

## WHO WE ARE



## What is the Cities Alliance?

The Cities Alliance is a global coalition of cities and their development partners committed to scaling up successful approaches to urban poverty reduction. Cities are proven poverty fighters and engines of economic growth. By promoting the positive impacts of urbanisation, the Alliance supports learning among cities of all sizes, and also among cities, governments, international development agencies and financial institutions.

## Who are the members of the Alliance?

The Alliance is a broad and growing partnership that presently includes:

- Slum dwellers, represented by Shack/Slum Dwellers International (SDI).
- Local authorities, represented by United Cities and Local Governments (UCLG) and Metropolis.
- The governments of Australia, Brazil, Canada, Chile, Ethiopia, France, Germany, Italy, Japan, Netherlands, Nigeria, Norway, Philippines, South Africa, Spain, Sweden, United Kingdom, and United States of America.
- The Asian Development Bank, European Union, United Nations Environment Programme (UNEP), UN-HABITAT and the World Bank.

## How is the Alliance structured?

In accordance with its Charter, the governance and organisational structure of the Cities Alliance includes:

- **The Consultative Group** – the Alliance’s board of directors responsible for setting the Alliance’s long-term strategy, approving its annual work programme and budget, and reviewing achievements.
- **The Executive Committee** – provides policy guidance to the Secretariat between Consultative Group meetings and oversight of the Secretariat on behalf of the Consultative Group.
- **The Secretariat** – housed at World Bank headquarters in Washington, D.C., carries out the Alliance’s mandate and manages its operations.

## WHAT WE DO



## What does the Cities Alliance do?

The Cities Alliance provides matching grants in support of:

- **City development strategies** (CDS) that link the process by which local stakeholders define the vision for their city and its economic growth and environmental and poverty reduction objectives, with clear priorities for action and investment.
- **Citywide and nationwide slum upgrading** in accordance with the Alliance’s Cities Without Slums action plan (MDG Target 11), including promoting secure tenure, access to shelter finance, and policies to help cities prevent the growth of new slums.

Both types of activities require **sustainable financing strategies** for cities to attract the long-term capital investments needed to upgrade infrastructure, improve accountability for service delivery, and demonstrate stable revenue streams to more effectively leverage domestic capital. City development strategies and slum upgrading programmes are closely linked and often carried out simultaneously.

The Cities Alliance is also a learning alliance, working with networks of cities, organisations of the urban poor, universities and other partners to capture and disseminate the collective knowledge of city stakeholders on ways to reduce urban poverty and improve the quality and impact of urban development cooperation. The Alliance’s overall strategic objectives are to build political commitment and a shared vision for scaling up slum upgrading and city development strategies, to distil and share knowledge on sound practices and experiences, and to catalyse citywide and nationwide impacts.

## Cities Alliance Resources

The Cities Alliance manages a small grant facility of “Core Funds” to encourage innovations and meet strategic objectives. Grants range in size from \$40,000 to a maximum of \$500,000 for inclusive, participatory city development strategies and citywide or nationwide slum upgrading initiatives. Priority is given to those cities already engaged with their partners in realising an inclusive vision for city development and upgrading low-income settlements. The Alliance also manages “Non-Core Funds,” which usually target specific activities, countries, or regions, such as Africa.

## HOW TO ACCESS CITIES ALLIANCE GRANT FUNDING



Applications for Cities Alliance grant funding typically originate from local authorities, but must be endorsed by the government of the recipient country and sponsored by at least one Alliance member. Sponsors will normally provide co-financing for the proposed activity and should participate in designing and supporting the applications. National governments can also make applications, especially where nationwide activities are to be supported.

Cities Alliance grants are, wherever possible, managed directly by the local (or national) authority itself. It is also possible for organisations of civil society to be involved in grant management and, where necessary, Alliance members themselves.

Countries eligible to receive Cities Alliance assistance are those included in the Organisation for Economic Cooperation and Development’s (OECD) Development Assistance Committee’s List of Aid Recipients.

## How to apply for support

Applying for a Cities Alliance grant is a straightforward, step-by-step process. The first step is to:

- Review the application guidelines on the Cities Alliance Web site ([www.citiesalliance.org](http://www.citiesalliance.org)).
- Identify at least one Cities Alliance sponsor, according to the application guidelines. Applications with multiple sponsors are particularly encouraged.
- Ensure the proposal meets Cities Alliance eligibility requirements and selection criteria.
- Contact the Cities Alliance Secretariat for support, if needed.

The Cities Alliance Secretariat does **not** implement the activities it funds, rather it draws upon the existing capacity of Alliance members. In-country work is managed through cities, the regional operational units of Cities Alliance members, other multilateral and bilateral partners, and existing global and regional partnership programmes.

## Criteria used to evaluate a proposal

All proposals submitted for Cities Alliance grant funding are evaluated against the following nine criteria:

- **Targeting the objective:** the degree to which the proposal aims to promote pro-poor policies, in addition to supporting the scaling up of slum upgrading and/or city development strategies.
- **Government commitment and approval:** project approval by local and national authorities must be documented by attachments to the application.
- **Linkage to investment follow-up:** the extent to which investment partners are involved from the outset and the potential for investment follow-up.



- **Partnerships:** the participatory process involved in proposal generation with local stakeholders, including the private sector and community organisations.
- **Co-financing:** combining seed funding from the Alliance with co-financing from other sources.
- **Coherence of effort:** the promotion of cross-sectoral coordination and inter-agency collaboration.
- **Scaling up:** the potential for moving beyond pilot projects to citywide and nationwide scales of action.
- **Institutionalisation and replication:** the mechanisms created to help cities and their national associations institutionalise city development strategies and citywide slum upgrading, and ways these can be replicated elsewhere.
- **Positive impact on environment:** ways the project proposes to achieve significant environmental improvements, especially in the living conditions of the poor.

## What is the approval process, once a proposal is submitted?

The Secretariat team, including specialist advisors on city development strategies, slum upgrading, local economic development, and urban finance, evaluate the proposals. Proposals go through an initial **Threshold Screening** by the Secretariat to ensure they meet the Alliance’s eligibility criteria. Proposals that pass the threshold review are sent out for evaluation by **Independent Technical Assessors**. Comments by the assessors, as well as by the Secretariat team, are then communicated to applicants, with either the Secretariat’s recommendation for approval or revision.

The **Approval Process** is such that large proposals (over \$250,000) must be approved by the Alliance’s Consultative Group. Small (\$75,000 or less) and medium-sized (\$75,000 to \$250,000) proposals may be approved by the Secretariat, but will undergo donor coordination to promote coherence of effort among Alliance members. Once a proposal is approved, the Secretariat drafts a **Grant Agreement** with the implementing agencies. Alliance-funded activities require regular progress reports, as well as a completion report. **Client Reporting** contributes to the Alliance’s learning goals and helps reinforce its mandate to promote an inclusive and participatory approach to urban development. As part of this approach, the Alliance has been supporting an increasing number of small “preparatory learning grants” that finance CDS and slum upgrading development processes in cities requiring additional assistance.

More detailed information on the grant application and approval process is available by clicking on the “How to Work with the Cities Alliance” field on the Alliance’s Web site.



## Cities Alliance Impacts HIGHLIGHTS



For more information on the Cities Alliance

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### Global Impacts

#### Cities Without Slums - Target 11 of the MDGs

The Cities Alliance's first significant global impact was the decisive international response to the *Cities Without Slums* initiative, now firmly mainstreamed within the international development agenda as Target 11 of the Millennium Development Goals:

*"By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers as proposed in the "Cities Without Slums" initiative."*

This target was further strengthened by the U.N. General Assembly in September 2005 to include the need to prevent the formation of new slums by offering alternatives to the urban poor.

The *Cities Without Slums* action plan contains a vision around which a consensus is being built and support mobilised. As the only international development goal which targets cities, it has resonated with slum dwellers worldwide, as well as with local and national governments in all regions. The vision of *Cities Without Slums* has helped launch many citywide and nationwide upgrading programmes, as illustrated in the sections below.

#### Unleashing the Potential of Cities

The Cities Alliance directly addresses one of the thorniest urban policy issues: the impact of urbanisation. It has long been an unchallenged orthodoxy among many international development agencies and governments that urbanisation is one of the least desirable developmental trends, and is something that should be discouraged or stopped. This has led to a policy vacuum in many countries and has, at least, contributed to the lack of planning that has given rise to many of the world's urban slums. By tackling this issue with a special focus on Africa—the world's least urbanised, yet most rapidly urbanising continent—the Alliance has challenged both advocates and critics of urban development to take a hard look at what cities can contribute to national development. The conclusion is unambiguous: instead of spending more time debating the contribution of cities, more energy needs to be spent on unblocking it.

### National Impacts

**Brazil's** cities are recognised for their innovative urban reforms. In São Paulo, the Alliance supported new strategies for land regularisation that were scaled up to a national programme as well as the creation of HABISP, an innovative urban development tool that has generated considerable international interest. Integrated approaches to slum upgrading in Alagados, one of Brazil's largest slums in the city of Salvador (Bahia state)—implemented with Alliance support, primarily from Italian contributions—are being replicated in other parts of the country with local, national and international financing. Brazil's Ministry of Cities, also a recipient of Alliance support, is driving this scaling up process and implementing a national urban policy. The Alliance is also co-financing a Brazilian State of the Cities Report.

**Republic of the Philippines.** Driven by the dynamic League of Cities, city development strategies have been implemented in cities of all sizes throughout the Philippines. With the third phase of the CDS programme completed, city development strategies are being incorporated into the national planning process. This will complement the

national government's ambitious plans to harmonise local planning, investment programming, revenue administration, budgeting, and expenditure management. In addition, a grant is underway to review the CDS programme and undertake a State of the Cities report.

In **India**, the Cities Alliance supported the development of a strategy for providing universal minimum sanitation in urban areas nationwide. Implemented by the Water and Sanitation Programme (WSP) and SPARC, the policy discussions, hands-on learning exchanges and analytical work on approaches to providing sanitation to slum communities led to the formulation of national policy on urban sanitation which was subsequently adopted by the Indian government. Cities are now required to integrate sanitation for slum communities into their overall city development plans if they are to qualify for the government's major funding programmes (JNNURM and UIDSSMT). So far, funding for sanitation has extended to over 30 cities in India. The national government intends to rate cities on the status of their sanitation, keeping citizens informed and holding local governments accountable for service delivery.

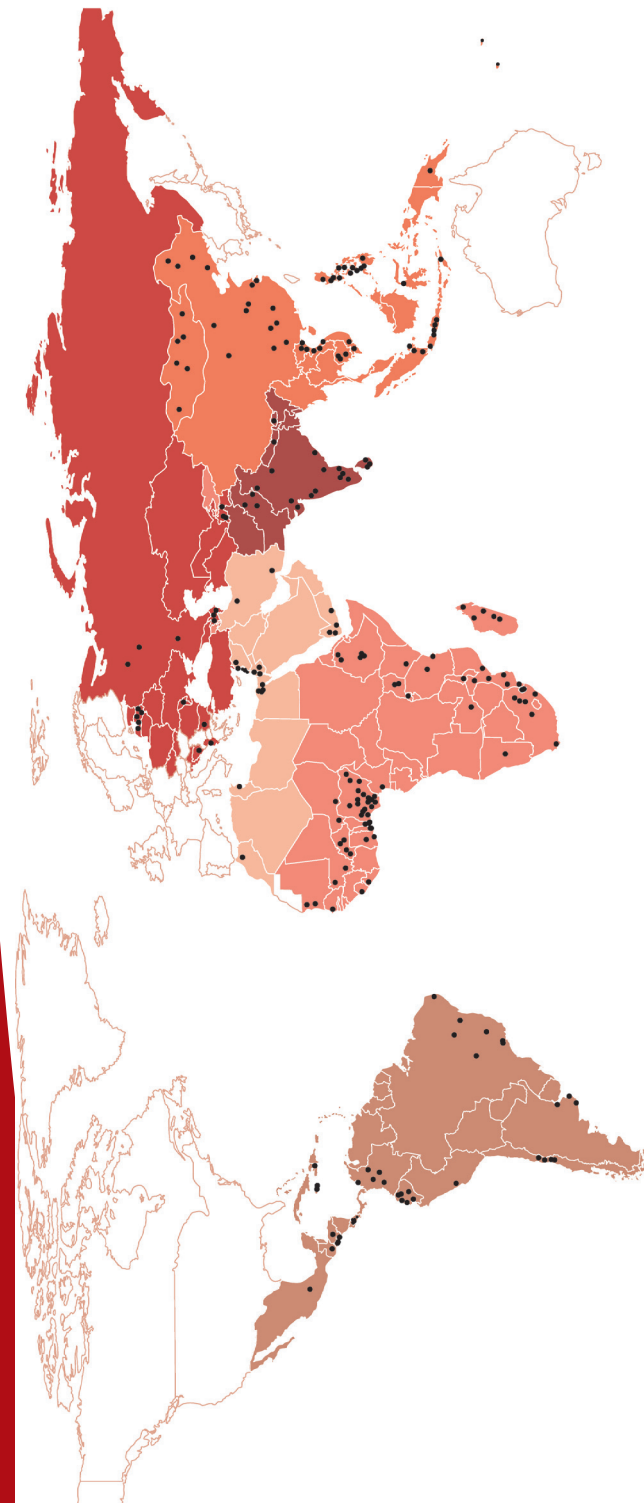
### Citywide Impacts

**Yangzhou (China).** As a pilot city in China's Eco City programme, Yangzhou is working to become a model of sustainable development with a balanced approach to urban growth. At the same time the city has sought to preserve and regenerate its historic city centre, whose residents are primarily low income. With support from the Cities Alliance and GTZ, the municipal government developed an urban upgrading strategy for the Old City of Yangzhou that was incorporated into the city's overall development strategy. The vast majority of residents of the Old City have been able to remain in their neighbourhoods, participate in the upgrading and benefit from the process.

**Hodeidah and Mukalla (Yemen).** One of the least developed countries in the world, Yemen is seeking to transform its strategic port cities into centres of economic growth in order to reduce poverty and improve the quality of life for residents. With Cities Alliance support, the two port cities of Hodeidah and Mukalla prepared city development strategies that highlighted strategic priorities for each city. The strategies have been instrumental in leveraging financing from the World Bank—and the Governments of Yemen, Oman, Kuwait and Japan—for investments in slum upgrading as well as the strengthening of agro-processing in Hodeidah and infrastructure for tourism development in Mukalla. The Cities Alliance has also supported city development strategies in Sana'a and Aden.

**Dar Es Salaam (Tanzania).** Like many African cities, Dar Es Salaam is struggling to come to terms with rapid urbanisation and the proliferation of slums as people migrate to the city. In Dar Es Salaam, around 70 percent of the population lives in unplanned and un serviced informal settlements. With support from the Cities Alliance, UN-Habitat and the World Bank, local authorities have prepared a strategy for upgrading the city's informal settlements by 2015, identifying critical areas for interventions related to urban land availability, basic service delivery and housing. The strategy was adopted by the national government, and an Action Plan prioritising the upgrading investments outlined in the strategy is being finalised and financing strategies identified. The Cities Alliance is also supporting an activity to help attract more investment financing for Dar Es Salaam as well as the development of a Tanzania State of the Cities Report.

Cities Alliance Cities



# Cities Alliance

Cities Without Slums

