

**Cities Alliance
Consultative Group Meeting
22-23 January 2009
Barcelona, Spain**

PARTNERSHIP MATTERS

The following background information pertains to the Partnership Matters agenda item for the CG meeting.

World Bank Trust Fund Policy

A number of significant changes have been introduced in the management of Trust Funds located at the World Bank. Of particular relevance for the Barcelona meeting will be the decision to phase out the earmarking of funds within Trust Funds, except in very specific circumstances. Cities Alliance members will have the benefit of a presentation of these policy changes, which will afford the opportunity to discuss how this will affect the work programme of the organisation.

Monitoring and Evaluation

In its 2006 Independent Evaluation of the Cities Alliance, Universalis identified the absence of a comprehensive system of Monitoring and Evaluation within the work practices of the Cities Alliance. Over the past year, the Secretariat has made a great deal of progress in developing its M&E system, the outlines of which were presented to Exco in Trondheim in April 2008. Members will have the opportunity to discuss the M&E system that is now ready for testing within the ongoing work programme of the Cities Alliance.

Executive Committee Membership Rotation

The composition and terms of reference for a five member Executive Committee was established during the November 2007 meeting of the CG in Manila. The membership of the Steering Committee currently consists of:

STANDING MEMBERS:	World Bank UN-Habitat United Cities & Local Governments
MULTILATERAL:	Asian Development Bank 2007-2010
ROTATING MEMBERS:	Norway, 2006-2008 Brazil, 2006-2008 France, 2007-2009 Nigeria, 2007-2010

A decision is needed on the replacements for Norway and Brazil, whose two-year terms expired at the end of 2007, but were extended for a further year with the creation of the Executive Committee. France's term was also extended by one year.

Previous rotating members: Netherlands (2001), United Kingdom (2001-2002), Germany (2002-2003), United States (2003-2004), Sweden (2004-2005), and Japan (2005-2006).

TOR of the Executive Committee:

1. The role of the SC should be transformed to that of an Executive Committee (EC);
2. The EC should have the two main functions as proposed in the Governance paper:
 - (i) Interpreting policy decisions of the CG, and providing policy guidance to the Secretariat between meetings of the CG;
 - (ii) Providing oversight of the Secretariat, on behalf of the CG, doing so following the formalisation of a set of procedures;
3. The EC would not be involved in reviewing and recommending proposals to the CG;
4. Composition of the EC - three permanent and five rotating members:
 - i) Permanent members (same as current Steering Committee) – UCLG, UN-Habitat and WB;
 - ii) Two bilateral donor members;
 - iii) Two developing country members - one middle income country and one lower income country;
 - iv) One multilateral member;
5. Terms of rotating members would be three years, possibly on a staggered basis, to retain institutional memory;
6. UCLG will act as Chair of the EC for the period of the MTS and will join the World Bank and UN-Habitat as permanent members on the EC.

** The proposed composition of the EC, and in particular point 4.v. above, reflected the Steering Committee's recommendation regarding the Policy Advisory Board; namely, for the PAB to be abolished in its current form, but for a few members to join the Steering Committee (now Executive Committee) -- one of four options proposed for the PAB in the Governance paper distributed prior to the Manila meeting. This is subject to a final decision on the PAB, or its successor*

Policy Advisory Board Update

The Secretariat has circulated a separate document containing recommendations for the PAB.

Financial Contributions from Partners

As it currently stands, the Cities Alliance Charter does not make provision for non-members to make financial contributions to the Cities Alliance Trust Fund. This matter is being raised for consideration in light of the recent discussions between the Bill and Melinda Gates Foundation and the Cities Alliance Secretariat for a possible project-specific contribution to the Cities Alliance. A

summary of the proposed project will be circulated prior to the CG meeting, and Melanie Walker of the Gates Foundation has been invited to attend the meeting as an Observer.