

City Finance Lab Application Form

City Finance Lab

The **City Finance Lab (CFL)**, a joint venture between EIT Climate-KIC and South Pole, is Europe's first dedicated platform supporting the development of innovative financial solutions that increase investment in resilient, low-carbon and sustainable urban projects. This call for proposals targets innovative financing instruments in **Europe** that can help cities attract capital for climate mitigation and adaptation projects. The CFL will support the development of these innovative financing instruments through tailored technical advisory and by creating a viable implementation agenda.

Submission and selection process

The first step of the submission process is to complete a **short summary** (~300 to 500 words) describing the initiative on the City Finance Lab [website](#). Following this submission, the City Finance Lab will provide a pre-assessment within **3 working days** on whether or not the proponent should submit a full proposal. All full proposals must be completed and sent to cityfinancelab@southpole.com by **October 31st, 2019**, according to the template outlined on page 2 of this document.

Eligible initiatives must be submitted by a **European organisation**, be **specific to cities** and be **innovative**. Successful submissions will be selected based on the relevance of the initiative to finance the low-carbon and resilient transition, the innovation component, the potential to channel public and private sector financing towards climate action, and the replicability and scalability of the initiative in other cities and regions.

The final decision on the selected initiatives will be made by the City Finance Lab Selection Committee by December 2019.

Successful submissions will receive **in-kind** technical advisory equivalent to up to **EUR 85'000** from the City Finance Lab, through local and topical experts selected by the City Finance Lab in collaboration with the proponent.

How to complete the full proposal template?

Proponents are invited to complete the form below to describe their initiative. Once completed, it will form the basis of the evaluation for selection. While completing the form, the following should be considered:

- The text in blue in the *Description* column provides detail and guidance on what information is required in each section. This text should be deleted once the section has been completed.
- The term "Project" refers to the innovative financial instrument or mechanism that the proponent is submitting.
- The reference to external sources and justification of statements will be part of the evaluation.



Project Proposal

Field	Description
Project Summary	
Project Lead	Name, Email, Phone Number
Lead Organisation	Name, Postal Address
Project Backup Contact	Name, Email, Phone Number, Organisation
Project Name (1-20 words)	Title of the project
Project Summary (~ 50 words)	Short description of the project: What is the main purpose of the project and how will it be achieved?
Project Type	What is the output of your proposed project? Select one or several among the following options: <ul style="list-style-type: none">• Company/institution (service provider)• Facility (attracts public and private finance)• Network or platform (knowledge sharing)• Tool/service (product enhancing investment)• Other (please specify)
Financial Instruments	What type of instruments is your project using? Select among the following options: (specify type) <ul style="list-style-type: none">• Debt (e.g. concessional loan)• Debt and Equity funds• De-risking (e.g. insurance/guarantees)• Direct Equity Investment• Grants• Quasi-equity (e.g. convertible bonds)• Revenue support (e.g. feed-in tariff)• Structured/Securitised products• Other (please specify)
Stage of development	Where does the project currently stand in terms of development? Select among the following options: <ul style="list-style-type: none">• Early-stage concept (structured idea with proven potential and city endorsement)• Advanced concept (feasibility study realised or project technically/financially formulated)• Pilot program (technology approved, financial viability confirmed, pilot city to start)• Launched program (program launched in at least one city looking to improve or scale)

Project Details	
Background (~ 100 words)	Give some context on the financial, economic and legal environment.
Existing barriers (~ 150 words)	Describe the existing barriers that traditional finance mechanisms fail to address and that are addressed by this project.
Objectives (~ 100 words)	Describe the objectives of this initiative and how they align with national climate action ambition or sustainability policies (e.g. contribution to NDCs, etc.).
Project Description (~ 250 words)	Describe how the initiative/instrument will work, explaining how it addresses the issues stated above (“Existing barriers”). Describe how the objectives will be evaluated throughout the project.
Relevance for cities (~ 150 words)	Emphasise on how it addresses issues specific to cities. In particular, please specify how the initiative/instrument tackles the challenges faced by cities in attracting capital for climate mitigation and adaptation projects (differentiate between public and private capital).
Uniqueness and innovation (~ 150 words)	Describe how the proposed initiative is innovative: How is it a new concept, how does it bring a new spin to an existing mechanism/instrument or how does it replicate an existing initiative in a different economy? (Include similar initiatives and how they fail to fully cover the needed financing)
Climate impact: direct and indirect (~ 200 words)	<p>Select the benefits that could result from the implementation of your initiative from the list below:</p> <ul style="list-style-type: none"> • Adaptation to climate change • Energy efficiency • Improved recycling • Improved air quality • Increased renewable energy share • Reduced GHG (other means) • Reduced congestion • Other (please specify) <p>Describe the potential direct climate impact (mitigation or adaptation) that the proposed solution could have if implemented successfully, including how it is aligned with the objectives of the Paris Agreement and a 1.5°C-world.</p> <p>Does the envisaged solution have co-benefits that are</p>

not climate-related (economic, social or environmental). If yes, please describe.

Does it address any of the Sustainable Development Goals (SDGs) and if so which ones and how?

Sectors impacted	Select the sectors impacted by the implementation of the initiative from the list below: <ul style="list-style-type: none">• Buildings• Energy• Industry• Mobility• Urban agriculture• Urban infrastructure• Waste• Water (adaptation)• Cross-sectoral• Other (specify below)
Country/region covered (~ 50 words)	Where will the project be implemented?
Image, graphic to upload	Include here any graphic/image to support the description of the initiative
Potential to mobilise investments (public and private)	
Market analysis with potential investors (~ 100 words)	If a market demand analysis was undertaken testing the relevance of the project business model, provide a brief description of the methodology and results.
Type of finance mobilised by the initiative	Select the type of sources the initiative will leverage funds from: <ul style="list-style-type: none">• Consumers• Commercial banks• Corporations• Family offices• Households• Institutional investors• International Financial Institutions• Development Banks• Land value capture• Municipalities/States/Governments• Philanthropic/Impact investors• Retail investors• SMEs• Venture capital/Private equity• Other (specify below)

Funds mobilised over the lifetime of the initiative (annually) (~ 100 words)	Estimate the per annum funds mobilised by the implementation of the initiative post-TA and provide explanations on your estimation method.
Risks for the initiative (~ 150 words)	Describe the legislative, financial and political risks that may jeopardise the setup of the initiative and how they are addressed in the proposed project.
Replicating in other cities or other regions (~ 200 words)	<p>Explain how the initiative could be replicated in other cities (drivers and barriers) of similar size and economic status?</p> <p>Could the initiative be replicated in other cities of different size and economic environment?</p> <p>Through which type of activities could you envision supporting the City Finance Lab in replicating the initiative in other cities and regions?</p>
Institutional set-up	
Expertise of project proponent (~ 200 words)	Describe how your organisation/consortium has the expertise to develop this initiative further.
Responsible organisation upon implementation (~ 100 words)	State the organisation that will be responsible for the initiative once implemented, if it differs from the project proponent. Describe its expertise and capacity to take up this role.
Support from a city (~ 100 words)	Is the project endorsed by a city? If yes, describe what is the nature of the endorsement: management, supervision, implementation, financial, regulatory, legal, labour, expertise
Role of public organisations (~ 100 words)	Describe the involvement of public organisations within this initiative (regulatory agencies, development finance, grant donors, philanthropic investors). Specify if and how the initiative is dependent on financing from these organisations.
Secured budget (~100 words)	Has there been financial commitment from third-parties? If so, to what conditions and what time frame.

Technical Advisory

**Role of the
City Finance Lab
(~ 200 words)**

TA activities required:

- Financial engineering
- Investment structuring
- Leveraging funds
- Network with and access to investors (public & private)
- Technical assistance
- Transaction preparation
- Visibility/marketing
- Other

Describe why the support from the City Finance Lab is required and what contributions it could make in order to successfully develop and deploy the initiative.

**Expertise necessary
(~ 100 words)**

Indicate any specific expertise that you deem necessary for the further development of your initiative.

Other (additional information)