

Cities Alliance

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Responsible Sector and Bank Unit:	FEU - SDNCA
Recipient Agency:	Sub-grants to external recipients
Web Address:	http://www.citiesalliance.org
Financial Arrangements for FY09 (Amount in US \$ Million)	
Total Budget:	22.00
DGF Funding Request:	3.00
DGF Percentage:	14%
Objectives and Expected Outcomes	
<p>The Cities Alliance (CA) is a global coalition of cities and their development partners. By supporting cities in the development of citywide strategies that link economic growth and poverty reduction objectives, the CA is helping cities overcome the limitations of sectoral approaches to development. By focusing on the future of cities and promoting the positive impacts of urbanization, the CA is helping mayors anticipate and prepare for growth, develop sustainable financing strategies, and attract the long-term capital investments needed for the provision of infrastructure and services. Combining “vertical” and “horizontal” approaches, the CA links the global knowledge, developmental resources and capacity of its partners in support of local authorities engaging in the PRS process. The CA is supporting both cities and countries to achieve the MDGs with inclusion strategies targeting the urban poor, and in particular to achieve the goal of Cities Without Slums (MDG Target 11 - as adopted by the UN from the CA’s Cities Without Slums Action Plan).</p>	
Main Components	
<p>Scaling Up Slum Upgrading: Support citywide and nationwide programs of action, including: promoting reforms and removing urban land market constraints to anticipate urbanisation and prevent the growth of new slums. Increase the number of national and local governments committed to provide a stable policy environment, promote secure tenure and ensure basic infrastructure services to the urban poor. To achieve this, the Alliance catalyses local, national and international action, identifies and fills key knowledge gaps, and provides funding for technical assistance. City Development Strategies (CDS): A CDS balances economic, social and environmental goals and actions with the need for economic growth; mobilizes local and international contributions to fight poverty; and, serves as a tool to implement PRS at the local level. The 15-20 year time frame of a CDS provides the private sector, local governments and the urban population with a clear vision and a concrete strategy to create investment and employment opportunities. Sustainable Financing Strategies: Help cities mobilize domestic capital to implement CDS and citywide upgrading strategies. Assist cities to demonstrate stable revenue streams by way of improving cost recovery, accountability for service delivery, and enable existing municipal funds develop a market orientation. These actions also lead to more effective leveraging of government grants. Strengthen Partnership with United Cities and Local Government (UCLG). Collaboration with UCLG and its regional and national structures contributes to the achievement of MDGs and supports implementation of the Bank’s urban and infrastructure agendas. Areas of cooperation include: advocacy, local finance, and promotion of CDSs.</p>	
Performance Indicators	
<p>Scaling Up Slum Upgrading: (a) Number of cities/countries with long-term slum upgrading programs, incorporating targets and financing; (b) Countries introducing measures to remove urban land market constraints; (c) Cites/countries introducing</p>	

inclusive strategies to prevent emergence of new slums; (d) Investments in slum upgrading leveraged through CA activities.
City Development Strategies: (a) CA members using CDSs in their urban development approach; (b) Number of cities introducing CDSs as a strategic planning tool & planning for growth outside of their administrative boundaries; (c) Number of local government associations promoting CDSs as a tool for urban development; (d) Amount of investments leveraged.

Sustainable Financing Strategies: (a) Innovations identified that are competitive and that link city infrastructure needs with domestic capital markets; (c) Methodology, criteria, and normative standards for cities to access domestic supplies of capital for infrastructure investments; (d) CDSs and slum upgrading programs incorporating sustainable financing strategies.

Strengthen Partnerships with United Cities and Local Government (UCLG): MDG-based CDSs contributing to national Poverty Reduction Strategies; and, effectively linking the needs and demands of local government with the suppliers of municipal finance and technical support, including development assistance instruments established for this purpose.

Progress and Achievements

Citywide and nationwide slum upgrading. Nationwide programs launched in Chile, Mali, Nepal and Sri Lanka, and scaled up in South Africa. Support was continued in Brazil. Citywide programs launched in Bangalore and Cairo.

Sustainable city development for economic growth and poverty reduction. CDSs launched in Abomey (Benin); Chimoio and Vilankulo (Mozambique); Greater Sfax (Tunisia); Aleppo (Syria); Thanh Hoa City region (Vietnam); Belo Horizonte metropolitan region (Brazil); Cairo (Egypt); and, the Mumbai (India) Transformation project was continued. National CDS program supported in Vietnam, and, India mega-cities and urban strategy for 2025.

Knowledge products and networks developed and deepened: Support for preparing national State of Cities reports were initiated in Ethiopia, Kenya, Namibia, Nigeria and Tanzania. The "Slum Upgrading Resource and Policy Guide. Knowledge products on local economic development and on the benefits of urban environment planning published.

Profile of cities and slums raised: Philippines institutionalized the CDS process in national planning, and began to harmonize the national and local planning processes. In Vietnam, CDS development has emerged as a strategic tool for cities of all sizes to identify ways to meet the challenges of urbanization and decentralization. India has begun preparation of a National Urban Strategy, to the year 2025, and has launched a national urban development program (JNNURM). Ecuador is working with secondary cities to anticipate urban growth by addressing land issues and the needs of low-income population.

Partners

United Cities and Local Governments; Metropolis; Brazil, Chile, Ethiopia, Nigeria, Philippines, South Africa, Canada, France, Germany, Italy, Japan, Netherlands, Norway, Spain, Sweden, United Kingdom, United States, World Bank, Asian Development Bank, European Commission, Shack/Slum Dwellers International, UN-Habitat, and UNEP.

Governance and Management

The CA is governed by a Charter agreed by the Partners, who are members of the **Consultative Group (CG)**, which serves as the executive board of the partnership, with approval authority over use of resources. The CG transformed the Steering Committee into an Executive Committee to provide policy guidance, and oversight of the CA Secretariat. A full-time **Secretariat** manages day-to-day operations. The **Policy Advisory Board** with eminent members from each region recently changed into a Policy Advocacy Board provides input to both the CG and the Secretariat.

Exit Strategy

Cities Alliance entered Window One in FY06. Future funding will depend on satisfactory annual progress reports, the results of independent evaluations every three to five years, and relevance to the Bank's urban sector strategy. An independent evaluation was completed in 2006, and a medium term strategy adopted by CG early 2008 in response.