

**Cities Alliance
Steering Committee Meeting
Brussels, 6 October 2002**

The Steering Committee met on 6 October in Brussels, in preparation for the annual meeting of the Cities Alliance Consultative Group. In attendance were: Emilia Saiz (IULA/WACLAC), Marcelo Nowersztern (FMCU-UTO); Manfred Konukiewitz (GTZ); Michael Mutter (DFID); John Flora (World Bank); Daniel Biau and Nick Bain (UN-HABITAT); and Mark Hildebrand (Cities Alliance Secretariat). The agenda is attached.

1. Financial Reporting & FY03 Secretariat Budget

The Committee reviewed the Secretariat budget for FY03, which the Committee had endorsed at its May 2002 meeting in Nairobi. After further review, it was recommended that the Secretariat budget line, "Knowledge Generation & Learning", be removed from the Secretariat budget and included instead as a separate funding allocation in the Core work programme, so as to be more visible as a programme component. Thus, the total budget recommended for FY03 is \$1.748 million, including \$1.10 million in Core funding.

2. Membership Update

The Committee was briefed on the current status of CG membership, and on the on-going discussions with the EC, IDB and prospective bilaterals on joining the Alliance. It was suggested that Belgium, Denmark, Finland, Portugal and Spain should be targeted. There was also a discussion on prospects and opportunities for developing countries to join the Alliance, including a briefing on status of on-going discussions with China in this regard. Consideration was given to the idea of establishing lower annual membership dues for developing countries, but after discussion there was consensus against this idea at this time. It was suggested that initially this dialogue might focus on Alliance contacts with Brazil, China and South Africa.

3. Personnel Matters

The Committee was informed that Alison Barrett assumed her post as South Asia Regional Advisor effective 9 September 2002. The three-year position is funded by a Non-Core contribution by UK-DFID, and includes provision for travel and office support costs.

4. Trust Fund Matters

The Committee was briefed on the status of amending donor Trust Fund agreements to make the CA Multi-Donor TF open-ended by removing the 31 December 2003 expiration date. Written concurrence to the amendment had been received from all but two donors (Japan and Netherlands), one of which has confirmed concurrence subsequent to the meeting (Netherlands), and the other which is expected soon. The amendments will be processed as soon as all confirmations have been received.

Members were briefed on the status of the CLIFF arrangements – the TF agreement with DFID was signed and initial deposit made; the partnership agreement with Homeless International is in final stages and is expected to be signed soon. The Secretariat briefed the Committee on the two new facilities being proposed by USAID and Norway. The Committee then discussed the issue of governing boards versus advisory boards with respect to Cities Alliance facilities, noting that this discussion would be addressed during the CG meeting.

Members were briefed on two outstanding TF agreements for Non-Core commitments that had been announced by UK-DFID in the previous years. The DFID representative promised to pursue.

5. Funding Proposals

The Committee had an extended discussion on the only Large Scale proposal that was tabled for review at the meeting – US\$500,000 for the South Africa Cities Support and Learning Network. During the discussions both in the Committee and during the subsequent Consultative Group meeting, approval was recommended subject to compliance with two conditions:

(1) that the Alliance’s contribution should be used primarily to finance programme outputs and not SACN salaries (these and other SACN operating costs should not exceed 10 to 20% of Alliance funding); and

(2) that the proposed activities should lead to clear deliverables in the form of key elements of CDS and/or citywide upgrading strategies for the cities participating in the SACN.

To ensure that issues like those discussed around the South Africa proposal are raised as early as possible in the proposal review process, *it was agreed that the Secretariat would circulate Large Scale proposals to all CG members as soon as they pass the Threshold Screening process.*

The Committee was briefed by the Secretariat on other proposals in process, including the National Sanitation Program in India, for which final Government approval was expected soon. Twelve other proposals, in various stages of preparation and review, were also identified, including proposals in Laos, Latvia, Algeria, Peru, Bangladesh, Dili, Colombia and Iran.

The Secretariat informed the Committee of two Small Scale proposals it had approved under its authority:

\$54,640 Tenure Security and New Housing in Phnom Penh

\$13,195 Alternatives to Forced Evictions

The Secretariat briefed the Committee on the increased selectivity in the proposal process, and the increased dialogue between the Secretariat and proposal proponents with the aim of improving proposal quality.

6. **Task Forces on Millennium Development Goals**

John Flora and Daniel Biau briefed the Committee on the formation of Task Forces being organized by the U.N. to support the implementation of the MDGs, in particular the Task Force on Target 11, Cities Without Slums. Members felt that monitoring of the MDGs is critical, and that it is important that Target 11 be associated with the Cities Alliance. Dismay was expressed that this target had been grouped as an environment goal rather than as a poverty reduction goal. Manfred Konukrewitz stated that he would be working through his Government to try and correct this.

It was suggested by the Committee that the World Bank and UN-HABITAT would recommend to the Co-Chairs of the Task Force that the Cities Alliance Secretariat be represented on the Task Force for Target 11.

7. **Other Matters**

The Committee was briefed on the preparations for the Policy Advisory Board panel discussion and the Consultative Group meeting which were scheduled in Brussels for the following days.

The Committee was briefed on Daniel Biau's recent mission to Afghanistan, where he observed that Kabul would be a good candidate for a CDS.

The Committee was briefed by Michael Mutter on the recent UMP meeting in Trinidad, which coincided with the launch of increased UMP presence in the Caribbean. He noted that the UMP regional offices will be turned over to the anchor institutions at the end of Phase IV.