



CITIES CLIMATE  
FINANCE  
LEADERSHIP  
ALLIANCE



# 2022 Highlights and Impact





The Cities Climate Finance Leadership Alliance is a coalition of leaders committed to scaling finance for city-level climate action by 2030.

CCFLA serves as the only multi-level and multi-stakeholder coalition aimed at closing the investment gap for urban and subnational climate projects.

## Table of Contents

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|           |  |           |
|-----------|--|-----------|
| <b>01</b> | <b>CCFLA 2022 at a Glance</b><br>An overview of key statistics from 2022                       | <b>4</b>  |
| <b>02</b> | <b>CCFLA 2022 Main Achievements</b><br>Advancing knowledge, cooperation, and advocacy          | <b>12</b> |
| <b>03</b> | <b>Alliance Members &amp; their Initiatives</b><br>Mapping the urban climate finance space     | <b>22</b> |
| <b>04</b> | <b>Leadership for Urban Climate Investment (LUCI)</b><br>Measuring impact and raising ambition | <b>29</b> |
| <b>05</b> | <b>Looking Ahead</b>   | <b>34</b> |

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## FOREWORD



**“CCFLA provides the only global platform to convene the most important stakeholders**, exchange knowledge and drive innovation with the end to facilitate and leverage real investments through joint action. I am convinced that, in particular, the LUCI framework is a huge opportunity to accelerate collaboration along the entire infrastructure project value chain to design and sustainably implement more bankable subnational climate projects.”

**Dr. Vera Rodenhoff**

Deputy Director General, International Climate Protection and International Energy Transition, Federal Ministry for Economic Affairs and Climate Action (BMWK)



“With its interactive webinars, top notch knowledge products, state of the art publications and training sessions for city-level practitioners, **CCFLA contributes significantly to improving cities access to climate finance**. The BMZ is proud to be one of the core donors of CCFLA, thereby contributing to making it the primary platform for advocacy, knowledge sharing, and facilitating dialogue and cooperation. CCFLA brings together all relevant stakeholders working on urban climate finance and allows them to connect effectively and leverage their efforts in mobilizing subnational climate finance.”

**Dr. Heike Litzinger**

Head of Division for Urban Development, Mobility and Circular Economy, Federal Ministry for Economic Cooperation and Development (BMZ)

# 01. CCFLA 2022 at a Glance

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An overview of key statistics from 2022



# CCFLA brings together leaders from over 80 member institutions

## SUPPLY

Public & Private  
Finance Institutions



## ENABLERS

UN System, Research,  
Academic, NGOs,  
Philanthropies



## POLICYMAKERS

National governments  
(donor and aid-receiving countries)



## DEMAND

City networks



## FUNDERS

Supported by:



on the basis of a decision  
by the German Bundestag

## SECRETARIAT



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## 2022 at a Glance

# 15 knowledge products

5 reports, 3 policy  
briefs, 4 tools, 3 blogs

## 80 members

4 new members and 3 new  
LUCI initiatives for a total of

41 enablers, 23 supply side  
10 demand side, 6 policymakers



Created a **zero carbon  
buildings stream** and an  
**advocacy strategy** on  
**urban adaptation finance**

## 51% increase

In LinkedIn followers

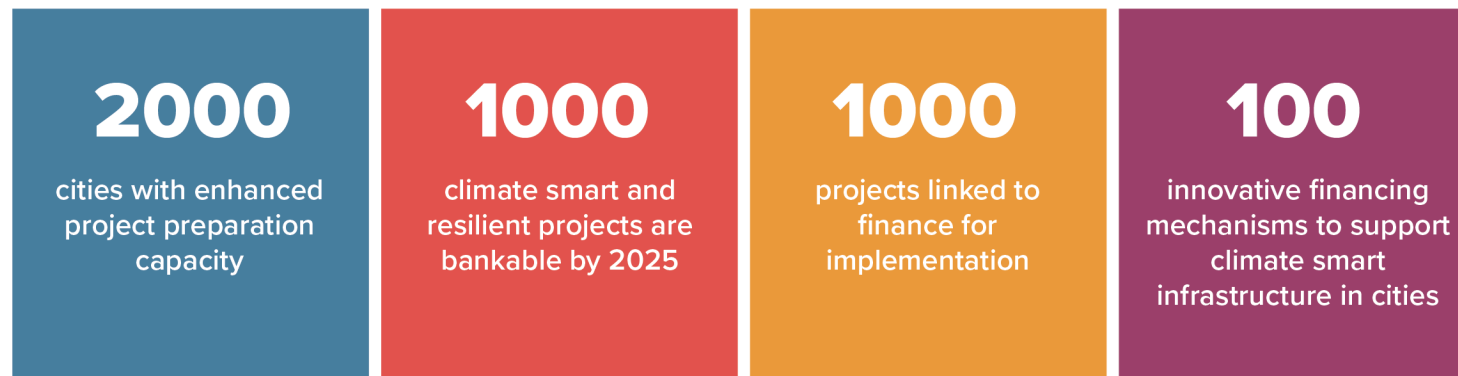
## 30+ Climate convenings

- Secretariat staff spoke at more than 30 external city climate sessions in 2022
- Convened stakeholders at 4 major international climate finance gatherings
- Organized CCFLA Annual Assembly

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LUCI is a framework to elevate and track progress made by CCFLA member initiatives developing urban climate projects on the ground.

#### LUCI TARGETS



#### PROGRESS



#### COMMITMENTS



# 13 steering committee members join us from national governments, public financial institutions, research organizations/NGOs, and city and regional networks.



CORE DONORS

**Vera Rodenhoff**

Deputy Director General,  
International Climate Protection and  
International Energy Transition



CORE DONORS

**Ruben Werchan**

Senior Policy Officer for Sustainable  
Urban Development



PUBLIC FINANCE INSTITUTIONS

**Nigel Jollands**

Associate Director



PUBLIC FINANCE INSTITUTIONS

**Dražen Kučan**

Senior Investment Operations  
Specialist—Urban



PUBLIC FINANCE INSTITUTIONS

**Giulia Macagno**

Senior Economist, Head of the  
City Climate Finance Gap Fund  
EIB Technical Secretariat



NATIONAL GOVERNMENTS

**Lamin Saidy**

Regional Disaster  
Coordinator



NATIONAL GOVERNMENTS

**Samba Karhini-Masengo  
Guisse**

Permanent Consultant of the  
President of the DRC



CITY AND REGIONAL NETWORKS

**Josué Tanaka**

Principal Finance Advisor



CITY AND REGIONAL NETWORKS

**Andy Deacon**

Director of Strategy and  
Operations



RESEARCH ORGANIZATIONS, NGOS

**Jorge Gastelumendi**

Director Global Policy



RESEARCH ORGANIZATIONS, NGOS

**Cédric van Riel**

Integration Manager



RESEARCH ORGANIZATIONS, NGOS

**Rogier Van Den Berg**

Acting Global Director



CITY AND REGIONAL NETWORKS

**Maryke Van Staden**

Director



Our **CCFLA City Ambassadors** ensure CCFLA activities support on-the-ground financial realities for cities.

In their blog on financing urban adaptation planning, they shared their reactions to the **IPCC Sixth Assessment Report**, reflecting on the urgency for climate action, and the need to prioritize adequate funding, technology transfer, and political commitment to climate change adaptation.



**Financing Adaptation  
Planning in Cities:  
Lessons from the Alliance  
City Ambassadors**

BLOG

ASIA



**Mar-len Abigail S. Binay**  
Mayor,  
Makati City, Philippines

AFRICA



**Gareth Morgan**  
Director: Resilience,  
Cape Town, South  
Africa

MIDDLE EAST



**Nada Yamout**  
Former City Council  
Member,  
Beirut, Lebanon

N. AMERICA



**Brigid Shea**  
County Commissioner,  
Travis County, Austin,  
USA

S. AMERICA



**Isabella Meneses de  
Roldão Fiorenzano**  
Vice Mayor, Recife,  
Brazil

UK/EUROPE



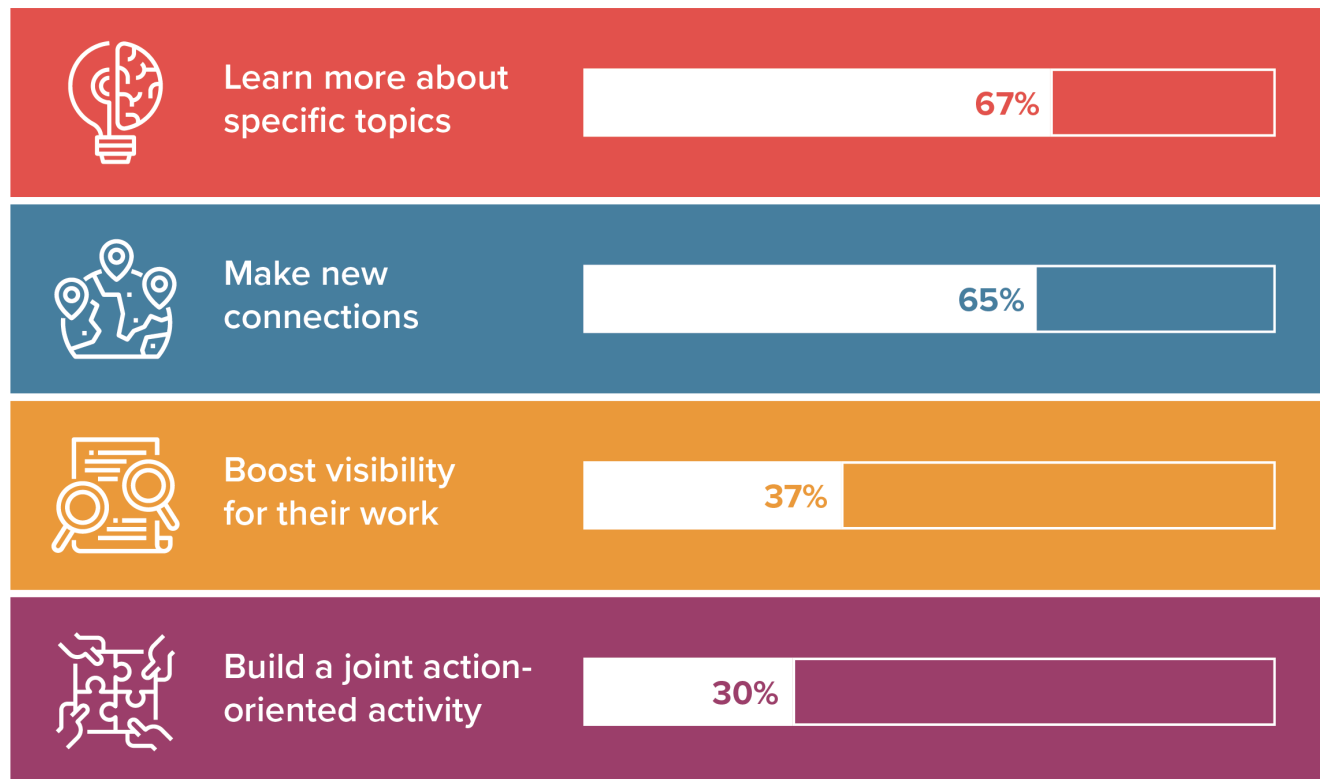
**Richard Bell**  
City Treasurer,  
Glasgow, United  
Kingdom

Thank you, Ambassadors, for all your hard work this year. Learn more about them [HERE](#).

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We asked members:  
**What aspects of CCFLA  
are most valuable to  
your work?**

A clear benefit of CCFLA is learning more about urban climate finance topics as well as it being a strong platform for cooperation and coordination among members.



Percentages based on 43 member responses, with option to select multiple knowledge products.

# We asked members, which CCFLA resources (since 2019) are most relevant to your work?

## Publications



### [State of Cities Climate Finance](#)

REPORT

Voted by **74%**



### [An Analysis of Urban Climate Adaptation Finance](#)

REPORT

Voted by **63%**



### [Aggregation in Urban Climate Finance](#)

REPORT

Voted by **44%**



### [Leveraging National Development Banks](#)

REPORT

Voted by **42%**

## Online tools

### [Project Preparation Resource Directory](#)



TOOLS

Voted by **56%**

### [Financial Instruments Toolkit](#)



TOOLS

Voted by **47%**

Percentages based on 43 member responses, with option to select multiple knowledge products.



## 02. CCFLA 2022 Main Achievements

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Advancing knowledge, coordination, and advocacy

# Influencing the global agenda on urban climate finance:

Advocacy focused on emphasizing the urgency to scale financing for urban adaptation and resilience and collaborating on key messaging with members



## Coordination with Members

- Co-developed messages with UrbanShift/UNEP for mayors on adaptation & nature-based solutions
- Supported C40's internal paper for mayors on urban adaptation
- ICLEI, UNCDF also reinforced the topic: **Climate Emergency Finance** paper



## COP27 focused work

- **COP27 Event**: How can national and local governments scale finance for urban climate adaptation and resilience?
- Tracked 49 member events in our **COP calendar**
- Policy Brief: How to Increase Financing for Urban Adaptation and Resilience
- Blog: Cities Climate Finance News at COP27



## **Cities Climate Finance News at COP27**

BLOG

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# At COP27, CCFLA presented 7 key actions for national policymakers to take to scale urban adaptation finance based on CCFLA's policy brief.



Policy Brief: How to Increase Financing for Urban Climate Adaptation and Resilience

POLICY BRIEF

## 1. URGENCY

Declare a national climate state of emergency to prioritize financing for urban climate adaptation and resilience.

## 2. VERTICAL INTEGRATION

Actively engage with local governments and stakeholders to identify the most pressing adaptation challenges, impacts and risks, and promote solutions targeted to local needs, making sure to include local governments and cities of all sizes when developing or updating National Adaptation Plans (NAPs), Nationally Determined Contributions (NDCs), and other national planning efforts to incorporate and incentivize cities' needs and efforts.

## 3. PREPARATION

Boost technical assistance and project preparation support and funding for cities to adapt to climate risks.

## 4. COLLABORATION

Engage with critical stakeholders from public financial institutions across the entire ecosystem (including MDBs and NDBs) to mobilize financing instruments for urban adaptation projects that overcome barriers like high transaction costs and lack of clear funding mandates.

## 5. MOBILIZATION

Engage the private sector in investments to allocate risk across multiple actors e.g., by using public-private partnerships (PPPs) or insurance. Define clear mandates for public financial institutions, including to mobilize public and private capital for climate and adaptation projects.

## 6. MEASUREMENT

Support and engage with initiatives working to measure and assess climate risk. Support subnational governments as they integrate climate risk assessments and disclosure.

## 7. INVEST TO AVOID

Invest in national preventive measures, such as strong national early warning systems and emergency response plans for extreme climate events, to support cities in avoiding immediate budget losses.



# CCFLA convenes events with high level speakers to promote our members' work and discuss topics that advance urban climate finance.

- **New York Climate Week** (2 events) on private sector engagement
- **COP27** (3 events) on urban adaptation finance and zero carbon buildings
- The **World Urban Forum** (2 events) on project preparation and our Annual Assembly meeting
- **Workshop in Bonn** (1) on project identification, pipelining, and matchmaking between LUCI initiatives





CCFLA Action Groups meet regularly to share knowledge and experiences, challenges and opportunities, and to collaborate on new knowledge products.

### Enabling Frameworks Action Group

Strengthening legal, regulatory, and policy frameworks that boost urban climate finance.

Chairs:



### Financial Toolbox Action Group

Bridging demand and supply for urban and subnational climate finance.

Chairs:



### Project Preparation Action Group

Supporting cities to develop pipelines of high-quality, bankable projects for low carbon and climate-resilient pathways.

Chairs:





# 2022 Project Preparation Action Group Activities

Members collaborated on projects related to resilience, sustainable infrastructure labelling, gender, and net zero buildings.

**Learning sessions** are an opportunity for members to present their work products, or a specific topic relevant to the group. They present and then answer questions from the group.

## Learning Sessions

- Resilient Cities Network Resilience Assessment Tool
- Integrating gender into climate project preparation

### Voted most useful by members

- Sustainable infrastructure labels and certifications
- Harmonized PPF application form 2-year retrospective

### Most attended

- Challenges and collaboration on project preparation for net zero buildings

## 2022 PPAG Knowledge Products



[What is a Project Preparation Facility?](#)

TOOLS



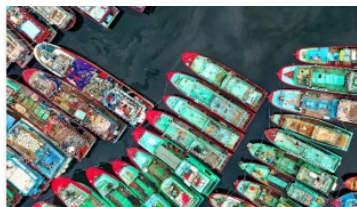
[What is Project Preparation?](#)

TOOLS



[What is Bankability?](#)

TOOLS



[Assessment of the Alliance Project Preparation Action Group Value Chain for Early-Stage Project Preparation in Indonesia](#)

REPORT



# 2022 Financial Toolbox Action Group Activities

Advancing resources on climate funds, subnational pension funds, financial aggregation, and financial instruments.

## Learning Sessions

- Should cities also adopt TCFD measures to disclose risk?
- How can sub-national pension funds drive investment in climate-smart urban infrastructure?
- Climate investments in coastal cities

### Voted most useful by members

- How to scale financing for urban nature-based solutions projects?

### Most attended

- Joint session with EFAG: Zero-carbon buildings

## 2022 FTAG Knowledge Products



[Increasing Subnational Pension Funds' Climate Investments](#)

REPORT



[Financial Aggregation for Cities](#)

REPORT



[Financing the Local Climate Transition Through Local Climate Funds](#)

POLICY BRIEF

## Financial Instruments Toolkit



TOOLS

The financial instruments library presents different financial instruments available for urban climate projects.

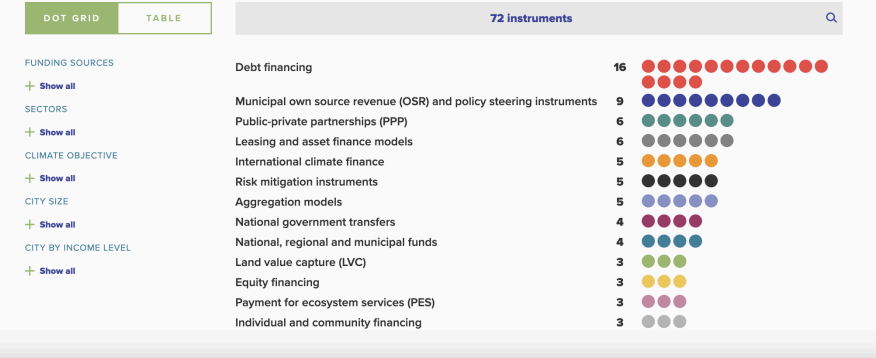
The financial instrument case studies repository provides examples of successful financial instrument implementations.

The Financial Instruments Toolkit is an online tool and taxonomy aiming to increase knowledge around financial instruments and case studies on urban climate finance.

## Financial instruments library

The financial instruments library provides state-of-the-art financial instruments available for urban climate projects. Browse the library selecting different filters using the menu on the left. Hover and click on financial instruments (dots) to learn more about them.

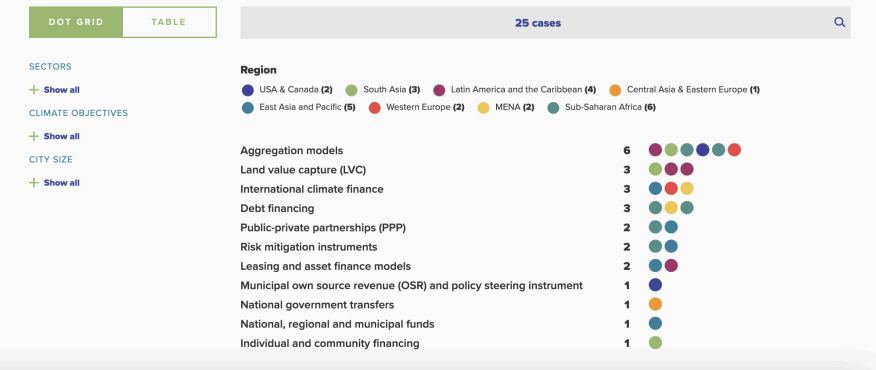
DOWNLOAD THE DATABASE



## Financial instruments case studies

The financial instruments cases studies repository provides successful examples of financial instrument implementations in urban climate projects. Browse the repository selecting different filters using the menu on the left. Hover and click on case studies (dots) to learn more about them.

DOWNLOAD THE DATABASE



# 2022 Enabling Frameworks Action Group Activities

Focusing on small and intermediary cities, adaptation, nationally determined contributions (NDCs) strategies, and net zero carbon buildings.

## Learning Sessions

- Adaptation and enabling environments
- Enabling environment for small and intermediary cities using bonds to finance climate infrastructure projects
- Assessing the institutional environment of local governments
- Tools for Urban Policymakers

### Voted most useful by members

- Localise NDCs strategies and carbon targets for cities

### Most attended

- Joint session with FTAG: Zero Carbon Buildings

## 2022 EFAG Knowledge Products



### Greening City Budgets: Practical Approaches

POLICY BRIEF



### Financing Net Zero Carbon Buildings

REPORT



# Net zero carbon buildings:

A sectoral approach to increase the amount of finance to promote decarbonization and sustainability of new and existing buildings



## Knowledge

- Scoping paper: **Financing Net Zero Carbon Buildings**
- (Upcoming) Global Net Zero Carbon Buildings Guide for City Officials
- (Upcoming) Policy brief: Indonesia Zero Carbon Buildings Policies and Financial Instruments
- (Upcoming) Policy brief: Nigeria and Zero Carbon Buildings Policies



## Coordination

- **COP27 Event**: Net Zero Carbon Buildings in Cities: Getting the Policy Right
- **LUCI Link Session**: Highlighted key challenges and lessons learned of LUCI initiatives working on energy and net zero carbon buildings
- **Joint EFAG and FTAG session**: Presentations and panel discussion on 'Innovative financial instruments and the regulatory framework of zero carbon buildings.'
- **PPAG session**: Presentations and panel discussion on "Project Preparation for Green Buildings."



## Finance

- Green Affordable Housing Finance Financial Instrument

The instrument will capitalize an Enabling Environment Facility (EEF) and a Guarantee Facility to provide coordinated support for green affordable homes across the housing finance value chain.



"The value of CCFLA is connecting and learning what others are doing. CCFLA's focus from 2022 on Financing Net Zero Carbon Buildings will be hugely important for future sustainable cities."  
- Lucy Livesley, Policy & External Affairs Director, Reall

## 03. Members & their initiatives

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Mapping the urban climate finance space

## In 2022 we welcomed 4 new members to CCFLA.

### New Enablers

**International Institute for Energy Conservation** has experience in the design and implementation of clean energy finance mechanisms for cities.



**German Marshall Fund of the United States** is currently launching a City Climate Finance Lab that brings European urban climate financing solutions to the U.S., while also promoting knowledge transfer among cities.



**Connected Places Catapult** works with the private sector to bring innovative climate solutions to cities and connect with different local authorities to understand, develop, and enable climate initiatives.



### New Policymaker

The UK Government's **Foreign, Commonwealth and Development Office** is a ministerial department that promotes the interests of British citizens, safeguards the UK's security, defends its values, reduces poverty, and tackles global challenges with international partners.



Foreign, Commonwealth  
& Development Office



## How have CCFLA activities impacted our members?

“Thanks to CCFLA we developed partnerships, with CDP and ICLEI, and launched 3 pilots with Latin American cities using the multilateral online software SOURCE to support the early-stage preparation of sustainable infrastructure projects, enable their access to international best practices and connect them with the relevant PPF.”



“Global Infrastructure Facility (GIF) is proud to be a member of CCFLA. As a project preparation facility active at the city-level, GIF has leveraged CCFLA’s **rich library of knowledge products**, convenings, and the collective insights of its members to better inform its work of building pipelines of sustainable, resilient infrastructure.”



## CCFLA members have actively engaged with cities on the ground to increase financing for climate investments at the city level

The High-Level Climate Champions, the Ocean and Climate Platform, **Resilient Cities Network**, and **ICLEI** released their **Blue-Tinted White Paper, Investment Protocol: Unlocking financial flows for coastal cities adaptation to climate change and resilience building** which offers 6 tips for investors to finance coastal cities resilience, including exploring different financial mechanisms.



During COP27, WRI launched the **African Cities Water Adaptation Fund (ACWA fund)** which aims to channel USD 5 billion to urban water resilience solutions in 100 African cities by 2032. The Fund includes supporting local leaders to understand climate-water risks and socioeconomic impacts; and identify, prioritize and prepare projects.



WORLD  
RESOURCES  
INSTITUTE

The City Climate Finance Gap Fund hosted a workshop at 14C on **Mobilizing Climate Finance for Cities: Integrating City Level Climate Plans, Urban Development Plans, National Determined Contributions and Long Term Climate Strategies** focused on the role cities can play in the low carbon transition, climate resilient development pathways and how national governments can support this.



Under the **Green Cities** Programme of the EBRD, the **Municipality of Tirana** has developed its Green Financing Roadmap which was enabled by the financial support of the **Green Climate Fund (GCF)**. The consultant team led by **AECOM** in collaboration with **E Co** and **Enova**, the Municipality, and the EBRD identified key components to frame the roadmap around green finance, financial reporting, green buildings, green infrastructure, and green indicators monitoring.



The paper '**Climate Emergency Finance: A call to action**,' **FMDV**, **ICLEI**, and **UNCDF** call for action to unlock and accelerate the flow of financing approaches that could play a critical role in financing climate emergencies. Special attention is given to the role of Subnational Development Banks, the pipeline of investment-ready projects, guarantees, and bonds.

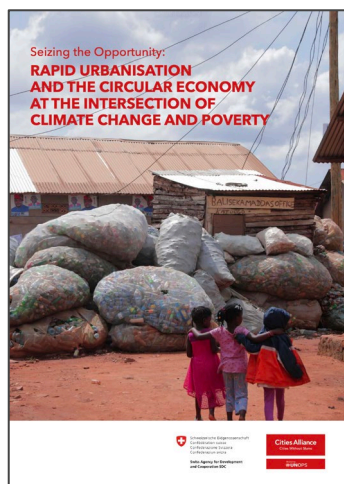


**CDP** (as part of CDP Matchmaker) published its 2022 US Infrastructure Snapshot which highlights infrastructure projects in need of funding in the United States. It offers a sample of infrastructure data and provides critical insight into the kinds of projects US cities are seeking to advance for climate action, key areas for public and private investment, regional needs and disparities and opportunities for aggregation.





Every year, our members produce a wide-range of knowledge products that respond to the many challenges faced by cities while accessing urban climate financing.



The OECD and Lincoln Institute of Land Policy co-produced the **Global Compendium of Land Value Capture Policies** scoping the full landscape of land value capture (LVC) instruments in 60 countries, and what it would take to unleash their full potential as a sustainable revenue source.

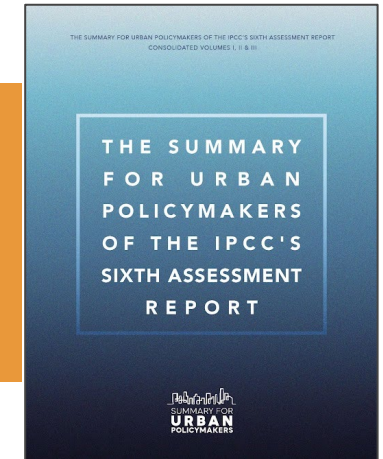


The Cities Alliance paper, “**Seizing the Opportunity: Rapid Urbanisation and the Circular Economy**,” considers how the circular economy and climate migration can improve socioeconomic conditions in developing cities, and the role of an integrated, inclusive city planning approach.

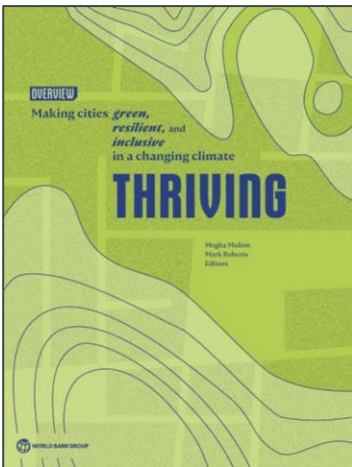
The UCLG World Secretariat and PLATFORMA released a study “**Local and Regional Governments' Access to EU Innovative Development Financing: Mechanisms and Opportunities**,” outlining the main funding mechanisms available to cities and regions to support their local development and decentralized cooperation activities.



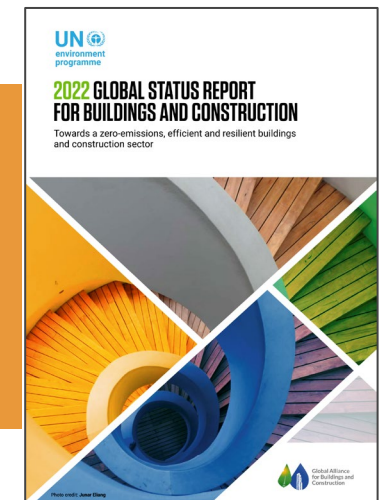
BWWK, GIZ & GCoM contributed to the **Summary for Urban Policymakers of the IPCC Sixth Assessment report** which aims to advance a scientific evidence base to propel implementation and deepen climate action in cities around the world. The Summary for Urban Policymakers series includes 3 reports and an action agenda, all launched at COP27.



The World Bank report **Thriving: Making Cities Green, Resilient, and Inclusive in a Changing Climate** provides a compass to help local and national policymakers meet their objectives to make cities greener, more resilient, and more inclusive. It outlines what policy instruments are available; who yields these instruments; and how policy choices could be tailored, prioritized, and sequenced for effective implementation.



The **Global Status Report for Buildings and Construction (Buildings-GSR)** is a flagship publication of the UNEP-hosted **Global Alliance for Buildings and Construction (GlobalABC)** that provides an annual snapshot of the progress of the buildings and construction sector on a global scale and reviews the status of policies, finance, technologies, and solutions to monitor whether the sector is aligned with the Paris Agreement goals.



## 04. Leadership for Urban Climate Investment (LUCI)

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Measuring impact and raising ambition

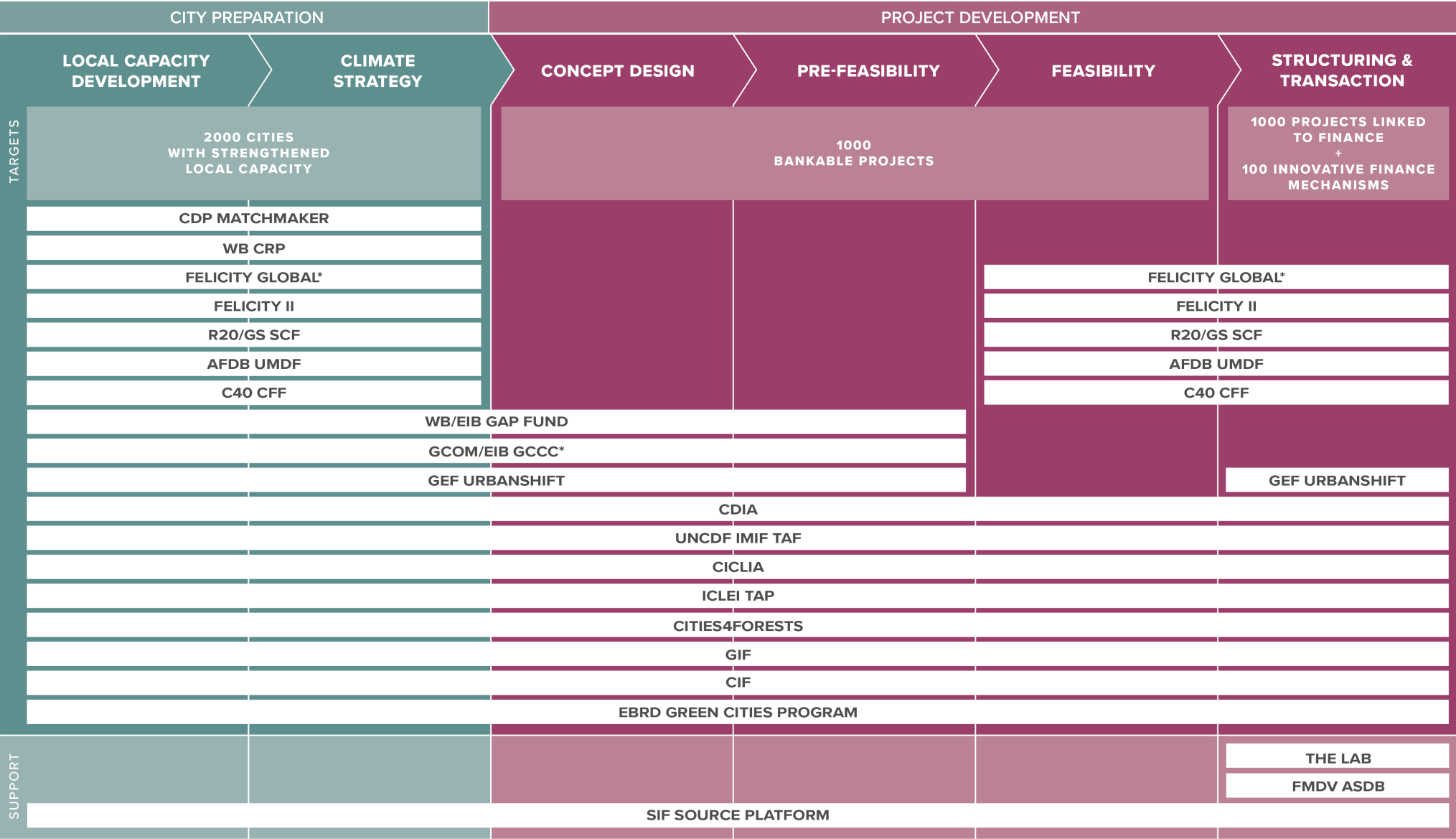


The Leadership for Urban Climate Investment (LUCI) was initiated by the German Federal Government in 2019 and has since been hosted by CCFLA.

- The framework is structured around 4 urban climate finance targets to be achieved jointly by Initiatives before 2025.
- Every year, Initiatives report on their progress and renew their commitments on their total expected contribution to the LUCI Targets.



Today, there are 21 LUCI initiatives supporting cities along the entire value chain of urban climate finance, from capacity development to financing [Learn More](#)

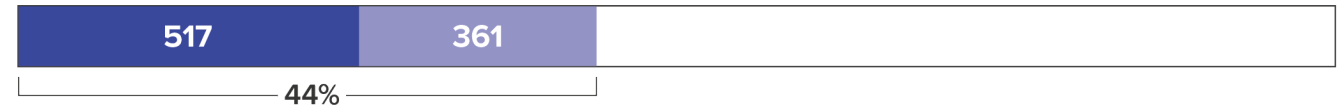


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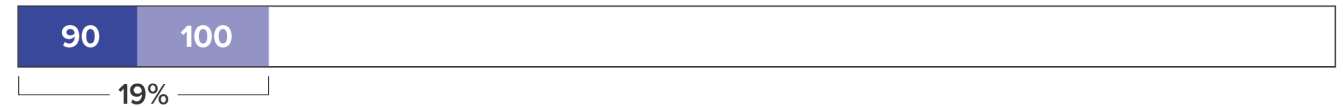
**In 2022, significant progress was made toward achieving the LUCI targets**

2019-2021 progress      2022 progress

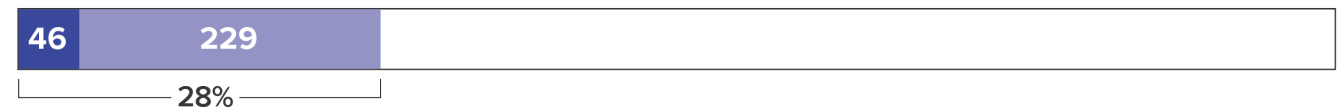
Target 1 - 2000 Cities with strengthened project preparation capacity



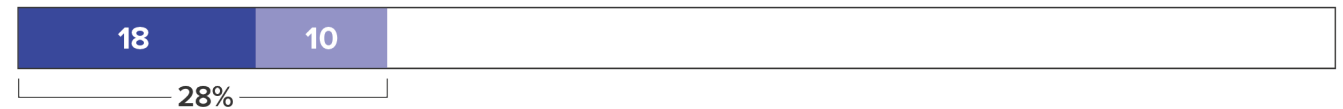
Target 2 - 1000 Climate-smart infrastructure projects brought to bankability



Target 3 - 1000 Climate-smart infrastructure projects linked to finance



Target 4 - 100 New finance mechanisms utilized for subnational climate finance



## Besides tracking initiatives' progress, the CCFLA Secretariat conducts a series of activities to enhance concrete collaboration between initiatives.

- Structuring LUCI **workshops** to promote concrete **collaboration** between initiatives
- Organization of **international events** to bring visibility to initiatives
- Initiatives' promotion through **digital channels**
- Development of **tools** to help initiatives **collaborate** at the project level



In October 2022, the Secretariat held a workshop to discuss challenges and opportunities for collaboration around project identification, pipelining, and matchmaking between LUCI initiatives.


30+ participants from 13 institutions joined the 1.5-day workshop.

Following the workshop, the Secretariat is now implementing two solutions that will help initiatives exchange city-level data and identify partners to hand over projects.



## 05. Looking ahead

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In 2023 and beyond, CCFLA will continue to be the main multi-stakeholder and multi-level platform aimed at closing the investment gap for urban and subnational projects.

Together with our Steering Committee and members, CCFLA is developing a strategy for 2023-2025 centered around 3 key pillars & outcomes.

## 1. ELEVATE CITIES' NEEDS & OPPORTUNITIES IN POLICYMAKING

- Publish the **2023-24 State of Cities Climate Finance Report** with an updated estimate of global urban climate finance globally and new insights about opportunities for cities to mobilize finance at scale for climate action.
- Increase awareness of urban climate finance needs and opportunities with **targeted advocacy**.

## 2. ON-THE-GROUND IMPACT

- Achieve **LUCI targets** and increase direct coordination among LUCI initiatives to accelerate investments.
- Pilot **CCFLA local hubs** and reinforce local coordination.

## 3. ACTIVATING MEMBERSHIP

- Redesign **Action Groups** to increase engagement among members.
- Update membership strategy.
- Increase **in-person convenings** around key international events.

**This report was prepared  
by Climate Policy  
Initiative, the Secretariat  
of the Cities Climate  
Finance Leadership  
Alliance.**



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POLICY  
INITIATIVE

CITIES CLIMATE  
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Climate Policy Initiative is an analysis and advisory organization with deep expertise in finance and policy. Our mission is to help governments, businesses, and financial institutions drive economic growth while addressing climate change.

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