

A New Charter as a Roadmap to Inclusive Cities

t its annual meeting held in Mexico City 2010, the Consultative Group launched the next stage of the Cities Alliance with the adoption of a new Charter and a new business model. The new Charter was the culmination of a three-year period of introspection and lively debate, which commenced with the production of the first Medium Term Strategy (MTS 2008–2010). As a result of these changes, the Cities Alliance is now well placed to consolidate and build upon its existing portfolio and experience, and move its agenda forward with greater confidence and purpose.

With cities and local governments at the core of urban transformation processes the new Charter defines the Cities Alliance as the vehicle or platform enabling these transformation processes towards inclusive cities. The Alliance is positioned as a "global partnership for urban poverty reduction and the promotion of the role of cities in sustainable development." It is a partnership which seeks to improve the quality and coherence of support being provided to city and national governments in the developing world, as well as the quality of members' own urban programmes.

The partnership seeks to achieve three over-arching objectives:

- > To strengthen and promote the role of cities in poverty reduction and in sustainable development;
- > To capture and strengthen the synergies between and among members and partners; and
- > To improve the quality of urban development cooperation and lending.

The Alliance will work through the existing capacity of its members, as well as other partners, to promote the vision of 'Sustainable Cities without Slums'. To achieve this vision, the Cities Alliance will promote new partnerships between local and national government, slum dwellers, private foundations, the private sector, NGOs and other partners. Support will be prioritised to favour cities, local authorities, associations of local authorities and/or national governments that are committed to:

- > Improving their cities, and local governance, for all residents;
- > Adopting a long-term, comprehensive and inclusive approach to urban development;
- > Implementing those reforms necessary to effect systemic change and to achieve delivery at scale; and
- > Decentralising resources to empower local government.

Cities Alliance support to these cities and local authorities will fall under three broad categories:

- 1. Citywide and nationwide slum upgrading programmes;
- 2. City development strategies; and
- 3. National policies on urban development and local government.

Support will also be channeled through four main business lines:

- 1. **Country Programmes** Longer term programmatic support, at a multiple city and national scale;
- 2. **Catalytic Funds** Funding support for shorter terms projects and activities that catalyse urban transformation processes;
- 3. **Knowledge and Learning Activities** Activities designed to fill knowledge gaps in urban and to build capacity at local, national, regional and global levels; and
- 4. **Communications and Advocacy** Activities designed to improve awareness of relevant policies or activities, influence policies and behaviour and contribute to dynamic local, national, regional and global debates.

Members of the Partnership

There are two categories of membership both of which are entitled to participate in the Consultative Group meeting of the Cities Alliance:

- Full Members Comprising representatives of national governments; multi-lateral organisations; the global organisations of local authorities; United Cities and Local Governments (UCLG) and Metropolis, and international networks of organisations engaged in urban development; and
- 2. Associate Members May include representatives of foundations, NGOs, private companies, local authorities and other partners as defined by the Consultative Group (CG). They are entitled to participate in the CG session as non-voting Members.

New Governance Structure

Under the new Charter the Cities Alliance is structured into:

- > The Consultative Group (CG) Comprising Full and Associate Members of the Alliance, the CG is the primary decision-making body of the organisation. The CG meets at least once a year and is co-chaired by the founding members of the Cities Alliance: the World Bank and UN-Habitat.
- > The Executive Committee (EXCO) The CG appoints the Executive Committee, which in turn is accountable to the Consultative Group in all matters. The Executive Committee comprises representatives from a combination of Permanent Members, Rotating Members, an Ex-Officio Member and a potential Observer. One of the features of the new Charter is the strengthening of the mandate of EXCO.
- > The Policy Advisory Forum (PAF) A platform for public discussion, debate and knowledge sharing of activities that improve awareness of relevant policies or activities, changing policies and behaviour. The Forum promotes dialogue between CG members and invited

partners on key policy and strategic issues of city and urban development, and advises the Cities Alliance on appropriate policies and strategies. The PAF Chairperson, Clare Short, was appointed in 2010 for a three year period. In formulating the work programme and activities of the PAF, the Chairperson will work in close consultation with the Chairperson of the EXCO, the Co-Chairs of the Consultative Group and the Manager of the Secretariat.

> The Secretariat – The Secretariat carries out the Cities Alliance work programme and manages its day-to-day operations. A primary function of the Secretariat is to actively facilitate the participation of members in the activities of the organisation. It also provides appropriate services to its Members, and generally facilitates the work of the partnership. By decision of the CG, the Secretariat is administered by and within the World Bank, and the World Bank serves as trustee of Cities Alliance financial resources. Cities Alliance Secretariat staff are World Bank staff members recruited and managed according to World Bank policies and procedures. A feature of the Secretariat is the practice of Members' seconding staff, which greatly strengthens both the diversity and the sense of partnership within the organisation.

BOX 1
Cities Alliance New and Old Charters: At-a-Glance

Article/Principle	New Charter (2010)	Old Charter – (1999)
About Cities Alliance	The Cities Alliance is "a global partnership for urban poverty reduction and the promotion of the role of cities in sustainable development."	The Cities Alliance is "a multi-donor coalition of cities and their development partners working to improve the efficiency and impact of urban development cooperation."
Strategic Objectives	 To strengthen and promote the role of cities in poverty reduction and in sustainable development; To capture and strengthen the synergies between and among members and partners; and To improve the quality of urban development cooperation and lending. 	 To improve the quality of urban development cooperation and urban lending; To strengthen the impact of grant-funded urban development cooperation; To expand the level of resources reaching the urban poor, by increasing the coherence of effort of existing programs and sharpening the focus on scaling-up successful approaches; and To provide a structured vehicle for advancing collective know-how.
Areas of Focus	 Citywide and nationwide slum upgrading programmes; City development strategies; and National policies on urban development and local government. 	 Cities Without Slums, through the citywide and nationwide upgrading of low-income settlements to improve the livelihoods of the urban poor; and City Development Strategies, aimed at formulating a broad consensus on a vision and a set of priorities for city actions;
Business Lines	Country ProgrammesCatalytic FundKnowledge & Learning ActivitiesCommunication and Advocacy Activities	Regional & Global Activities
Governance Structure	 The Consultative Group (CG) The Executive Committee (ExCo) The Policy Advisory Forum (PAF) The Secretariat 	 The Consultative Group The Policy Advisory Board The Secretariat

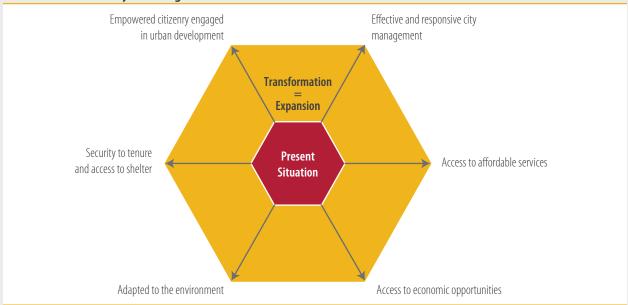


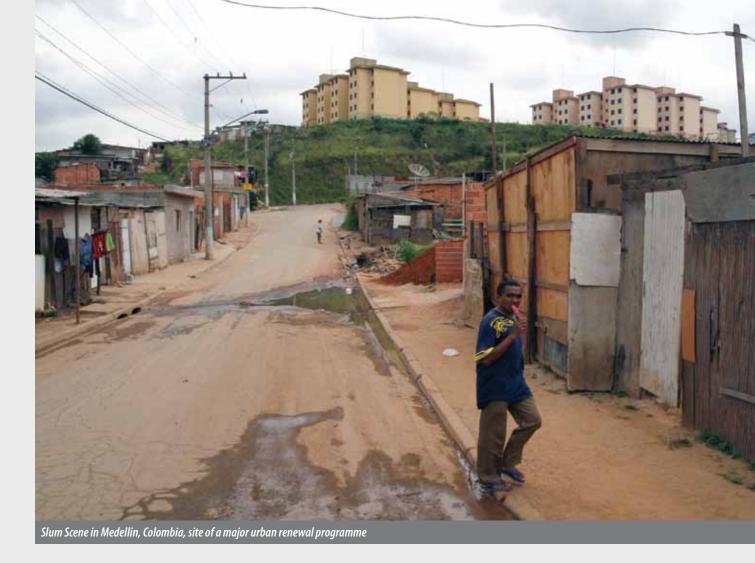
The new Charter constitutes the framework within which the first ever Cities Alliance Business Plan is being developed, outlining the next steps for implementation of the guiding principles and vision, with a view to significantly increasing the Alliance's contribution to urban poverty reduction and the vision of sustainable cities without slums.

Fundamental to the process of developing the new Charter was the exposition of a Theory of Change for the Cities Alliance, reflecting its mandate, comparative advantages of its members and track record. The theory positions cities, local

governments and key stakeholders at the core of operations, all working from the present realities of urban development in a process of transformation towards inclusive cities. The concept of inclusive cities covers the dimensions of sustainable development, and refers to the responsiveness of local governments, the engagement of citizens, accessibility of services, land, housing, and economic opportunities, and the adaptation to the environment through policies designed to promote Green Growth.

FIGURE 2
Cities Alliance Theory of Change: Urban Transformation towards Inclusive Cities

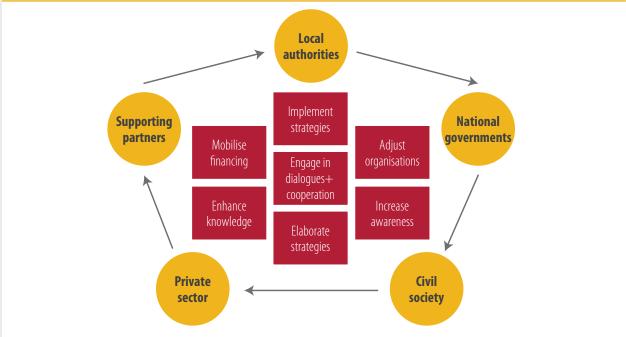




The Theory of Change identifies seven outputs that contribute to a successful urban transformation process:

- > Engagement in **meaningful dialogue** and cooperation;
- > Increased knowledge and awareness of the situation of the urban poor;
- > Enhanced **knowledge** of inclusive urban development;
- > Elaboration of inclusive urban strategies, policies and plans;
- > Identification of possible investment partners and development of policies designed to **mobilise finance** in support of inclusive urban development;
- > Adjustment of their organisations to support inclusive urban development; and
- > Implementation of inclusive urban policies, strategies and plans.

FIGURE 3
The Shape of Urban Transformation



Successful transformation processes should comprise all of these outputs, but the importance of each depends on the specific situation, and varies over time.