Pascale Chabrillat/Cities Alliance

President of Maradi's Municipal Council, Idi Malé,
reviewing a Cities Alliance publication (Niger)

The Cities Alliance needs to adopt a far more systematic and well-planned approach to strengthening partnerships and knowledge management, including the identification of new partners and opportunities.

COMMUNICATIONS AND KNOWLEDGE SHARING

One of the central messages contained in the second independent evaluation of the Cities Alliance, which was considered and adopted at the November 2006 meeting of the Consultative Group, was the need for more attention to be paid to knowledge management, dissemination, and advocacy. The Cities Alliance Secretariat had already demonstrated the value of this approach through its decision to put additional emphasis and effort into selected events, including the highly successful World Urban Forum III held in Vancouver, and the Africities Summit held in Nairobi in September 2006.

Subsequent to these two events, the Cities Alliance clearly needs to adopt a far more systematic and well-planned approach to strengthening partnerships and knowledge management, including the identification of new partners and opportunities.

Other components of this evolving strategy included:

- Taking the first steps in strengthening the urban environment within the Cities Alliance work programme, as had been proposed by the United Nations Environment Programme (UNEP) at the Marrakech Consultative Group meeting. The initiative was captured in the Cities Alliance's *2006 Annual Report* and was the focus of its November 2006 Public Policy Forum.
- The very successful decision to hold the spring 2007 Policy Advisory Board meeting in conjunction with the African Development Bank's review of its draft urban policy.
- Collaboration with Worldwatch Institute on the worldwide launch of the *State of the World 2007: Our Urban Future*.

Knowledge Sharing Activities

Seventh Cities Alliance Public Policy Forum on "Environment, Poverty and Development in an Urbanising World," Washington, D.C., November 2006

Due to the political situation in Thailand, the venue for the Cities Alliance annual meetings was moved from Bangkok to Washington, D.C. This, in turn, necessitated an adjustment to the Public Policy Forum (PPF), which was reduced to a single day's event. However, the PPF was still able to benefit from the active involvement of UNEP in retaining the focus and theme: "Environment, Poverty and Development in an Urbanising World," reflecting the evolving Cities

Panelists at the November 2006 Public Policy Forum in Washington, D.C.

the Struggle against Poverty," by Roberto Mousallem de Andrade, Bahia Secretary of State for Urban Development, Brazil, outlined his state government's efforts at impacting urban poverty and successes.

Key ingredients for this include:

- Community participation at the planning, execution, and post-intervention phases, and deft organisation.
- Prioritisation of land tenure regularisation to guarantee rights and promote self-investment.
- Social inclusion in the form of well-targeted, articulated and complementary actions, such as job and income generation, education, health, crime prevention, culture, and sport.
- Post-intervention actions at the community level to ensure sustainability.

The Secretary's overview was complemented by the detailed and rich presentation of the Ribera Azul programme, presented by Mário de Paula Guimarães Gordilho, President, Bahia Urban Development Company (CONDER), Brazil. This integrated programme for the reduction of poverty aims to improve the lives of over 140,000 people, and is executed in partnership with Italian Cooperation and the World Bank. It has proven to be one of the Cities Alliance's success stories in terms of its promotion of the core messages of coherence of effort and scaling up.

Ajit Kumar Jain, Manager of the Mumbai Transformation Support Unit (MTSU), presented a detailed analysis of progress in the transformation of Mumbai into its goal of becoming a world-class city. This is being spearheaded by the Government of Maharashtra with the support of a wide range of partners, including the Cities Alliance, United States Agency for International Development (USAID), the World Bank and local private sector and community-based organisations. The project is predicated on a number of core strategies to achieve a higher rate of growth and greatly enhanced tax revenues, with improved infrastructure at the core of a long-term strategy. Mr Jain focused on the process to date, highlighting the increasing convergence within such a diverse group of stakeholders, and the speedier approval of projects through the institutional framework of the Mumbai transformation. He also pointed to the fact that reforms are not only underway, but are already showing visible results.

Alliance-UNEP Environment Initiative. Sessions were chaired and moderated by members of the Policy Advisory Board.

UNEP's Chief of the Natural Resources Branch Tim Kasten first presented the preliminary findings of an International Council for Local Environment Initiatives (ICLEI) study with the working title, "More Urban, Less Poor and More Sustainable." This study, jointly commissioned by the Cities Alliance and UNEP, focuses on the potential environmental benefits of urban development, and identifies different methods to integrate the environment into urban planning. This report will be published by the Cities Alliance in the course of the 2008 fiscal year. Mary Jane Ortega, Mayor of the city of San Fernando in the Philippines and chair of the recently established World Mayors Council on Climate Change, highlighted the need for her city and others to secure reliable energy supplies, while reducing greenhouse gas emissions and managing climate change risks. The environment-climate change nexus was further extended in the presentation by Kai Lee and Danielle Nierenberg of the Worldwatch Institute from their (now published) report, *State of the World 2007: Our Urban Future.*

Three city case studies then helped to ground the discussions on the urban environment and the role of the Cities Alliance and its members. The first, "Government Policy on Urban Development as a Tool for

Cities Alliance Consultative Group Meeting, November 2006, Washington, D.C.

The final presentation by Professor Shlomo Angel of New York University highlighted the findings of the study, *The Dynamics of Global Urban Expansion.* This study, commissioned by the World Bank, defines a new universe of 3,943 cities with populations in excess of 100,000, and draws a stratified global sample of 120 cities from this universe. The results highlight, in a striking and dramatic manner, the visible impacts that urbanisation trends are having on the built form of cities around the world, made all the more apparent as most urban growth is taking place at reduced densities. For those countries and regions still urbanising, this is a clear call to anticipate future urban growth, and undertake realistic plans for urban expansion. It also highlights the need for local (and national) authorities to designate adequate areas to accommodate projected expansion, invest in basic trunk infrastructure and protect sensitive land from incursion.

ILO Workshop on Integration of Job Creation in Cities Alliance Projects, Geneva, February, 2007

As part of its growing engagement with the Cities Alliance, the International Labour Organization (ILO) organised a two-day brainstorming session in Geneva to discuss methods to improve the integration of job creation into Cities Alliance activities, particularly city development strategies. The discussions were a follow-up to the November 2006 Cities Alliance Consultative Group meetings in Washington, D.C.,

where urban employment issues had been highlighted. Participants in the February meetings included representatives of the ILO, the Swedish International Development Agency (Sida), the UK Department for International Development (DFID) and UN-HABITAT. Pascale Chabrillat, Urban Economist, represented the Secretariat.

As a result of the talks, a core group (Sida, DFID, UN-HABITAT, World Bank and ILO) was set up to assess urban co-operation programmes on job creation, with the expectation that this group could strengthen and expand. Group members also discussed evaluating the impacts of their bilateral or multilateral development and infrastructure investment funding for job creation. With the findings, the ILO, with support from the Cities Alliance Secretariat, will lead group efforts in preparing a concept note policy paper on local economic development (LED) and urban employment, and developing a joint work programme. Both will be presented by ILO at the Cities Alliance annual meetings in Manila, 5–9 November 2007.

UCLG Executive Bureau Meeting, Paris, March 2007

This year's annual United Cities and Local Governments' (UCLG) Executive Bureau meetings were held in Paris, 15 to 16 March 2007, and hosted by Bertrand Delanoë, Mayor of Paris and Co-President of UCLG. Some 200 mayors and local and regional councilors focused on the impact of climate change and the risks to cities worldwide. Paco Moncayo Gallegos, Co-President of the UCLG and Mayor of Quito, led the discussions and highlighted the threats to Quito, which is threatened by water shortages as a result of climate change and shifts in glacial runoff. He advocated that cities work together to tackle the risks of climate change. At the conclusion of the meeting, the Executive Bureau adopted the Paris Declaration on Climate Change that stresses the urgent need to launch concerted, local government efforts to combat climate change to safeguard populations and their futures.

The Executive Bureau also discussed upcoming initiatives and events, including the proposed UN "International Guidelines on Decentralisation," which were subsequently approved at the 21st UN-HABITAT Governing Council (GC) meetings in

Nairobi in April. If adopted by the United Nations General Assembly in September, the guidelines would allow local government to enhance their role in the international development agenda.

Delegates also finalised planning details of the second UCLG World Congress, with the theme "Changing Cities are Driving our World," to be held in Jeju, Korea from 28 – 31 October 2007. Secondary conference themes will include the future of humanity and climate change, local governments as peacemakers, and a fairer world through a new model of governance by 2015.

The 21st Governing Council of UN-HABITAT, Nairobi, April 2007

This year's Governing Council, the 21st, also marked the 10th anniversary of the adoption of the Habitat Agenda at the City Summit in 1996 in Istanbul, Turkey. In her opening remarks, Mrs. Anna Tibaijuka, Executive Director of UN-HABITAT, focused the meeting's attention by declaring that, "The year 2007 is a year when human beings will become an urban species, *homo urbanus*. From now on the majority of people will no longer be rural but urban. And there is no going back for this demographic shift. The transition is irreversible," she proclaimed.

Major outcomes of the Governing Council included the approval by member states of a resolution providing International Guidelines on Decentralization: "This success constitutes an important step towards the adoption by the UN General Assembly of an international legal framework on decentralisation that national governments could adopt," said Smangaliso Mkhatshwa, President, United Cities and Local Governments of Africa (UCLGA) and municipal councillor of the city of Tshwane (South Africa).

The Cities Alliance Secretariat also participated in a number of different side events and publications launches with members, including the regional launch of the *State of the World 2007: Our Urban Future* in collaboration with the Worldwatch Institute.

PAB attends AfDB's review of a draft Urban Development Policy, Tunis, April, 2007

The spring meeting of the Cities Alliance's Policy Advisory Board (PAB), held this year in Tunis, afforded the first opportunity for real and focused dialogue with the African Development Bank (AfDB) on what is perhaps the continent's most urgent development imperative, rapid and unplanned urbanisation. The occasion was AfDB's Stakeholder Review Workshop to revise its draft urban development policy. Other parties involved in the two-day meeting included Agence Française de Développement, GTZ, Municipal Development Partnership, UCLGA, UN-HABITAT, UN Economic Commission for Africa, the World Bank, nongovernmental organisations (NGOs), and representatives of the private sector.

The draft AfDB policy acknowledged the organisation's need for an urban and city focus in the face of the fundamental facts of urbanisation on the continent:

- 72 percent of sub-Saharan urban dwellers already live in slums and projections are for 300 million more city dwellers between 2000 and 2030.
- Africa is more urbanised than South Asia, with the urban population growing at 5 percent per year, thus doubling every 15 years.
- National policy frameworks are silently hostile to cities, and there is a need to shift from considering urbanisation as a threat to embracing it as an opportunity, as is being done in China.
- Urbanisation should be seen in a positive light: as an engine of growth, a platform for better and more efficient delivery of infrastructure services, a market for private sector development, and a scale and means for improving the environment in and around human settlements.

In opening remarks at the 24-25 April 2007 AfDB Stakeholder Review Workshop in Tunis, Tunisia, Mandla Gantsho, Vice President for Infrastructure, Regional Integration and Private Sector Development, said, the AfDB had so far "invested only 15 percent of its support to cities, and in a compartmentalised way—cities have growing independent management while AfDB continues to deal with central governments in a fragmented fashion and without tailored instruments. As AfDB establishes itself as a knowledge institution, it is important that it moves beyond what may be perceived today as a 'rural-only' Bank."

In his view, this requires a fundamental shift in the African Development Bank's development paradigm

AfDB President Kaberuka with PAB Members and Cities Alliance Secretariat Staff

with a pro-city outlook placing urbanisation at the core of the work programme.

Key lessons learned from an open and constructive workshop to drive the repositioning and the revised urban policy are:

- The AfDB should assume a leadership role on urban development in Africa, supported by strong partnerships with international, public and private institutions.
- With AfDB assistance, urban development needs to rise on the New Partnership for Africa's Development (NEPAD) agenda.
- Urban development requires large investments in infrastructure and services, as well as the development of innovative financial instruments and options, especially lending to cities and providing guarantees.
- A strong communications strategy is needed within AfDB and with external partners and audiences to share information, pass key messages, and engage stakeholders.

Fourth World Bank Urban Research Symposium, Washington, D.C., May 2007

A number of Cities Alliance members sponsored and participated in this year's Urban Research Symposium, which this year focused on the theme, "Urban Land Use and Land Markets." Opening plenary presentations by two World Bank staff, Laszlo Lovei, Director, Finance, Economics and Urban Development, and Praful Patel, Regional Vice President for South Asia, set the global context for the discussions. These were followed by the presentation of survey papers commissioned for the symposium that:

- Clarify ongoing debates on the links between various aspects of urban land management and welfare by providing a robust analytic foundation to existing findings or supporting/questioning existing analytic work with empirical applications and case studies.
- Examine the implications of commonly used urban land and related policies when conventional

wisdom is scrutinised using a common methodological framework.

- Highlight priority policy and program design and implementation questions which cannot be answered due to limited research and data, and propose a research agenda that sets out to address these questions.

Other urban land-related issues examined at the symposium were: i) the impact of land market distortions on urban welfare and the quality of life, particularly for the poor; and consequences of these distortions on the efficacy of World Bank and government interventions; ii) the continuum of property rights that exist in developing country cities and the linkages to access to credit, municipal infrastructure and public services; iii) elements of good practice for public land management; iv) institutions for urban land management and economic performance; and v) practices and experience with public land acquisition, particularly as related to infrastructure and to urban development and redevelopment.

City Development Strategy Workshop for Vietnamese City Leaders, Can Tho, May 2007

Held in conjunction with the annual meeting of the Association of Cities of Vietnam (ACVN), workshop participants discussed and disseminated the city development strategy (CDS) experiences of Vietnamese cities. Over 200 representatives of these cities attended, with presentations prepared by the National Institute for Urban and Rural Planning (NIURP), technical consultants from the Technical University of Sydney, and Can Tho city representatives. Pelle Person, Senior Programme Officer represented the Cities Alliance Secretariat.

The cities of focus were Can Tho, Ha Long, Hai Phong, and Nam Dinh. The workshop reiterated the importance of utilising a participatory approach, the need to integrate economic and physical planning and the prioritisation of investments. CDSs were not viewed as supplanting other plans, but as providing a holistic process for integrating and implementing the different plans. Future challenges for the implementation of the process were identified as: (i) scaling up the use of CDSs to more cities; (ii) institutionalising the legal status of CDSs; and (iii) creating a support structure for cities aiming at doing their own CDS.

Before

Courtesy Government of Can Tho City

After

Courtesy Government of Can Tho City

Can Tho Urban Upgrading Project (Alley 85 Detham, ANCU Ward, Ninhkieu District, Can Tho City)
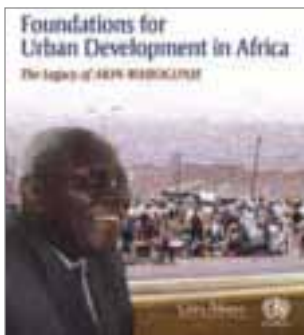
Publications Review

About Cities Alliance Brochure, Cities Alliance, September, 2006

Originally prepared as promotional material for Africities 2006 in Nairobi, the brochure has proved to be an effective tool for promoting awareness about the Cities Alliance. Using a simple question and answer (Q & A) format, it outlines basic information about the Cities Alliance; it tells how to access grant funding; it provides global, national and city-wide examples of the impacts of Cities Alliance activities so far; and it features a map identifying Cities Alliance cities worldwide. The brochure will be revised periodically and is being translated into Arabic, Chinese, French, Japanese, Russian, Portuguese, Spanish, and Swahili.

Foundations for Urban Development in Africa: The Legacy of Akin Mabogunje, Cities Alliance and UN-HABITAT, October 2006.

Foundations for Urban Development in Africa: The Legacy of Akin Mabogunje is the first co-publication of UN-HABITAT and the Cities Alliance. The book was a contribution t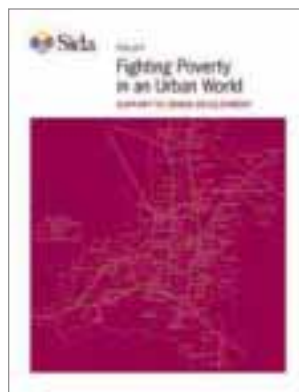o a ceremony of tributes to honour Professor Akin Mabogunje, Africa's pre-eminent urbanist and former Cities Alliance Policy Advisory Board member, on his 75th birthday. Researched and edited by a trio of Professor Mabogunje's protégés at the University of Ibadan—Sylvester Abumere, Michael Filani and Stanley Okafor—the book examines Mabogunje's colossal contributions to development, to the urban paradigm, and to its African referent in particular, primarily through the discussion of a selection of his works. The works examined cover a wide range of issues but urban development remains the

common thread. There is also a special focus on four cross-cutting themes:

- Urbanisation and urban development
- Regional development
- Environment and development
- Governance and social issues.

A detailed biography of Professor Mabogunje at the end of the discussions paints a broad picture of the range of his intellectual contributions to the urban debate. In a postscript to the book, Professor Mabogunje shares his views on the topics discussed and closes with this caution: The path to the 'worn-out' concept of sustainable development can be realised as a "country puts in place the institutions required to facilitate its effective transition to a full-fledged free market economy and fosters the consolidation of real democratic culture in its society—it is to the extent that significant development is made on these two fronts over the next two decades that emerging urban Africa can stand up to the intense competitiveness of the 21st century and meet the diverse and pervasive challenges of globalization."

"Fighting Poverty in an Urban World—Support to Urban Development," Sida, Stockholm, October 2006

During the year under review, the Swedish International Development Agency (Sida) published its new policy document, "Fighting Poverty in an Urban World: Support to Urban Development." Captured in a short, 8-page document with simple direct language, the policy is based on a number of supporting documents, the most significant being *More Urban—Less Poor,* the challenging book by Sida's Goran Tannerfeldt and Per Ljung promoting sustainable cities. The publication was launched at the Third World Urban Forum in Vancouver in June 2006.

Guided by key national and international protocols like the Universal Declaration of Human Rights, the Millennium Development Goals and the Swedish

Policy for Global Development, the new policy focuses on urban poverty reduction from both a poverty and a rights perspective, supporting and encouraging the active participation of the urban poor, the expression of their needs and their rights to a decent life.

The five key areas of urban development support identified are:

- Integration of local and national development
- Local governance and urban management
- Infrastructure and municipal services
- Land and housing
- Environmental sustainability.

Implementation will involve the participation of a multitude of stakeholders, including central and local governments, communities, civil society and the private sector in participatory processes to define the priorities for local government.

"A la Decouverte de l'Alliance pout l'avenir des villes," Cities Alliance, December 2006

This short, 15-page booklet deftly adapts the basic information of the *Working with the Cities Alliance Guide* to the specific needs of a West/Central African, francophone market segment. The first half of the booklet is dedicated to addressing the general developmental context for the Cities Alliance work programme—rapid population growth and the increasing urbanisation of poverty, the Millennium Summit of 2000, and the adoption of the Cities Without Slums Target 11 of the Millennium Development Goals. It also describes the role and work of the Cities Alliance. The second half examines specific sub-regional issues such as the establishment of the Cities Without Slums facility for Africa, supported by the Norwegian Government, and how to access it; the creation of the office of the regional advisor in the Secretariat of the Municipal Development Partnership, and its mandate; and the charting of the key elements of five proposals from the region submitted to the Cities Alliance for approval.

Cities Alliance supports dissemination of *State of the World 2007: Our Urban Future*, Worldwatch Institute, February, 2007

The publication and Washington, D.C. launch of Worldwatch Institute's *State of the World 2007: Our Urban Future*, a book whose key messages resonate with those of the Cities Alliance, created a unique opportunity for an advocacy partnership to disseminate key messages on urbanisation.

The Cities Alliance subsequently provided support to the launches of the book in major cities worldwide: Nairobi (during the 21st Governing Council meetings), Rio de Janeiro, Frankfurt, New Delhi, Rome, Tokyo, and Nelson Mandela Bay. The South African launch was organised with the South African Cities Network (SACN) around a seminar on Sustainable African Cities. Cities Alliance provided support for the travel and participation of the publication's coordinator, Molly Sheehan, and for the distribution of 100 copies of the book to sustainable cities practitioners in Africa. Copies were also distributed to the media, urban municipalities, national and provincial government, academic institutions and non-governmental organisations in South Africa.

The book puts into perspective the challenges as well as the opportunities presented by an urbanised world in the year 2007, a watershed year when half of the world's population became urban. It avers that rapid and often chaotic urbanisation is taking a large toll on human health and the quality of the environment, contributing to social, ecological, and economic instability in many countries.

Policymakers need to address the urbanisation of poverty by stepping up investments in education, healthcare, and infrastructure, and by maximising opportunities. "The task of saving the world's modern cities might seem hopeless—except that it is already happening," said Christopher Flavin, president of the Worldwatch Institute. "Necessities from food to energy are increasingly being produced by urban pioneers inside city limits." Community groups and local governments have emerged as pioneers of groundbreaking

policies to address both poverty and environmental concerns, in some cases surpassing the efforts of their national governments.

Examples of cities taking the lead in shaping a sustainable future cited in the report are:

- **Karachi, Pakistan.** The Orangi Pilot Project has linked hundreds of thousands of low-income households in informal settlements with good-quality sewers. By taking charge of the pipes connecting their houses to lane sewers, local residents cut costs to one-fifth of charges made by the official water and sanitation agency.
- **Freetown, Sierra Leone.** Following the cessation of a multi-year civil war, a swelling population has successfully turned to urban farming to meet much of its food demand.
- **Rizhao, China.** A government programme enabled 99 percent of households in the central districts to obtain solar water heaters, while most traffic signals and street and park lights are powered by solar cells, limiting the city's carbon emissions and urban pollution.
- **Bogotá, Colombia.** Engineers improved upon the iconic bus rapid transit system of Curitiba, Brazil to create the TransMilenio, which has helped decrease air pollution, increase quality of life, and inspire similar projects in Europe, North America, and Asia.

Cities around the world have also begun to take climate change seriously, many in response to the direct threat they face. Of the 33 cities projected to have at least 8 million residents by 2015, at least 21 are coastal cities that will have to contend with a rising sea levels.

While no single set of best practices would enable all cities to successfully address the challenges of poverty and environmental degradation, *State of the World 2007* focuses on areas where urban leadership can have huge benefits for the planet and human development. These include providing water and sanitation services to the urban poor, bolstering urban farming, and improving public transportation. Additionally, the report recommends devoting more resources to information gathering on urban issues so that city, national, and international entities can better assess development priorities. "A city is a collective dream. To build this dream is vital," observes Jaime

Lerner, the former governor of Paraná, Brazil, and the former mayor of Curitiba, in his foreword to the report. "It is in our cities that we can make the most progress toward a more peaceful and balanced planet, so we can look at an urban world with optimism instead of fear."

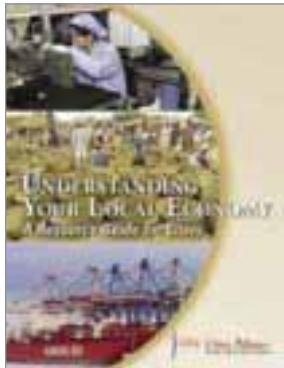### *Villes en développement, No. 75*, Cities Alliance and Isted, Paris, March 2007

This special edition of the Institut des Sciences et des Techniques de l'Equipement et de l'Environnement pour le Développement (Isted) newsletter spotlights city development strategies and their key role in improving urban performance. In her foreword to the newsletter Elisabeth Gateau, Secretary-General of the UCLG, asserts that, "Many UCLG members have created and implemented CDSs which have reduced poverty and improved the quality of life."

The newsletter highlights three best practice examples of the CDS process—all conducted with the support of the Cities Alliance—in Lima, Peru, the Philippines, and Alexandria, Egypt to illustrate the link between CDS and improved urban performance. Each experience exemplifies the fundamentals of the CDS process as captured in the Cities Alliance *Guide to City Development Strategies* and similar publications. They are also adapted to individual city needs in the way they use participatory processes, assessments, analyses, implementation, and monitoring and evaluation.

The success of the CDS experience in the Philippines, for example, can be attributed in large measure to the participation of mayors throughout the entire process. Mayors are now the most vocal advocates. Overall local governance in the Philippines has improved, though challenges still remain with regard to the replication and scaling up of city successes. However, this challenge did not arise in the Alexandria

CDS: which serves as a test of strategic reforms, including CDS and urban upgrading regulations, to be scaled up nationwide, with a similar process already underway in the greater Cairo Metropolitan area. In Lima the improved coordination among institutions and local actors enabled by the CDS process has helped pave the way for city authorities to make Lima a more competitive and liveable city.

Understanding Your Local Economy: A Resource Guide for Cities, Cities Alliance and the Netherlands Ministry of Foreign Affairs, June 2007

Understanding Your Local Economy: A Resource Guide for Cities, funded by the Netherlands Ministry of Foreign Affairs, was produced by the London School of Economics and Kaiser Associates with the support of a number of Cities Alliance members, including the World Bank, UN-HABITAT, and USAID. The *Guide* addresses the challenges of analysing local economic conditions and a city's comparative and competitive advantages. It presents practical approaches to conducting citywide and regionwide economic assessments, and includes advice on how to choose local economic development (LED) indicators and tools that can assess a local economy's competitiveness.
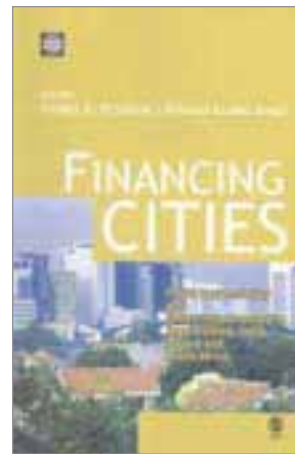
The *Guide* targets people and organisations involved in local economy assessment and city strategy development processes. To make it accessible to different audience needs, the *Guide* is split into two sections. The first provides an overview of key issues and tools. The second provides detailed guidance useful for conducting local economy assessments.

The role of local authorities in developing and delivering sound LED strategies, often as part of city development and slum upgrading strategies, is crucial. Cites can better perform, and provide an environment conducive to employment and productivity, through strategies that are attuned to local economic circumstances. To design efficient city strategies, it is essential to understand a city's economic base and its constraints, as well as its competitive advantage.

Drawing on 15 case studies, and the methods and experiences of Cities Alliance members and partners, this publication offers practical guidance to the basic components of local economic assessments and how to undertake them. It should promote the development of better informed city strategies, and help improve the economic performance of cities as they seek to support the creation of opportunities for the urban poor.

Financing Cities: Fiscal Responsibility and Urban Infrastructure in Brazil, China, India, Poland and South Africa, the World Bank and Sage Publications, June 2007

Edited by George Peterson of the Washington D.C.-based Urban Institute and Patricia Clarke Annez of the World Bank, this book examines the question: *How can the goal of increasing public investment in urban infrastructure be reconciled with the need for prudent fiscal management?* The backbone of a well-functioning city is its urban infrastructure—the networks of roads, distribution of electricity, water supply and waste removal—which allows the residents and firms to work productively under high density conditions. The urban infrastructure challenge is a challenge for public finance; in a federal system it is also a challenge for intergovernmental finance. The book argues that large sums will be required in all countries to invest adequately in urban infrastructure, and to operate and maintain systems once they are built.

Different countries have approached this challenge in different ways—from tight central controls on local investment to decentralised fiscal choices. This book discusses the case studies of Brazil, China, India, Poland and South Africa in this regard, analysing the fiscal implications of different infrastructure financing options. Country experiences are recounted and assessed from the perspectives of central government fiscal managers and local government officials who must provide infrastructure services to their citizens. Subjects covered include the impact of political and fiscal decentralisation, limitations on borrowing, managing moral hazard, the role of the financial sector, and achieving balance between stringent financial controls and encouraging local governments to take responsibility for fiscal and market discipline.

The case studies show that sometimes forces that have nothing to do with intergovernmental relations or finance can create opportunities or tensions in the framework for fiscal management. They also show that the risks can be managed if the framework is well structured, and avoiding risk altogether can have a high opportunity cost. On the other hand, inability to adapt the set of relationships that make up a system of both decentralised fiscal responsibility and strong infrastructure finance to take account of a changing environment can be a risky strategy. All of the cases show systems adapting to changed circumstances. Many of the successes described offer heterodox approaches that worked in one country, while having failed in others. None of them were arrived at with a one-off reform, but emerged incrementally. One lesson from all of the cases is that finding the right framework for balancing competing objectives may be less important than knowing when the current system needs to change and how to shift it in the right direction.

UNFPA State of World Population 2007: Unleashing the Potential of Urban Growth, *United Nations Population Fund, June 2007*

Produced in time for the annual celebration of World Population Day, the United Nations Population Fund's (UNFPA's) flagship publication turned its focus on the challenges of urbanisation in a very direct and telling publication. Focusing on the latent potential of urbanisation, the report acknowledges that the current concentration of poverty, slum growth and social disruption in cities paints a threatening picture. Yet no country in the industrial age has ever achieved significant economic growth without urbanisation. Echoing the message of the Cities Alliance, the UNFPA notes that cities concentrate poverty, but they also represent the best hope of escaping it.

The report is a call to action: action now by governments, civil society and the international community to make a huge difference in social, environmental and living conditions. The report highlights the need for three main initiatives:

- Accept the right of poor people to the city, abandoning attempts to discourage migration and prevent urban growth.
- Adopt a broad and long-term vision of the use of urban space. This means, among other things, providing minimally-serviced land for housing and planning in advance to promote sustainable land use, looking beyond the cities' borders to minimise their ecological footprint.
- Begin a concerted international effort to support strategies for the urban future.