

Leadership for Urban Climate Investment | Driving Urban Climate Action by 2025

Leadership for Urban Climate Investment (LUCI) is a framework that elevates and tracks commitments made by Cities Climate Finance Leadership Alliance (the Alliance) member initiatives, helping them to implement bold and effective targets. The LUCI framework enables these ambitious targets by catalyzing action along the entire value chain of subnational climate finance from project conception through financing.

Hosted by the Alliance, LUCI was initiated by a multi-stakeholder coalition led by the German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety (BMU) at the UN SG Climate Summit in 2019.

The Cities Climate Finance Leadership Alliance is the main multi-level and multi-stakeholder coalition aimed at closing the investment gap for urban subnational climate projects and infrastructure worldwide.

Urban climate-smart infrastructure projects are not realized at the scale and speed required.

Cities, financiers, and national governments may understand the urgency to act but their efforts often do not overlap. An effective and efficient structure is missing to support climate smart urban projects. This is where LUCI comes in.

LUCI'S TARGETS AIM TO RAISE AMBITION AND FILL GAPS IN THE VALUE CHAIN OF SUBNATIONAL CLIMATE FINANCE

2,000

cities have strengthened capacities in project preparation by 2025

1,000

climate smart urban projects are bankable by 2025

1,000

climate smart urban projects are linked to finance by 2025

100

climate smart urban projects successfully utilized new financing mechanisms by 2025

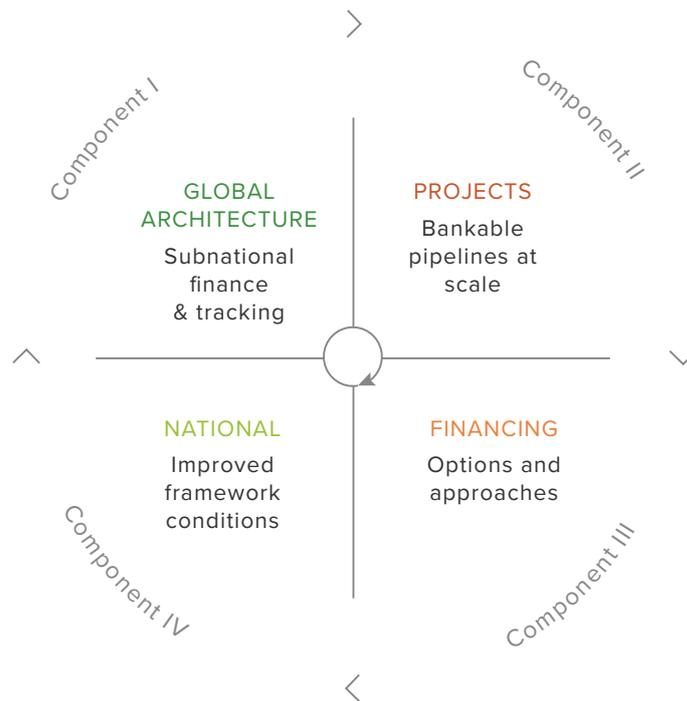
LUCI'S FOUR INTEGRATED COMPONENTS ADDRESS THE CORE BARRIERS TO URBAN CLIMATE FINANCE AT SCALE

CHALLENGE:

There is a lack of strategic prioritization of cities in the global climate finance architecture.

CHALLENGE:

With insufficient national and financial framework conditions conducive to climate-friendly projects, there is a need to rethink the role of National and Sub-National Development Banks.



CHALLENGE:

One of the central challenges to climate infrastructure at scale is a lack of investment-ready projects in cities.

CHALLENGE:

There exists a shortage of access to finance options for city governments. New financial mechanisms are needed to support urban climate finance.

Figure 1: LUCI components across the entire infrastructure and investment value chain

To address these multifaceted challenges, LUCI's four components contain multiple initiatives led by Alliance members. Each initiative mobilizes key stakeholders to build an effective and efficient framework that targets specific gaps, linking initiatives that support projects from upstream concepts to downstream finance-ready implementable infrastructure. For example, the City Climate Finance Gap Fund, under Component II is the first global fund dedicated to supporting cities in the very early stages of project development, with an aim to unlock EUR 4 billion of investment off a target EUR 100 million budget.

BENEFITS OF LUCI

LUCI accelerates climate action by helping national, municipal and regional governments deliver on their climate commitments at the urban scale, helping create the green and livable cities of the future. For financial institutions, city networks, international organizations, and other key stakeholders, LUCI offers an effective framework to:

- Showcase and leverage commitments
- Collaborate and cooperate closely with other relevant initiatives
- Track the results of work in urban climate finance and infrastructure development

GET INVOLVED

For more information and a full list of LUCI initiatives, please visit the website or contact:

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urbanclimateleaders.org

LUCI IS HOSTED BY THE ALLIANCE WITH SUPPORT FROM:

