

CITIES WITHOUT SLUMS

2011 ANNUAL REPORT

A Strengthened Partnership for Inclusive Cities



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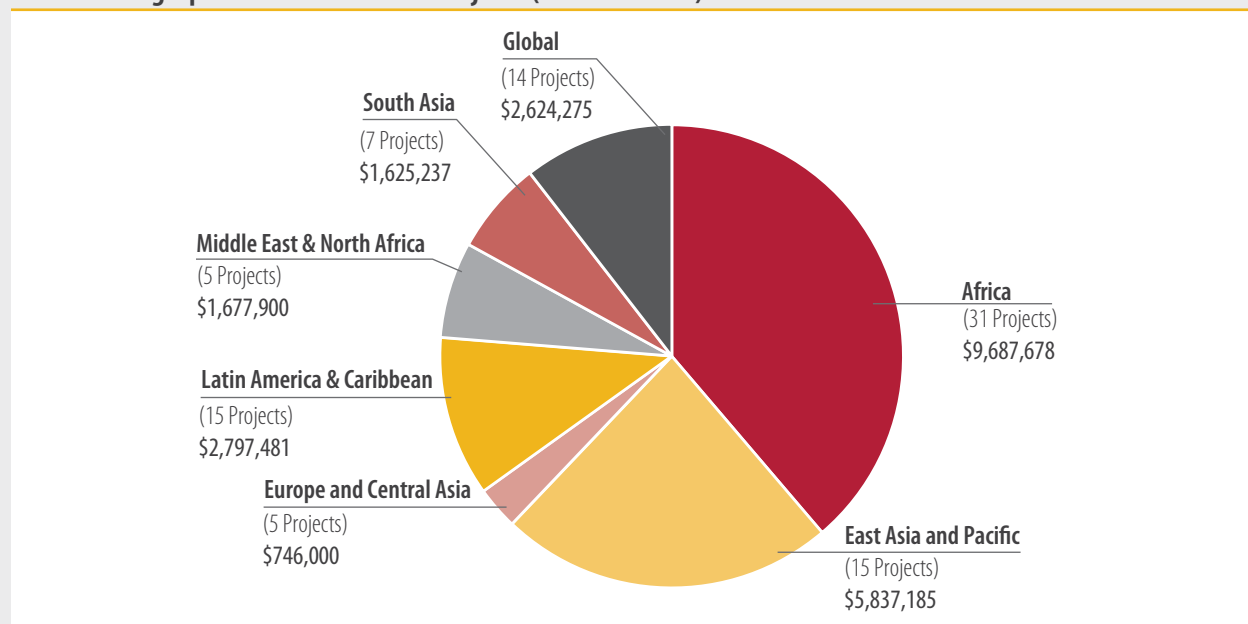
Cover Photo: A busy commercial scene in Kumasi, Ghana, a secondary city. Cities Alliance identifies secondary cities as the *loci* of the much of the rapid urbanisation going in Sub-Saharan Africa, Asia and Latin America. ©Andrea Zeman/Cities Alliance, 2010.

Highlights of FY'2011 Operations

FINANCIAL

- > Funding proposals from the old grant facility totalling US\$3.6 million in Core funds were processed and approved for 13 projects.
- > The old open access grant facility was closed in March 2010, and the new Catalytic Fund was launched in January 2011. The first cohort of Catalytic Fund projects, estimated at US\$1.75 million, was approved during the first half of FY'12.
- > The Australian Agency for International Development (AusAID), signed a new three-year agreement with Cities Alliance which will provide US\$2 million in each of the next two years, on top of a \$350,000 contribution for FY'11.
- > Over US\$12.3 million of funding allocations were approved during the year. Most of the approved funding—US\$8.3 million—went to country/regional projects. The remainder was used to fund global knowledge and communication activities and the costs of the Cities Alliance Secretariat.
- > Nearly 44 percent of the country and regional approvals were for Sub-Saharan Africa, reflecting an increased prioritisation of the region as agreed by the Cities Alliance membership at its 2010 annual meeting held in Mexico City.

FIGURE 1
Overall Geographical Distribution of Projects (FY 2009–2011)



Notes:

- A. Projects cancelled during project preparation were not included in the figure, as no grant agreement had been issued.
- B. Projects in which the grant agreements are underway were included in the figure.
- C. Catalytic Fund (CATF) Projects were not included in the figure.

OPERATIONAL

- > November 2010 – New Cities Alliance Charter adopted at its Consultative Group Meeting in Mexico City.
 - > Cities Alliance repositioned as a global partnership for urban poverty reduction and the role of cities in sustainable development.
 - > Cities Alliance support to be channelled through four Business Lines:
 - Country Programmes (CPs)
 - Catalytic Fund
 - Knowledge and Learning Activities
 - Communications and Advocacy.
- > Significant progress and outcomes in (CPs) in Uganda, Vietnam and Ghana.
 - > In Uganda’s Transforming the Settlements of the Urban Poor in Uganda (TSUPU), the framework of national dialogue, local-level good governance and community voice provided the underpinning for a new World Bank capital investment programme of US\$130 million in 13 secondary towns, including the five CP towns.
 - > New CPs were launched in Burkina Faso and Mozambique.
- > January 2011 – First Call for Proposals for Applications to the Cat Fund launched;
 - > 75 Concept Notes were received with 45 of them meeting eligibility criteria.
- > January 2011 – The publication, *Making Room for a Planet of Cities* was launched in Washington DC – by Cities Alliance, Lincoln Institute for Land Policy and the World Bank.
- > March 2011 – Peer-to-peer Learning Workshop on City Development Strategies (CDS) Experiences from the City Perspective in the Mediterranean held in Barcelona.
- > April 2011 – An initial three-year Joint Work Programme (JWP) between Cities Alliance and the World Bank Africa Region’s Urban and Water (AFTUW) unit signed.
- > April 2011 – *Quick Guides for Policy Makers on Housing the Poor in African Cities* launched in Nairobi during UN-Habitat’s 23rd Governing Council Meetings.
- > June 2011 – *Climate Change, Disaster Risk and the Urban Poor* launched at the C40 Summit of Large Cities in São Paulo by World Bank Group President, Robert Zoellick.
- > July 2011 – Special Session of the Ghana Urban Forum on “Shaping Ghana’s Urban Future” held in Accra in collaboration with national, local and community stakeholders and development partners.



William Cobbett, Manager, Cities Alliance

Message from the Programme Manager

It is my pleasure to introduce you to the 2011 Annual Report of the Cities Alliance. This report captures the end of the internal restructuring that has revitalised the Cities Alliance after its first decade. With the adoption of a new Charter and new business model in Mexico City last October, the Secretariat has spent the bulk of the past twelve months implementing these decisions, all of which have proven to be both resilient and strategic. In the same period, we have been solidifying the role of the Cities Alliance within the urban community at the World Bank, and have benefited enormously from a new dynamic and improved alignment.

The Cities Alliance is now poised to move into a new phase in its short history, building upon its existing portfolio and experience. Amongst the most important challenges in the year ahead, I would identify the potential of the Catalytic Fund to dramatically improve the quality and

the strategic impact of relatively small grants; the vital work of realising the very evident investment potential created by the Country Programmes; and the need to increase the impact of the Cities Alliance's advocacy messages. Central to achieving all of these objectives will be the mobilisation of significant resources, the identification of new partners, and the leveraging of public and private sources of investment.

As a global partnership, the Cities Alliance is particularly well placed to point to the gaps in national urban policies and in international development assistance. These include the need to focus on cities as a constituency, the vital importance of a more concerted and differentiated response to the needs of small and secondary cities—where the bulk of urbanisation will take place—as well as on the enormous, long-term and largely negative impacts that a badly managed urbanisation process will have on responding to global priorities, such as climate change. Even today, both national and international responses remain too disconnected.

There are, however, positive developments that need recognition and support, including the dramatic recent movement towards a more meaningful and inclusive future in some of the cities in the Middle East and North Africa. And, in a different sphere, the increasing attention being paid by significant private sector players to the potential of cities of all sizes to provide new markets is an extremely welcome development that also demands our attention.

As Manager, I would first like to thank all the staff of the Cities Alliance Secretariat who have managed to keep our work programme on track whilst also contributing so positively through a very challenging period. For the Cities Alliance as a whole, I would like to appreciate the very active role of the members of the Consultative Group for their active and critical support over a protracted period, and for creating the conditions for new and creative thinking. I would also like to acknowledge the role of the Executive Committee which has—in its new role—played a decisive role in designing a new platform for the Cities Alliance. Finally, I would like to thank Clare Short—Chair of the Cities Alliance Policy Advisory Forum—for her consistent support and unerring strategic vision, and Zoubida Allaoua, Director, Finance Economics and Urban department of the World Bank for her integrity, her support and her leadership.

William Cobbett
Manager

