

ICLEI Africa

Investment Readiness Index Tool

for urban food markets

EXPLAINER



Implemented by



Introduction to ICLEI's African CityFood Centre

The African CityFood Centre is putting food firmly on the urban sustainability agenda. The Centre exists to elevate the role of cities and local governments in solving Africa's food system challenges. This means healthier, more prosperous cities backed by sustainable rural value chains. The African CityFood Centre supports ICLEI's global CityFood program by bringing African experience into the international arena.

Why Markets?

Urban food markets handle 80% of Africa's urban food supply, serving as vital hubs for nutrition, livelihoods, culture, and local economies. Yet they remain under-developed, with municipalities struggling to maintain existing facilities, let alone expand them for growing populations. Climate pressures such as flooding and heatwaves further weaken infrastructure, causing food waste, price shocks, and health risks.

The African City Food Centre partners with local stakeholders, technical experts, and city governments to deliver context-specific infrastructure upgrades, while working with global partners and financiers to develop suitable funding mechanisms that can enable cities to respond proactively.

What is ICLEI Africa's Investment Readiness Index (IRI) Tool?

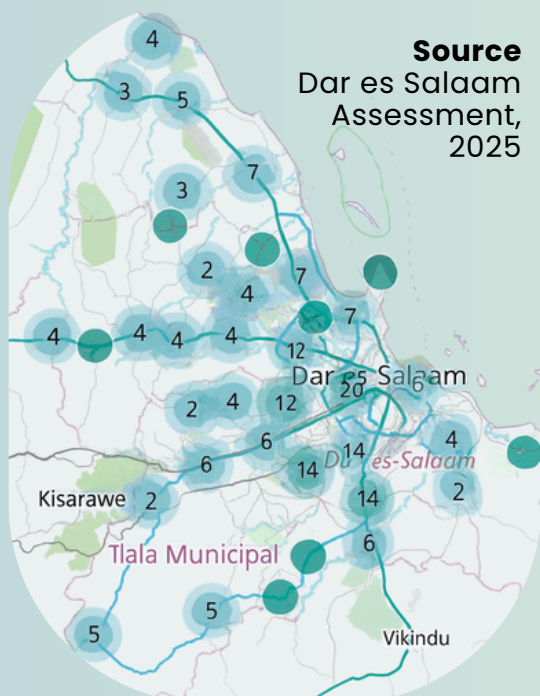
The IRI is a four-part tool that assesses a city's market ecosystem, and provides a data-driven approach to selecting markets that are fit for investment. The aim of the tool is to assist in derisking market investments by identifying markets at city level which meet minimum requirements for investment, have sound governance and record keeping practices, and display a clear set of needs and opportunities. The four tools are outlined below.

Tool 1 Market Mapping

The first tool aims to map and provide the GPS coordinates of every market place in the city. The tool further details key characteristics of each market such as size, number of traders, type of products sold, and estimated value of produce moving through the market. Based on a set of adaptable conditions, only select markets will graduate to Tool 2.

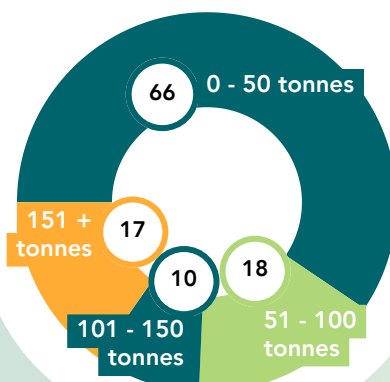
Dar es Salaam

Source
Dar es Salaam
Assessment,
2025

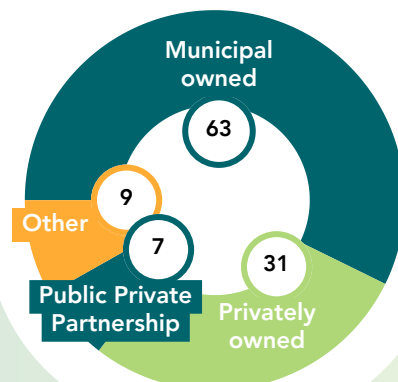


Total markets: 110

Estimated quantity of food moving through market (tonnes/month)



Market Ownership Structure

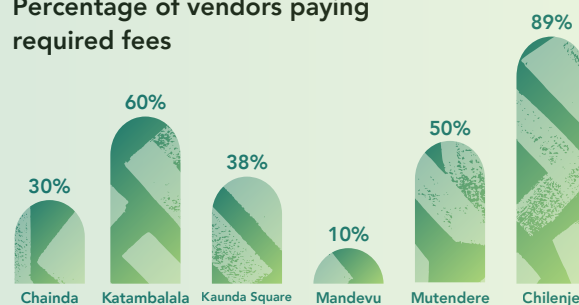


Tool 2 Governance & Investment Potential

The second tool assesses the robustness of the governance models at each market, paying particular attention to market leadership structures, coordination between market stakeholders and openness to change. It also assesses the revenue models of each market, and reports on steady state profitability, cash reserves and loan history. The markets are then ranked according to their total scores, providing an option to graduate a specific number of markets based on your project scope.

Example of data collected

Percentage of vendors paying required fees



Source: Lusaka Assessment Report, 2025

Tool 3 Needs Assessment

The third tool determines the presence and quality of key infrastructure assets at each market, enquires about past training programmes and reports on the consistency of service delivery. It then ranks the markets, with the 'neediest' market ranking highest on the priority list.

Tool 4 Opportunity Assessment

The final tool provides an opportunity for market managers to share their perspective on the kinds of investments that would improve the profitability and functioning of their markets, by either boosting income or introducing cost saving mechanisms.





How was the tool developed and tested?

The first iteration of the tool was developed by ICLEI Africa under the BMZ/GIZ funded project, '[Strengthening Fresh Food Markets for Healthier Food Environments](#)', and applied in the two project cities, Lilongwe and Lusaka.

The tool has since been refined, with the help of key project partners (Michigan Ross Business School, GAIN), and further applied under the [ReMark](#) project.

How do I access this tool?

The African CityFood Centre is committed to collaborating with interested partners to ensure there is alignment and a deepening of market related work on the continent. If you are interested in working with ICLEI to apply this tool to your city context or other cities, please mail iclei-africa@iclei.org.

How do I access this data?

We believe in derisking investments into Africa's urban food markets and to support this are making our data openly accessible. The results of the first application of the IRI Tool can be found online in the respective project reports (see [Lilongwe Assessment Report](#) & [Lusaka Assessment Report](#)). To access other city reports, please mail iclei-africa@iclei.org.

How do I reference this tool?

ICLEI Africa. 2025. Investment Readiness Index Tool.

Who is this tool for?

The insights from this tool can be used by local governments, NGO's, donors, private investors and any other intermediary organisations, to assess a city's market ecosystem and analyse investment viability and associated risks.

In which cities has the tool been applied?

