

**URBAN
SH/FT**

TAP

Transformative
Actions
Program



TRANSFORMATIVE ACTIONS PROGRAM URBANSHIFT

**Annual Report
2021**

CONTENTS

Background	4
Introduction to TAP	5
A partnership initiative	5
Eligibility criteria	6
Application process	6
TAP and UrbanShift	9
Achievements in 2021	12
Project mobilization	12
Partnerships	16
Tools and knowledge products	16
Case studies	16
Renewed website	16
TAP infographic	16
Events	17
The way forward	18
ANNEX 1. Main findings and results from the screening process of UrbanShift and GPSC cities applications to TAP	20





BACKGROUND

The world faced one of the most serious and unprecedented pandemics in the last couple of years, and this will have a far-reaching global impact in the future as well. COVID-19 generated social, economic and environmental impacts that still undermine the recovery capacity, especially at the local level. On the other hand, the recent crisis brought an unprecedented opportunity to rethink and design investments driven by the values of green principles and inclusivity to build resilience in cities.

Climate finance was also the key topic during COP26. The Glasgow Climate Pact highlighted the urgency of establishing consistent financial flows to tackle greenhouse gas (GHG) emissions and move along a resilient development pathway. Thus, to achieve the Paris Agreement's goals requires overcoming the climate finance barriers and the employment of innovative financing instruments. Despite this urgency, the urban infrastructure investment gap has been increasing from approximately USD 1.0 trillion annually (estimated in 2015¹) to around USD 4.5-5.4 trillion annually by 2050 (estimated in 2021²).

According to the findings of the 2019 Forum of the Standing Committee on Finance³, the role city networks and partnerships play in filling the financial gap is crucial, especially in scaling-up the investing potential of public and private finance. However, all efforts will only bear fruit if local and regional governments receive financial support and technical assistance to enable them to access the various sources of financing.

1 CCFLA 2015, "The State of City Climate Finance 2015".
URL: <https://citiesclimatefinance.org/publications/the-state-of-city-climate-finance-2015-2/>

2 CCFLA 2021, "2021 State of Cities Climate Finance".
URL: <https://citiesclimatefinance.org/publications/2021-state-of-cities-climate-finance/>

3 UNFCCC, 2019 Forum of the Standing Committee on Finance, URL: https://unfccc.int/sites/default/files/resource/SCF%20Forum%202019%20report_final.pdf



INTRODUCTION TO TAP

A partnership initiative

Responding to these pressing challenges and recognizing the limitations of many subnational governments to access finance for their net zero emission and climate resilient infrastructure projects, the Transformative Actions Program (TAP) aims to strengthen their capacity and catalyze and improve capital flows to cities, towns, and regions.

Being managed by ICLEI, TAP is a partnership of many organizations committed to its objectives, each contributing in a specific way, either technically or financially, to support local and regional governments in each step of the project development cycle.

These partnerships include city networks, such as C40, UN Agencies, International Financial Institutions (IFIs), associations, research and other non-governmental organizations, philanthropic foundations, and initiatives addressing access to finance. In addition, TAP is also part of global initiatives, such as the Cities Climate Finance Leadership Alliance (CCFLA), the City Climate Finance Gap Fund and the Leadership for Urban Climate Investment (LUCI).

To the date, TAP is working with 16 key partners:

- 100% Renewable Energy Platform
- bettervest
- C40 Cities Climate Leadership Group (C40)
- Cities Alliance
- European Investment Bank (EIB)
- GIZ/CoM SSAIII
- GIZ/FELICITY
- Global Fund for Cities Development (FMDV)
- Global Infrastructure Basel (GIB) Foundation
- R20 Regions of Climate Action (R20)
- Sustainable Infrastructure Foundation (SIF)
- The Covenant of Mayors (GCoM)
- The Lincoln Institute
- UN Capital Development Fund (UNCDF)
- UN-Habitat
- United Cities and Local Governments (UCLG)

Eligibility criteria

To be eligible for TAP, infrastructure projects must be submitted by local or regional governments. In cases where their partners (e.g. non-governmental organizations, academia, private sector) wish to submit an application, the application form must be accompanied by a proof of support from the local/regional government through an official letter in order to ensure local political buy-in.

Although TAP does not make a distinction regarding the maturity, scale or geographic location of the projects, to be eligible for TAP,

it is necessary to prove and demonstrate the transformative impact of the projects, meaning that the intervention proposed must be ambitious, inclusive and cross-cutting.

Figure 1 “Elements for transformative impact potential” explains in detail each of these three dimensions. To have a high transformative impact potential, a project should be aligned with national and international goals, integrate environmental and socio-economic impacts, follow a holistic approach and have the potential to be replicated and scaled up in other municipalities.

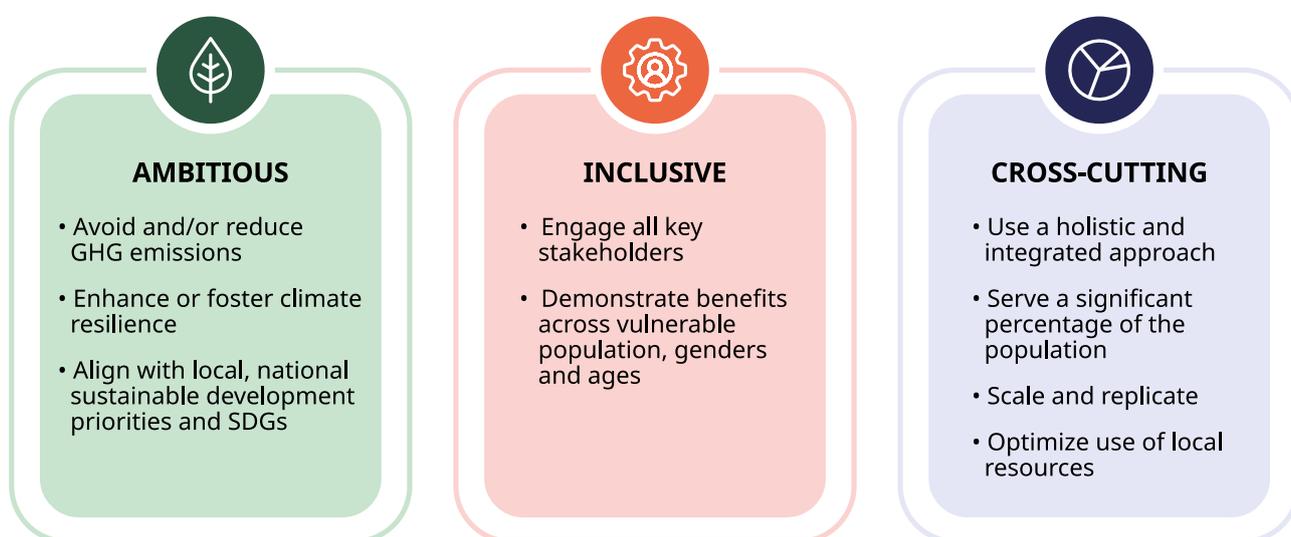


Figure 1. Elements for transformative impact potential

Application process

To apply to TAP, applicants must fill out and submit the application form, which is available on the official website (<https://tap-potential.org/>) in English, Spanish, French and Portuguese. The first part of the form corresponds to the harmonized application form developed by the CCFLA and used by other organizations and Project Preparation Facility (PPF) Providers as well, such as CDP (Matchmaker), C40 Cities (Cities Finance Facility), and the Sustainable Infrastructure

Foundation (SIF - SOURCE platform). The second part is dedicated to some additional questions based on the TAP eligibility criteria (explained in the next section of the report) to obtain more detailed information on the project concept and its impacts.

As it is illustrated by **Figure 2** “TAP application process”, after receiving the application forms, ICLEI assesses their completeness and checks if the eligibility criteria are met. If these are

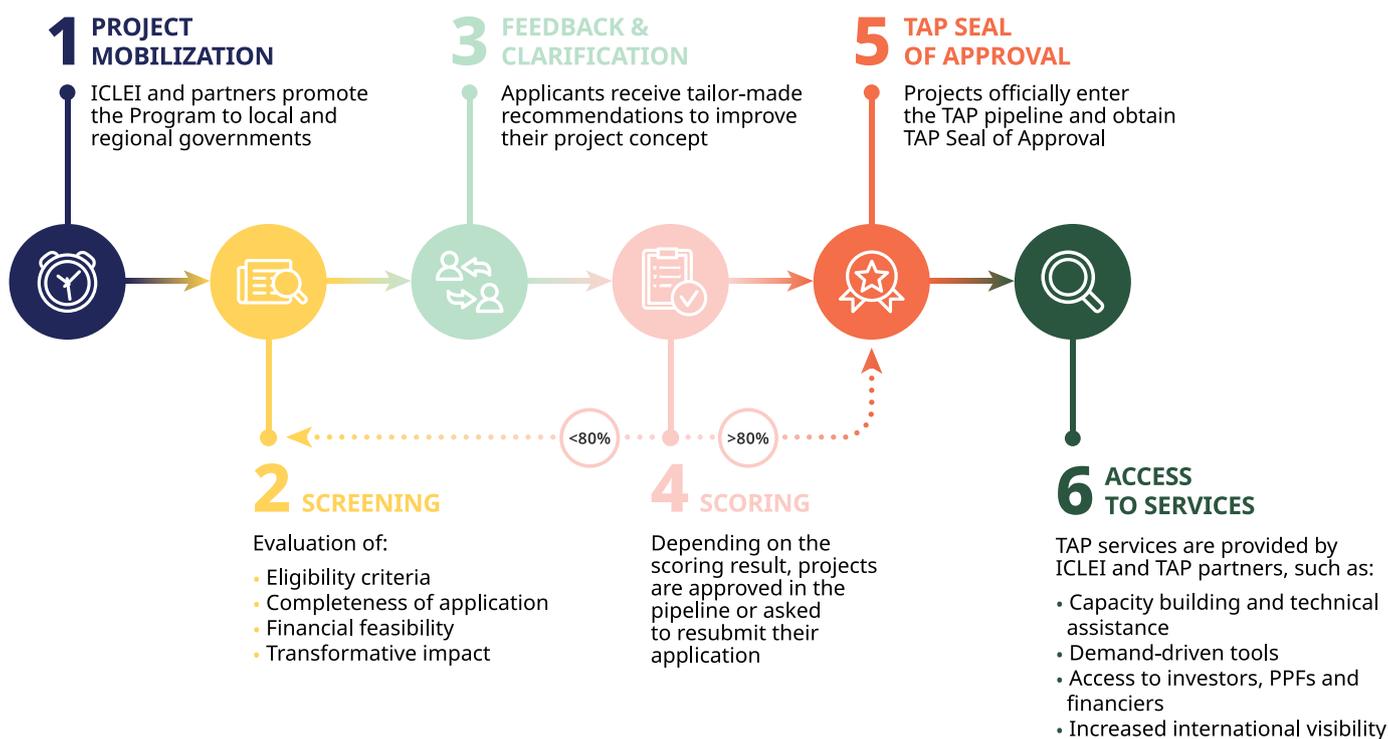


Figure 2. TAP application process

fulfilled, a comprehensive screening starts evaluating the project’s **financial maturity and transformative impact potential**.

During this process, besides ICLEI’s finance experts, thematic experts are also invited to provide their comments and recommendations to improve the project concept. All applicants **receive customized feedback** based on the requirements of international investors and project preparation facilities providers that enables them **to further improve their project idea**. Every applicant has the opportunity to re-submit and improve their project concept based on the screening results.

To be approved for the TAP pipeline, a project must achieve at least 80% as a final score following its evaluation against the defined criteria. Depending on the score TAP projects can benefit from multiple **tailored services offered by ICLEI and the TAP partners** to guide project development and achieve maturity and finance ability. Differentiating TAP from other PPF providers, there are services that are available for all applicants, such as the

customized recommendations, the access to toolkits and knowledge products, invitation to webinars and peer-exchange events, as well as to get regular updates on opportunities relevant for their project.

In addition, pipeline projects are **connected with potential technical and financial partners and PPFs** and receive international visibility.

Since 2016, at least 28 TAP projects managed to access technical assistance or got implemented and just in the past 2 years more than 70 projects were connected with IFIs, PPFs providers and partners.



TAP AND URBANSHIFT

TAP and its services are included under the finance activities of the The GEF-funded “UrbanShift” project. Specifically, the following deliverables are expected from the TAP over the 5-year duration of the project:



4 annual TAP calls to collect projects seeking finance from UrbanShift cities;



24 TAP projects screened and recommendations provided for improvement;



4 annual reports that include results from UrbanShift cities projects submitted via TAP;



3 TAP approved projects received technical support from ICLEI’s finance specialists;



12 TAP projects presented to Project Preparation Facilities, TAP partners providing further services and/or to potential investors (public and private).

The **Figure 3** “*Interrelationship among deliverables under the finance component*” portrays the way TAP is interconnected with other finance related activities of the UrbanShift project (led by Global Platform partner, C40 Cities). The blue circles enlist the activities that are under the responsibility of ICLEI, while the orange circles list the activities led by C40.

As shown in Figure 3, through the TAP project pipeline it is expected that UrbanShift’ cities⁴ seeking finance for sustainable infrastructure projects will get access to the TAP services and the opportunity to be connected to other opportunities, such as benefiting from light-touch technical assistance and high-level investor roundtables.

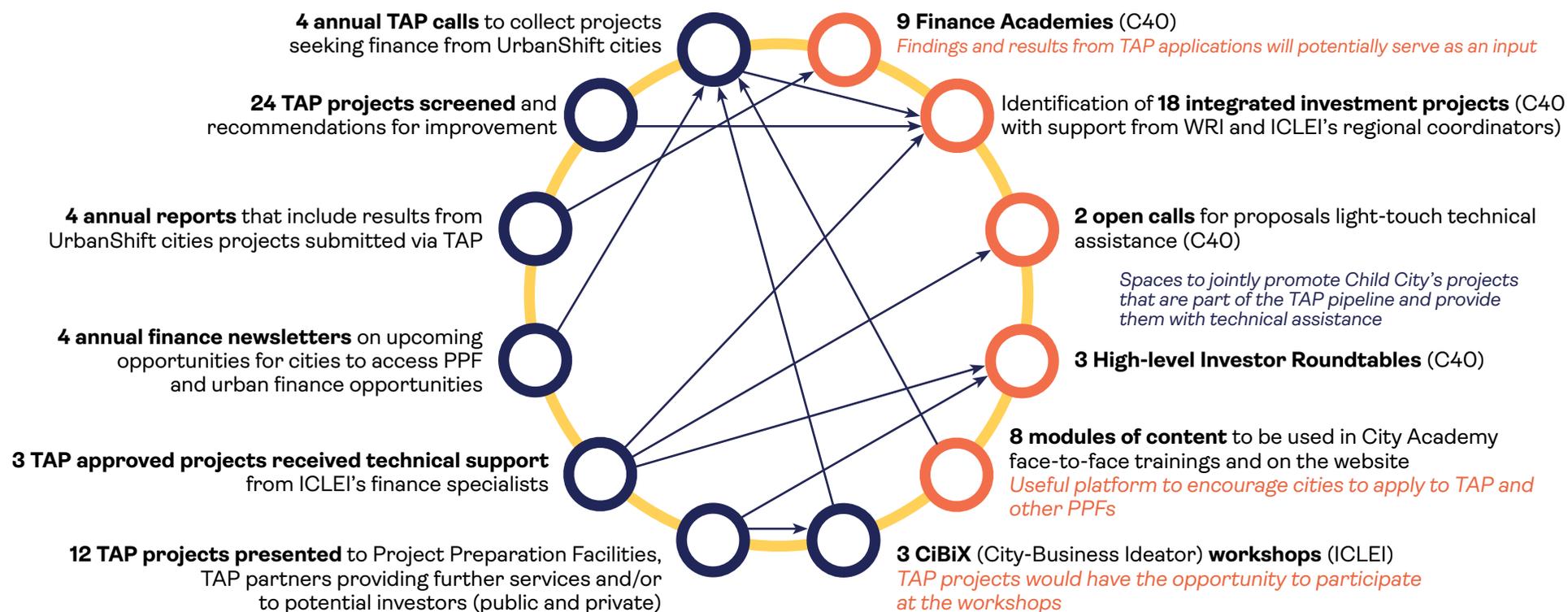


Figure 3. Interrelationship among deliverables under the finance component

⁴ San Jose (Costa Rica), Belem and Teresina (Brazil), Florianópolis, Buenos Aires, Mar de Plata, Ushuaia, Salta, and Mendoza (Argentina), Kigali (Rwanda), Marrakech (Morocco), Freetown (Sierra Leone), Surat, Pune, and Chennai (India), Bitung, Balikpapan, Palembang, Jakarta and Semarang (Indonesia), Chengdu, Ningbo, and Chongqing (China).



ACHIEVEMENTS IN 2021

The primary objective of this report is to summarize the TAP activities conducted during the last TAP call, as well as to highlight the progress achieved according to the deliverables listed for the UrbanShift project.

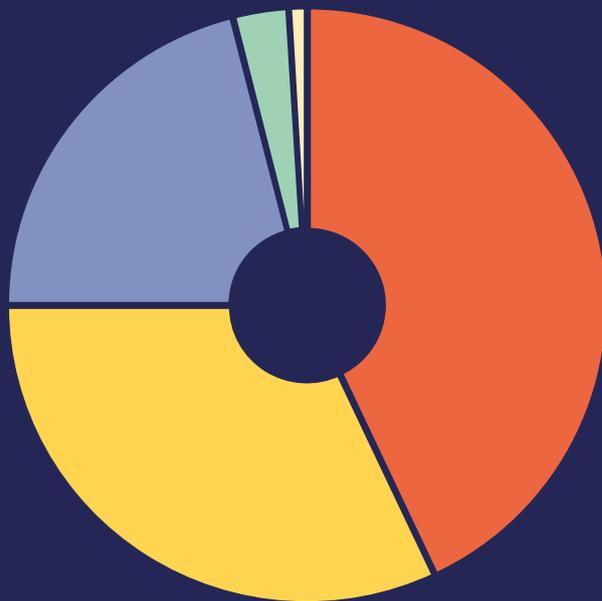
Findings and results from TAP applications can potentially serve as an input to prepare capacity building activities under the scope of UrbanShift (i.e. C40 Finance Academies, City Academy).

Project mobilization

The 2021 annual TAP call was open from September to December 2021 and received 45 applications from multiple countries (mostly from the Global South). As regular practice, prior to the opening of the annual call, a dedicated workshop was offered in August 2021 to prospective applicants, colleagues, and partners in order to ensure that the application procedure was clear to all, as well as to encourage new applicants to submit their applications.

Regarding the regional scope, African applications represented the majority with 15 projects (47%). Nine projects were submitted from Southeast Asia, followed by Central America and the Caribbean (7 projects) as the most engaging regions. Regarding sectors, Energy (33%) and Waste Management (16%) were the most represented sectors, followed by Land Use and Public Spaces (14%) and Transport (13%). Public Spaces are emerging as a new TAP sector being the focus of 4 projects (see **Figure 4** “Regional and sectoral distribution of the applications submitted to the 2021 TAP call”).





- Africa - **43%**
- Latin America & Caribbean - **32%**
- Asia - **21%**
- Europe - **3%**
- North America - **1%**



- Energy - **31%**
- Waste - **16%**
- Water - **14%**
- Transport - **13%**
- Forestry - **13%**
- Land use & public spaces - **12%**

Figure 4. Regional and sectoral distribution of the applications submitted to the 2021 TAP call

After the regular screening process focusing on the submitted application’s transformative impact potential as described above, 14 new projects were approved to the TAP pipeline. With this addition, at the beginning of 2022, the TAP pipeline counted 76 projects, with an identified investment need of €2.4 billion.

GEF-supported platform “Global Platform for Sustainable Cities” (GPSC), towards promoting an integrated approach to urban development, applications from those cities will be part of the deliverables and will have the opportunity to be connected to other UrbanShift activities and opportunities.

Concerning UrbanShift, a total of 4 projects from UrbanShift’s cities and 1 from a [GPSC](#) (or GEF-6) city (see **Table 1** “List of applications to the 2021 TAP call from UrbanShift and GPSC cities”) were received. For the purpose of giving continuity to the efforts mobilised by the GEF-6 cities¹ under the umbrella of the

The investment needs identified in these five projects represent approx. €22,3 million, ranking waste management as first and followed by the other sectors, such as food system, transport and mobility, forestry and public spaces (see **Figure 5** “Investment need per sector”).

Table 1. List of applications to the 2021 TAP call from UrbanShift and GPSC cities

Name of applicant	Country	Region	UrbanShift City	GPSC City	Project title
Buenos Aires	Argentina	South America	•		Mobility plan for the future
DKI Jakarta	Indonesia	Southeast Asia	•		Establishing integrated municipal solid waste management facilities in DKI Jakarta
Kigali	Rwanda	Africa	•		Inclusive Public Spaces for a healthy and resilient Kigali
Kigali	Rwanda	Africa	•		Resilient Food Systems
Recife	Brazil	South America		•	Urban Tree Inventory of Recife

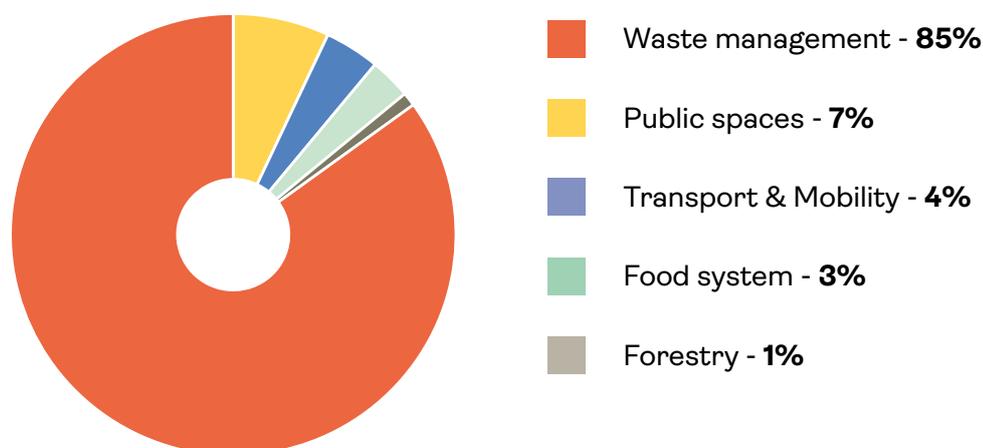


Figure 5. Investment need per sector

¹ **Brazil:** Brasilia, Recife; **Mexico:** La Paz, Xalapa, Campeche; **Peru:** Lima; **Paraguay:** Asunción; **Ivory Coast:** Abidjan; **Senegal:** Diamniadio, Dakar, Saint-Louis; **South Africa:** Johannesburg; **India:** Vijayawada, Mysore, Jaipur, Bhopal, Guntur; **China:** Tianjin, Shijiazhuang, Nanchang, Shenzhen, Guiyang; **Vietnam:** Ha Giang, Vinh Yen, Hue; **Malaysia:** Melaka.

Only one application was rejected because it did not meet the criteria of being an infrastructure project. **Annex 1** “Main findings and results from the screening process of UrbanShift and GPSC cities applications to TAP” gives detailed information about the results obtained from each application received based on the TAP evaluation criteria.

Most of the applications received are from projects that are in early stages of development, which reaffirms the need for technical support services to carry out studies to further develop them. In this sense, the opportunity of applying to the light-touch technical assistance provided by C40 Cities would be of great relevance.

In financial terms, all scoring was lower than the transformative impact potential, mainly due to the lack of business models presented, limited budget secured for the project, and limited access to international finance. It is important to highlight that the majority are interested in involving the private sector, which could be potentially further explored in the planned Investors Roundtables under the UrbanShift project, and could also be a topic of discussion during the Finance Academies.

For projects eligible to apply for the Gap Fund and the Adaptation Fund, ICLEI will reach out to the respective project applicants to present and explain the services and support these initiatives offer for project preparation and to inquire about their willingness to apply. For these and other potential opportunities, ICLEI World Secretariat jointly with the ICLEI regional offices will provide support during the application process (e.g. filling out application forms, facilitating bilateral calls, supporting subnational governments gathering information).





Partnerships

As it was previously mentioned, TAP is a partnership initiative and is open for new partners to join. In 2021 two new partners joined, namely the [Lincoln Institute](#) and the [Global Covenant of Mayors for Climate & Energy](#) (GCoM).



Tools and knowledge products

In order to assist all TAP applicants to fill out the application form, a TAP demo project was published in 2021 as part of the [TAP technical guide](#). It is available in English, Spanish, Portuguese, and French, and includes standard answers to help applicants provide solid answers when filling out the form, as well as additional links to external materials that can be used as a reference to answer some questions. This way, it is expected that the quality and completeness of the applications submitted will increase and hence, the application process will be more efficient and more projects can be mobilized into the pipeline.

Furthermore, the [TAP Pitch template](#), which was developed in partnership with FMDV and CCFLA, was complemented with some key recommendations and guidance on relevant information requested by financiers, enabling project submitters to make a robust and successful pitch.



Case studies

Successful stories of TAP projects that managed to access finance or technical assistance are promoted through case studies published on the official TAP website (<https://tap-potential.org/>). In 2021, three case studies were developed:

- Palmas, Brazil: [Decentralized energy for the ecological capital](#)
- Merida, Mexico: [Financing Sustainable Mobility as a Road to Urban Integration](#)
- Doume, Cameroon: [Increasing access to sustainable public services](#)



Renewed website

The TAP official website is renewed and is regularly updated, presenting the most recent status of the [TAP pipeline](#). Additionally, starting in 2021, a new “[Events](#)” page was created featuring all important events including takeaways, reports, and recordings.



TAP infographic

For the purpose of promoting TAP through different virtual channels and events, a new [TAP infographic](#) was designed. It provides a brief and clear overview of what the program is and aims to explain the application process and eligibility criteria and thus achieve improved quality and quantity of submissions.



Events

Projects in the pipeline are also invited to attend pitch events organized by ICLEI and its partners, where they gain the opportunity to improve their potential to appeal to investors and experts from different PPF providers and financial institutions. In partnership with ICLEI's regional offices, projects are supported with preparations for these events, providing tailored assistance in presentations and information. In 2021, 22 projects were invited to 3 marketplaces:

- [The Alliance Forum for Subnational Project Preparation Practitioners in Mexico](#), held from 4 to 6 May (virtually);
- [The Latin American Pitch Event](#), held on 28 May, during ICLEI World Congress 2021 (virtually);
- [The Path To Finance: How To Pitch Climate Projects](#), held on 28 October during Daring Cities (virtually).

Specifically the focus of the pitch event held during Daring Cities focused on Asia and Africa, and DKI Jakarta city officials were invited to present their project “*Establishing integrated municipal solid waste management facilities in DKI Jakarta*”, and had the opportunity to hear from financial experts who shared insights and recommendations to improve their project concept.

The comments issued by the jury members during the presentations were compiled in the following [report](#), which serves as open consultation material for future participants and pitch events.



THE WAY FORWARD



The 2022 TAP call is open from May to December 2022, giving the opportunity to subnational governments to submit their applications in a longer timeframe, in comparison to previous calls.

In addition, for the first time since TAP was launched and with the objective of streamlining the application process, the submission of applications will be online through the official TAP website. Interested parties will have the option of filling out the online application form by following the designated steps and submitting all documents and relevant information. They will be able to track their applications' progress by logging into their TAP account.

In collaboration with C40 Cities, ICLEI will actively explore available options within the scope of the UrbanShift project for UrbanShift and GPSC city applications. Some options could include seeking light-touch technical assistance and inviting these projects to the Investment Roundtables. These potential platforms will be considered as complementary to existing and potential opportunities that TAP partners could offer to them based on their needs. In both cases, TAP will continue to closely accompany local and regional governments throughout the mobilization of their projects.



ANNEX 1. Main findings and results from the screening process of UrbanShift and GPSC cities applications to TAP

Name of applicant	Country and region	Stage	Project description	Screening results		Technical advisory and potential opportunities
				Transformative impact	Financial viability	
Buenos Aires	Argentina/ South America	Pre-feasibility	<p>Mobility plan for the future</p> <p>The objectives of the project are to promote sustainable mobility and ensure transport accessibility through quality infrastructure. The project proposes three working guidelines: i) political discussion to set a target time for the technologic transition according to the type of fleet (public transport, government vehicle fleet, private sector); ii) discussion to promote the mobility district of the future in the productive hub of the City of Buenos Aires, with more assemblers, car parts and vehicle manufacturers; iii) Installation of infrastructure, specifically electric chargers in private establishments and open-public spaces and streets, as well as other infrastructure needed for electro mobility transportation.</p>	<p>>80</p> <p>The impact of the project in terms of gender equity still needs to be further detailed.</p> <p>At this stage, the integration and consultation of relevant stakeholders needs to begin.</p>	<p><60</p> <p>The development of a business model is needed. At this stage the potential revenue generation is not clear, which affects project's financial viability. It is suggested to the LG to secure a budget for the project.</p>	<p>Main suggestions:</p> <ul style="list-style-type: none"> - estimate the GHG emissions reduction based on the most recent inventory - highlight the socio-economic impacts including the civil society (e.g. better mobility, inclusive public transport, jobs creation, gender equality) - justify the replicability potential based on the strategic location of the project. - review the relevance of using the 2050 Action Plan's scheme to include other sectors (academia, private sector) and its added value within the project. <p>Opportunities:</p> <p>Due to the stage of the project and to support the technical studies to be developed, city's officials were invited to apply to the Gap Fund. As of May 2022, the preparation of the Expression of Interest is ongoing.</p>

Name of applicant	Country and region	Stage	Project description	Screening results		Technical advisory and potential opportunities
				Transformative impact	Financial viability	
DKI Jakarta	Indonesia / Southeast Asia	Concept/ design/ scoping	<p>Establishing integrated municipal solid waste management facilities in DKI Jakarta</p> <p>The project seeks to address the mounting waste problem while pursuing opportunities to reduce GHG emissions in DKI Jakarta by establishing integrated municipal solid waste management facilities in five administrative cities in DKI Jakarta. The facilities aim to reduce and divert Municipal Solid Waste (MSW) sent to the landfill by increasing the recycling rate and promoting circularity that shall benefit the citizens and help the COVID-19 economic recovery in DKI Jakarta, as well as demonstrate contribution to the fulfillment of the Nationally Determined Contribution (NDC) of Indonesia.</p>	<p>>80</p> <p>No social, environmental or economic impact assessments have been conducted at this stage. Potential stakeholders and their potential engagements have been identified; however, they haven't yet been consulted.</p> <p>The quantification of socioeconomic benefits must be done in detail.</p>	<p><60</p> <p>Project open to collaborate with the private sector for its implementation and operation. A business model has not been developed at this stage. The budget secured is approximately 17% of the total cost of the project.</p>	<p>Main suggestions:</p> <ul style="list-style-type: none"> – redefine the impacts towards urban sustainability and COVID-19 response benefits and preparedness upon future pandemics related to sanitation services and the economic impact from the circular economy model this project could bring to the market. – include in the proposal the positive impacts the project will generate in terms of air quality and provision of an integrated municipal solid waste management in Jakarta. <p>Opportunities:</p> <p>The local government cannot access international finance, however it seeks technical assistance for the further conceptualization of the project. Suitable to apply to the Gap Fund. Discussions between ICLEI and city officials to apply to the Gap Fund are ongoing.</p>

Name of applicant	Country and region	Stage	Project description	Screening results		Technical advisory and potential opportunities
				Transformative impact	Financial viability	
Kigali	Rwanda/ Africa	Concept/ design/ scoping	<p>Inclusive Public Spaces for a healthy and resilient Kigali</p> <p>The proposed project aims to provide a resilient approach on how public spaces in Kigali are designed and managed, identifying key actors, and articulating the environmental, social, and economic benefits to capitalize and redirect investments towards public spaces in one of the most vulnerable parts of the city - Agatare. The initiative seeks to transform existing public spaces in Agatare into multi-functional places that incorporate smart, green, and human centered design principles.</p>	<p>>80</p> <p>Project focused on increasing resilience in Kigali, considering a holistic approach to address social and environmental challenges.</p>	<p><70</p> <p>The project does not have a business model and part of the resources (26%) will come from the LG. The municipality can borrow from external sources and has done so in the past.</p>	<p>Main suggestions:</p> <ul style="list-style-type: none"> - present climate impacts, such as GHG emissions reduction - quantify the amount of public spaces and the population that would be contemplated - define the possibilities of the private sector engagement and the types of instruments the project is able to engage with - explain how the project address the SDGs - further elaboration on risk and mitigation strategies - enhance the gender approach through most phases of the project. <p>Opportunities:</p> <p>Suitable to apply to the Gap Fund and Adaptation Fund.</p>

Name of applicant	Country and region	Stage	Project description	Screening results		Technical advisory and potential opportunities
				Transformative impact	Financial viability	
Kigali #2	Rwanda/ Africa	Concept/ design/ scoping	<p>Resilient Food Systems</p> <p>The initiative is designed to provide sustainable and healthy food production in under-utilized public land and to enable livelihoods for low-income families while reducing emissions and increasing resilience to floods and extreme heat. A pilot project of urban horticulture in three public schools will help inform the necessary urban planning measures to develop a city-wide food security strategy.</p>	<p>>80</p> <p>Project focused on increasing resilience in Kigali, considering a holistic approach to address social and environmental challenges.</p>	<p><60</p> <p>The project does not have a business model and part of the resources (10%) will come from the LG. The municipality is interested in exploring partnerships with the private sector.</p>	<p>Main suggestions:</p> <p>– further explanation on the capacity of the project to be scalable.</p> <p>Opportunities:</p> <p>Suitable to apply to the Gap Fund and Adaptation Fund.</p>
Recife	Brazil/ South America	Pre-feasibility	<p>Urban Tree Inventory of Recife</p> <p>The project consists in collecting primary information to update the database related to the management of the afforestation of the city of Recife and will enable cost reduction, obtaining data for greenhouse gas inventory, global evaluation of ecosystem services, ensuring legal protection (with environmental monitoring and enforcement), efficient phytosanitary management, enabling access to reports and inspections in various ways.</p>	Application rejected as the concept is for soft infrastructure.		

URBAN SH/FT

TAP

Transformative
Actions
Program



Authors

Dr Eszter Mogyorósy
Cecilia Rivera

Design

Olga Tokareva

URBAN
SH/FT

SUPPORTED BY:



LED BY:



IN PARTNERSHIP WITH:

