

**Cities Alliance**  
*City Development Strategies*

**Compiled from:**

**Cities Alliance: Cities without Slums**

<http://www.citiesalliance.org>

**Center for Urban Development Studies**

## **Why Was the Cities Alliance Formed?**

To realise the vision of Cities Without Slums

The Cities Alliance was created to foster new tools, practical approaches and knowledge sharing to promote local economic development and a direct attack on urban poverty. Its activities support the implementation of the Habitat Agenda.

## **What Is the Cities Alliance?**

A global alliance of cities and their development partners committed to improve the living conditions of the urban poor through action in two key areas:

- **City development strategies (CDS)** which link the process by which local stakeholders define their vision for their city, analyse its economic prospects and establish clear priorities for actions and investments, and
- **City-wide and nation-wide slum upgrading** to improve the living conditions of at least 100 million slum dwellers by 2020 in accordance with the Cities Without Slums action plan.

The Cities Alliance was launched in 1999 with initial support from the World Bank and the United Nations Centre for Human Settlements (UN-Habitat), the political heads of the four leading global associations of local authorities and 10 governments—Canada, France, Germany, Italy, Japan, the Netherlands, Norway, Sweden, the UK and the US. The Asian Development Bank joined the Cities Alliance in March 2002.

Alliance partners have joined forces to expand the level of resources reaching the urban poor, by improving the coherence of effort among on-going urban programmes, and by more directly linking grant-funded urban development cooperation with investment follow-up.

### **The Cities Alliance...**

- pools the resources and experience of Alliance partners to foster new tools, practical approaches and an exchange of knowledge to promote city development strategies, pro-poor policies and prosperous cities without slums;
- focuses on the city and its region rather than on sectors, recognising the importance of cities and local authorities in the social and economic success of a country;
- promotes partnerships between local and national governments, and those organisations directly representing the urban poor;
- promotes inclusive urban citizenship, which emphasises active consultation by local authorities with the urban poor, with time being taken to develop a shared vision for the city;
- looks to scale up solutions promoted by local authorities and the urban poor;
- encourages engaging slum dwellers as partners, not problems;
- promotes the role of women in city development;
- engages potential investment partners from the outset, encouraging the development of new public and private sector lending and investment instruments to expand the level of resources reaching local authorities and the urban poor, enabling them to build their assets and income.

## **Cities Without Slums**

*The Cities Without Slums initiative is a creative and daring response to urban poverty. Poverty reduction and upgrading of informal settlements will not be possible unless cities are productive and efficient and capable of providing the poor with economic opportunities to build their assets and incomes.* - Nelson Mandela, patron of the Cities Without Slums action plan at its launch in December 1999.

The **Cities Without Slums action plan** sets an agenda and clear targets for improving the lives of at least 100 million slum dwellers by 2020. It focuses on upgrading the most squalid, unhealthy and unserved urban slums and squatter settlements in the world. The Cities Without Slums action plan, a product of the Cities Alliance, has been endorsed at the highest political level internationally—by 150 heads of state and government— at the September 2000 UN Millennium Summit.

The plan also calls for:

- Increasing investments aimed at provision of basic services to the urban poor;
- Leading a worldwide effort to move from pilot projects to city-wide and nation-wide slum upgrading and to generate the required resources to do so, and;
- Investing in global knowledge, learning and capacity in slum upgrading, and for reducing the growth of new slums.

## **What Do We Do?**

Cities Alliance activities are organised around three strategic objectives:

- **Build political commitment and shared vision**

The United Nations Millennium Summit adopted the goal of the Cities Without Slums action plan as a new international development target: the challenge now is to translate this political commitment into a systematic attack on urban poverty.

- **Create a learning alliance to fill knowledge gaps**

Growing networks of cities are sharing their City Development Strategy experience, teaching each other and serving as resource cities.

- **Catalyse citywide and nationwide impacts**

The Alliance is already working in partnership with the local and national authorities of Brazil and El Salvador; Madagascar, Mauritania, Nigeria, Rwanda and South Africa; Egypt and Morocco; Bangladesh, Cambodia, China, India, Indonesia, Nepal, Pakistan, the Philippines and Vietnam; Yemen, Mozambique, Kenya, Ethiopia, Zamaica, and Bulgaria.

## Organisational Structure

The Cities Alliance Consultative Group is composed of bi-lateral and multi-lateral development agencies and the political heads of the international associations of local authorities who have pledged their commitment to achieving Alliance goals. The Consultative Group, co-chaired by the Executive Director, UN-Habitat and by the Vice President, Private Sector Development and Infrastructure, The World Bank, is responsible for developing the Alliance's long-term strategy and approving its annual work programme.

The Policy Advisory Board is composed of eminent urban experts from each region who provide guidance to the Consultative Group on strategic and policy issues. They represent non-governmental and community-based organisations, the private sector and regional urban programmes.

A small Secretariat based in Washington, D.C. carries out the mandate of the Cities Alliance and manages its operations. The Secretariat screens and evaluates project proposals in accordance with the criteria adopted by the Consultative Group.

## Working with the Cities Alliance



## Proposals

Proposals for country-specific activities typically originate from local authorities and must be approved by the government of the recipient country. All proposals must be sponsored by at least one member of the Alliance. Guidelines for preparing proposals are available from the Cities Alliance web site at <http://www.citiesalliance.org>.

## Criteria

Proposals are evaluated based on the following criteria:

- **Targeting the Objective:** The activity must aim at promoting pro-poor policies, the reduction of urban poverty including promoting the role of women in city development, and directly support scaling up slum upgrading and/or city development strategies.
- **Government Commitment and Approval:** The activity must have government/local authority commitment and approval, to be documented by attachments to the application form.
- **Linkage to Investment Follow-up:** Investment partners must be clearly identified and involved from the beginning in the design of the activity so as to increase the prospects for investment follow-up for implementation.
- **Partnerships:** Proposals for City Development Strategies and scaling-up slum urban upgrading must be conceived as a participatory process with local stakeholders including both the private sector and community organizations. They must include appropriate strategies and actions to ensure participation of, and ownership by, resident communities. Cities will need to be able to demonstrate the nature and extent of participation by relevant stakeholders. The Cities Alliance gives priority to proposals with strong demonstrated ownership and buy-in.
- **Co-financing:** All proposals should include co-financing, combining seed funding from the Cities Alliance with a target of at least 20% financing from the cities themselves, as well as from other sources. At least 50% co-financing is needed for all proposals requesting over \$250,000 from Core Funds.
- **Coherence of Effort:** Activities should be designed to promote cross-sectoral, inter-divisional and multi-donor coordination, and to maximize collaboration between the World Bank, the UN system, and other Cities Alliance members.
- **Scaling-up:** The focus is on designing city development strategies and citywide and nationwide upgrading rather than on pilot projects.
- **Institutionalization and replication:** Activities should contribute to the creation of mechanisms that help cities and their national associations institutionalize support for the formulation of city development strategies and citywide and nationwide upgrading so as to facilitate replication in other cities. The Cities Alliance favors proposals that maximize the use of local expertise.
- **Positive Impact on Environment:** Activities supported by the Cities Alliance are expected to achieve significant environmental improvements. These should be clearly stated in each proposal. Any activity in which negative environmental impacts could be anticipated must include an Environmental Impact Assessment and a Mitigation Plan as prior conditions for consideration.
- **Duration:** Special attention will be given to those activities that promise deliverables within well-defined time frames, and preferably within 24 months.

## What is a City Development Strategy?

A rapidly increasing share of the world's population is living in cities. In the next 15 years the population of many cities in Asia and Africa will nearly double. In order to confront the challenges posed by this unprecedented rate of urban growth and increasing urban poverty, cities need to plan ahead in order to make more informed choices about the future and they need to act now. A city development strategy supports cities in this critical decision making process and is focused on implementation. It is an action-plan for equitable growth in cities and their surrounding regions, developed and sustained through participation, to improve the quality of life for all citizens.

The output of a city development strategy includes a collective city vision and a strategic action

plan aimed at policy and institutional reforms, increased economic growth and employment, and implementation and accountability mechanisms to ensure systematic and sustained reductions in urban poverty.

Because "cities are made up of people and their hopes – not of buildings and streets" (Augustin, 400 A.D.) , there is no universally applicable best practice for the implementation of a city development strategy. Each city needs to recognize and to identify its own opportunities and problems, which may vary considerably according to its location, level of economic, social and institutional development and many other factors.

Initial results from Cities Alliance supported city development strategies underscore the importance of city officials themselves taking the lead, while actively involving the urban poor and local business leaders within a wider participatory process. Thorough assessments of the city and its region, which include the assets and knowledge of the urban poor, have proven to be an essential starting point for a city development strategy. However the success of the strategy also seems to depend on its ability to mobilise and engage not only the public, but also the business and community sector.

Other key building blocks of a city development strategy include creating a shared strategic understanding among all stakeholders (vision building); the focus on points of leverage and results (strategy); and the focus on implementation and monitoring mechanisms.