producing marketing campaigns across CIF social media channels.

Gladys is fluent in English, French, Kirundi and Kiswahili.





## Wandia Karani

Intern

### BIOGRAPHY

Wandia Karani is passionate about authentic communication. She aims to bring success to organizations by building important links and utilizing exceptional design through effective internal and external communications.

Before this appointment, Ms. Wandia worked at UNEP on a campaign dubbed #BeatPlasticPollution in the Marine Environment under the Global Programme of Action (GPA) as a Communication Assistant. GPA aims at preventing the degradation of the marine environment from land-based activities by facilitating the realization of the duty of States to preserve and protect the marine environment.

She has worked with other government agencies such as Kenya Tourism Board in the Exhibition and Marketing Unit and as a social media Officer at Kenya Wildlife Service on a campaign dubbed #TwendeTuvinjari in collaboration with World Trade Organization. These experiences have defined Ms. Wandia as a proactive person who seeks to engage with the online community, public, and youth.

Her appointment as an Intern at the UN-Habitat CIF programme will support the implementation of Cities Investment Facility (CIF) programmes and strategies through social media and content development. Wandia holds a Master's in Science in Management and Organizational Development from United States International University-Africa.



## Theodora Iboi

Intern

Theodora Iboi received a Bachelor of Science in Architecture from the University of Lagos. She has over 5 years of experience in Construction, Planning, and Architecture as an Assistant Project Manager. She is passionate about the role of infrastructure in addressing economic, environmental, and social challenges in Developing Nations. She wants to help organisations achieve a future that is both socially and environmentally sustainable. Her internship at UN-Habitat CIF will help with project management techniques, SDG evaluation, and support for the Advisory and Project Selection team. She is studying for a Master of Science in Sustainable Development at the University of Bradford and speaks English and French fluently."



## Katharina Seper

Intern

Katharina Seper studies her Master's degree in Environmental Policy at Wageningen University of Research and holds a Bachelor in Environmental Technology of the University of Porto.

In her undergrad studies she combined the area of Urban Waste Management, Energy Production and Resource Availability. From which she started working on diverse aspects of Energy Production, including International Energy Policy and eventually leading to her Master focus on Sustainable Development Diplomacy and Energy Law in the European Union.

Living and studying in Austria, Brazil, Portugal and the Netherlands over the last 8 years has shaped her global perspective and passion for Waste Management and the Urban Energy Transition. She also interned at the Austrian Federal Ministry for Climate, Environment & Energy, the Austrian Agency for Food, Health & Safety and an internationally listed energy service company EVN.

Ms. Seper is fluent in German, Portuguese and English.



## Teresita Eguiguren

Intern

Teresita holds a bachelor's degree of Psychology at Pontificia Universidad Católica de Chile and currently pursuing a MSc Social Development at UCL. She has more than 5 years of experience in the development arena working both in the public and private sector. After her graduation she was part of the founding team of "Soymás" NGO which aims to support teenage mothers and their children of high social vulnerabilities. After 2 years she moved to the government, Ministry of Social Development in Chile, designing programmes for the 40% more vulnerable citizens to eradicate poverty through income autonomy, social empowerment, housing and environment. During the Master she has developed a deep critical thinking and specific tools to work in urban planning, sustainability, social impact and participatory approaches with communities in the Global South.

She is fluent in Spanish and English.



## Urwa Shahid

Intern

Urwa is a Master's student of Urban Development Planning at the Bartlett Development Planning Unit at UCL, expected to graduate in September 2023. She has a background in Architecture and likes to express these skills through purposeful infrastructural projects that promote environmental sustainability, equity and social inclusion. She has also propounded the social role of architecture through her editorial works on Arch20 platform and other academic writings. At CIF, her aim is to learn project evaluation and assessment through the lenses of SDGs and financial model feasibility to be able to self-evaluate her own slum transformation projects that may be submitted to CIF towards the end of her work period.

## SPOTLIGHT ON

# URBAN FINANCE MASTERCLASS: CIF'S INITIATIVE TO PROJECT IDEATION AND PREPARATION



The second session UN Habitat's CIF ROAF Capacity Building session was focused on African region held on 19th October 2021 with the involvement of almost 15 participants. In the session, the sustainable urbanization challenges of Africa were raised whilst the roles of CIF in supporting the numerous opportunities provided by the continent were discussed. Some of the past successful projects from Africa were conveyed as a proof of concept and the participants were encouraged to apply to the pipeline giving them broad knowledge on the working of CIF, CIF implementing partners, financing challenges and opportunities, open call, specialized tracks, and knowledge on how project moves from open call to selection to financial close and implementation with the help of CIF.

The session ended with UN Habitat's CIF ROLAC Capacity Building Session on 22nd October 2021 with almost 18 participants involved. The session was moderated by United Nations Regional Office in Latin America and assisted by Cities Investment Facility and Emerging Markets Infrastructure Fund. Following the prior capacity building sessions, this session also covered the themes of open call and the critical issues to

consider while applying the CIF pipeline by communicating the extensive knowledge on the CIF workflow, CIF activities and its partners, financing constraints and the solutions, the concept of SDG cities certifications, overview of open call, and project application criteria's and project eligibility. Finally, as a part of interactive session, Erastus Ndugire from Cities Investment Facility and John Safrance from EMIF facilitated the Q&A session.

The capacity building sessions so conducted resulted significant end results integrating the best available knowledge with relevant stakeholders in a participatory and engaged process. With the rationale of inviting several urban development projects in CIF pipeline for sustainable urban development, the concept and role of CIF was widely communicated. The enhanced level of confidence and trust were observed among the city project owners after the session which could be noted from the increased number of project applications from twenty one (21) to fifty five (55) (by 162%) right after the capacity building programme.



# DATA FOR DOLLARS- DEVELOPING COMMERCIALY VIABLE INFRASTRUCTURE PROJECTS



## BACKGROUND

Infrastructure projects are capital intensive, require long lead times, and can sometimes be perceived as high risk. Traditionally, the bulk of financing for large infrastructure projects in emerging and frontier markets is from the government, particularly for public amenities such as roads. Nonetheless, the role of the private sector has increased with time as governments have been unable to fully fund these projects. Private financing helps bridge the funding gap and offers expertise for more efficient project implementation.

Private sector commitments towards infrastructure stood at USD 96.7 billion globally in 2019. The Global Infrastructure Hub estimates that private sector involvement in infrastructure in emerging markets stands at about 20% of infrastructure investment, compared with 70% in developed economies. African Development Bank estimates that Africa has an infrastructure financing gap of about USD 68-108 billion. The infrastructure financing gap is not fueled by lack of funding, rather than a limited pipeline of investable infrastructure projects. This disparity is attributed to several factors; political

instability, corruption, unreliable and immature legal/regulatory environment.

In the past two decades, sub-Saharan Africa has witnessed a high growth in infrastructure development. However, the region still ranks at the bottom of all developing regions based on infrastructure performance. Governments cannot fully fund infrastructure projects given limited resources. To narrow this large infrastructure gap, mobilization of additional financial resources from the private sector is required. However, one of the main challenges is access to reliable and up-to-date project information or data, necessary to conduct due diligence.

There are two types of data that project promoters ought to be mindful of when seeking out private investment; intrinsic project data which is specific to the project such as the objectives, location, designs, returns, and extrinsic data which provides more information on the investment landscape such as the country's regulatory framework and policies that would affect the implementation of projects.

# INTRINSIC DATA

## 1. Clear objectives and needs



Project promoters should clearly define and prioritize the main objectives and needs of the project providing crucial information such as location and intended beneficiaries and what problem the project is trying to address. Understanding the local context through a market study is paramount.

An assessment of the local needs vis-à-vis the objectives can help determine the viability of the project and if necessary, help determine how the proposed design can be customised. A detailed feasibility study addresses this requirement.

## 2. Cost Recovery



The proposed project returns should be adequate, predictable and stable over the duration of the project and should justify the risks undertaken. In certain cases, project revenues can be supplemented with other commitments from the general revenues and/or governmental transfers. Promoters

should provide a detailed financial model illustrating how the revenue is generated, the associated costs and any proposed cost recoverability mechanisms for investors.

<https://ppi.worldbank.org/content/dam/PPI/documents/private-participation-infrastructure-annual-2019-report.pdf>

<https://ppi.worldbank.org/content/dam/PPI/documents/private-participation-infrastructure-annual-2019-report.pdf>

[https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/2018AEO/African\\_Economic\\_Outlook\\_2018\\_-\\_EN\\_Chapter3.pdf](https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/2018AEO/African_Economic_Outlook_2018_-_EN_Chapter3.pdf)

## 3. Proper Risk Mitigation Strategy



To improve the commercial viability of projects, project risks need to be identified at the onset and a clear plan is outlined on how best to mitigate and manage these risks such as political, currency and regulatory risks. Often, the focus is on risk avoidance rather than risk management due to limited capacity

of project promoters to assess key technical and financial risks associated with large-scale infrastructure projects. Investors require detailed risk mitigation strategies to assess the investment worthiness of the project.

## 4. Environmental and Social Impact Assessment



A commercially viable project must be socially inclusive and structured to cover the needs of the direct beneficiaries. Promoters need to demonstrate how projects meet and are aligned with the Sustainable Development Goals. On the flip side, negative environmental impacts of large scale projects such as pollution should not be overlooked. Conducting

a proper Environment and Social Impact Assessment can help identify, assess, predict and quantify the social and environmental consequences of a project, and put in place the necessary mitigation measures.

# EXTRINSIC DATA

## 1. Legal and Regulatory framework



Policy and regulatory structures affect how infrastructure projects are designed and often implemented. Large scale infrastructure projects are particularly impacted by policies pertaining to the environment such as pollution and social issues such as relocation of people.

Regulatory and policy frameworks of the host country regarding the project approval, land acquisition, Public-Private Partnership, multilateral investment guarantees should also be clarified. A detailed review of policies and legal requirements pertaining to a project should be done by project promoters prior to seeking out investors.

## 2. Government Commitment



A project that is relevant and supported by the host government through technical and financial commitments assures the investors of the government's commitment and helps to mitigate the risk of the project being terminated in the future.

Further, governments can use sovereign guarantee to help cushion against payment defaults especially for sub-national projects.

## 3. Macro economic factors and country dynamics



Investors often review the country's macro economic factors to inform decisions to invest in a project. For instance, strong currency fluctuations can hinder project development especially if project revenues are priced in local currency but funds are sourced

in dollars. Further, investors review similar completed and ongoing projects to review outcomes of past performance

which can assist in better planning, selection and management of future projects. Project promoters should present adequate and clear deal flow which provides a track record and exit options for investors.



## 4. Participation of Development Finance Institutions (DFIs)

DFIs can help increase participation of private investors through provision of various mechanisms; financing at below-market rates thus lowering overall cost of capital, credit enhancement through guarantees or insurance at below-market terms and technical assistance to project promoters to strengthen the commercial viability of the project and development impact. Their involvement may improve the attractiveness of the project promoter/borrower.

## CONCLUSION

Availability of this data increases the likelihood of funding if investors can be confident that projects have been well chosen and thought through. This will in turn help fast track economic development in developing regions through building of essential infrastructure through the support of private investors.

Cities Investment Advisory Platform works with city governments to help them translate their urban planning needs into a pipeline of investable projects for private investors.



## CIF KNOWLEDGE HUB

BY GEORGIE DAVIS (REALL)

# ACHIEVING NET ZERO AND BUILDING RESILIENCE THROUGH GREEN AFFORDABLE HOUSING



**The built environment contributes almost 40% of global greenhouse emissions, yet 70% of the buildings that will exist in Africa and Asia in 2050 are yet to be built. Cities are growing at an unprecedented rate and by the middle of the century 68% of the world population will be urban - 90% of this increase will take place in Africa and Asia. This represents an increase of 2.5 billion people from today, yet already at least 1.2 billion people worldwide currently live in substandard housing.**

**Reall are innovators and investors in climate-smart affordable housing for people living on low incomes in urban Africa and Asia. Green affordable housing is a vital opportunity to deliver climate mitigation and resilience through commercially viable, scalable solutions.**

We must urgently mitigate the greenhouse gas (GHG) emissions produced through construction and affordable housing presents an opportunity to protect the homes, livelihoods and lives of those who are most vulnerable to climate change. Through well-built and inclusive designs, urban development can support the resilience of households, communities and cities on the frontline of the climate crisis.

Cities disproportionately draw on global energy supplies and in turn significantly contribute to temperature rise. This creates a negative spiral as greater demand for cooling drives emissions and rapidly increases urban temperatures. Cooling is predicted to be one of the major consumers of energy with emissions from current cooling methods trebling by 2100.



However, it is estimated that decarbonisation of the energy grid in Africa, combined with greater energy efficiency, could result in up to 60% reduction of GHG emissions against current forecasts. Housing construction has a huge role to play in this.

Affordable housing can substantially reduce energy consumption with simple, low-cost passive design solutions including solar shading, cross-ventilation and reflective finishes as our partners Modulus Tech in Pakistan have proved. Scaled up, these designs can create spaces that minimise urban heat

islands and provide comfortable environments in the face of increasingly frequent and severe heatwaves.

Localised clean energy solutions such as solar panels directly reduce greenhouse emissions associated with heating, cooling and powering homes. When integrated with affordable homes, these build the resilience of homeowners against interrupted supply from the grid and unpredictable price fluctuations that may result from increasing energy demand.

## BUILDING RESILIENCE

By 2050, three billion people will be living in substandard housing – ill-equipped to deal with climate change and related disasters, such as increasing floods, storms, heatwaves and wildfires. This is already occurring globally and accompanied by a sharp rise in the world's urban population it means more and more people are moving to climate-vulnerable cities.

Informal and low-income homes are particularly at risk to climate-related disasters as they are typically constructed from poor materials and located in vulnerable areas. Their vulnerability and poor construction undermine urban adaptation and resilience.

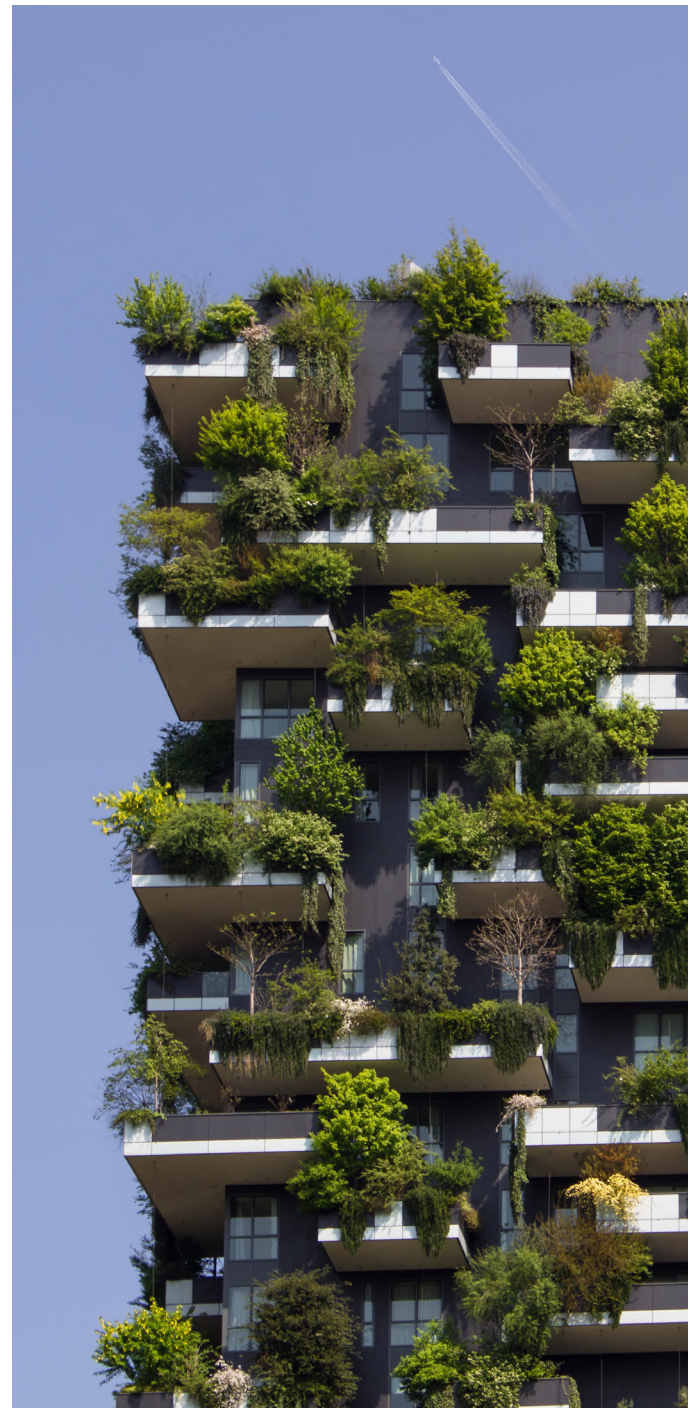
Investment in climate-smart affordable housing is necessary to strengthen the long-term resilience of an increasing number of cities and their citizens. Cities can only demonstrate capacity for resilience when this is rooted in the successful provision of affordable housing to the least advantaged residents. By reducing property and livelihood loss, and displacement, quality affordable homes can support communities to cope in times of disruption.

If we are to substantially reduce the risk to occupiers in the event of climate-related hazards, it is essential, at all levels of affordability, that housing is designed and built in appropriate, risk-assessed locations. Reall's partners, Casa Real, build homes in Mozambique which are both affordable to people on low incomes and resilient. When Cyclone Idai hit Mozambique in 2019, 90% of buildings in Beira were destroyed, whereas our partners' homes suffered only minimal damage.

Appropriate construction methods and materials must be integrated within housing designs to ensure city resilience to climate shocks. Affordable housing markets must decarbonise construction methods and supply chains in order to support city-scale mitigation strategies, resilience and inclusion goals.

Local innovation, originality and creativity are evident across emerging markets in design, materials and placemaking. Reall and our partners are demonstrating scalable solutions to achieve resilient, affordable, net-zero housing across urban Africa and Asia.

Read more about Reall's partners and climate policy here: Climate Policy Brief is here: <https://bit.ly/3oWbabV>





# EVENTS

## Africities

May 17th - 21st 2022

The objective of the UN-Habitat Investment Roundtable at the 9th edition of the Africities Summit, Kisumu, Kenya was to create a space for the exchange of different experiences on how to overcome key challenges and solve bottlenecks to unlock investment to finance sustainable development, in the framework of the work of the Cities Investment Facility in this domain.

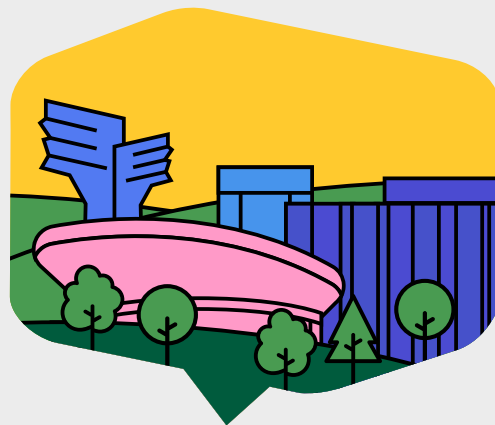
The UN-Habitat Investment Roundtable brought together global experts and stakeholders to explore the key challenges in Africa to unlock investment to finance sustainable development. Following a discussion on this topic, the Cities Investment Facility was introduced to present its experience supporting sustainable urban infrastructure projects to help bridge the infrastructure financing gap.



**SAVE THE DATE!**

# WORLD URBAN FORUM

ELEVENTH SESSION



KATOWICE, POLAND | 26-30 JUNE 2022

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## Transforming our Cities for a Better Urban Future

The Cities Investment Facility will be in Katowice for the 11th session of the World Urban Forum from the 26th to the 30th of June 2022 to discuss how to transform our cities for a better urban future

Register <https://unevents.org/Home/Register>





**UN HABITAT**  
FOR A BETTER URBAN FUTURE



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