

### 3. The 'Learning Alliance'

#### 3.1 Introduction

The central purpose of the CA is then the alleviation of urban poverty, to be achieved by mobilising and securing the collaboration of the main aid donors in the field of urban development, and by employing the cumulative experience of urban development of local government in two central tasks – a major reduction in slums through upgrading programmes and the spread of CDSs. An essential part of this process is to orient action in these two fields in the light of the most advanced practice, drawing and disseminating the lessons of best practice.

The learning process derives from pooling the experience at a number of levels:

- multilateral and bilateral donor programmes;
- cities, as focussed through LGAs;
- from the innovatory programmes of the CA itself;
- from governments, national and local, NGOs and others active in the field of urban development.

How far has the CA been successful in these endeavours? Although the objectives of the CA continue to attract new partners (as with ADB) and associates (including the EU, Finland, UNDP, UNICEF, ILO, IDB), there is in practice a considerable diversity of motives in adhering to the CA:

- to change the attitude of their own agency towards the urban as the problem of urban poverty becomes the central issue in world poverty; to mark the shift from an exclusive focus on rural poverty;
- to minimize the learning costs of participation in urban development by drawing on the greater experience of the two CA founders;
- to mark an association with the combined efforts of the G-7, particularly as confirmed by the patronage of President Mandela and the declaration of the Millennium Development Goals;
- to influence the approach of the World Bank as the largest source of urban development finance, to shift the Bank away from infrastructure lending and towards technical assistance;
- to be able to act at the sub-national level when most aid agencies are limited to relationships with national governments;
- to allow work with NGOs when often aid agencies are not permitted to do so;
- for those limited to particular regions (for example, the regional development banks) to gain access to the experience of other regions;
- to be able to finance global and regional initiatives when a major part of aid funds may be tied to country programmes.

Thus, the original formula for the creation of the CA at a particular moment has met a diversity of purposes, of which the renewal of hope in the possibility of a significant attack on urban poverty is only the most important one. As the French CG representative put it: "If the CA had not existed, it would have been necessary to invent it".

The CA has had considerable success in changing the climate of global opinion – the adherence of President Mandela and the inclusion of the upgrading targets in the UN Millennium Goals only being the more prominent examples. But similar effects can be

seen with individual donors in changing policy orientations and ultimately expenditure patterns (although it is impossible to isolate the precise effect of the CA from other trends of the moment):

- in the World Bank opening direct relationships to cities and exploring the possibilities of sub-national lending; out of the experience of CDS, dividing the question into City Poverty Strategies (with multi-sectoral involvement across the divisions and departments of the Bank) and Local Economic Development; by up-scaling slum upgrading programmes, for example, in Brazil and Mexico;
- all donor agencies associated with the CA have accepted urban poverty as the central task in the coming period;
- the shift in donor opinion is reflected in, for example, the change in Norway's position from an exclusive rural orientation to a focus on urban poverty as embodied in the policy document: *Norad's Perspective: Poverty and Urbanisation – Challenges and Opportunities* (April 2002); or in the Asian Development Bank's statement, ADB: *Technical Assistance for the Promotion of Urban Poverty Reduction through participation in the Cities Alliance* (March 2002); a comparable policy statement is expected from Germany; note Canada responded to the CA's promotion of CDSs by comparing its own work in the field and its alignment with that of the CA in *CIDA-Supported Approaches to CDS for Urban Poverty Reduction: Summary Report* (June 2000);
- all agencies associated with the CA have given an unprecedented welcome to collaboration; indeed, some have offered the survival of the CA over three years as itself the best evidence of the new trend since in the past collaboration usually foundered after a short time; however, in CA projects and outside the CA, collaboration between donors and NGOs has expanded rapidly – for example, in CA projects:
  - Japan and CDS in numerous countries of Asia;
  - the Aden CDS (World Bank, Germany);
  - Burkina Faso CDS (UN-Habitat, France, Switzerland, World Bank, EU, Canada);
  - Mostar CDS (World Bank, EU, UK, OSCE, Konrad Adenauer Foundation, Care International);
  - Madagascar CDS (World Bank, US, France, Germany, Japan, EU);
  - Mauretania (World Bank, African Development Bank, France, US);
  - Kigali, Rwanda CDS (US, UNDP, World Bank);
  - Indonesia CDS (UN-Habitat, World Bank, UNDP, Germany);
  - Sofia, Bulgaria CDS (EC, World Bank, USAID, UNDP, EBRD, Japan, and GTZ);
- Non-core funding projects have also attracted collaboration – the UK's CLIFF project in India may involve the US, Sweden and Canada, and is influencing a similar financing facility by Norway in Sub-Saharan Africa. Outside the framework of the CA, other important collaborations have taken place – UK, Netherlands and US in India; France and Germany (Ethiopia); France and Canada (Kenya);
- up-scaling has also become increasingly important – in Bank projects as already mentioned; in the Italian and Brazilian approach to slum upgrading in Bahia and São Paulo; in the UK's DFID CLIFF financial proposals etc.

However, despite the speed with which the CA has led to a change of perception, some reorientation of policy and of expenditure patterns, it would be wrong to underestimate the slow speed with which agencies are able to change long established patterns of behaviour and medium term spending commitments. Aid programmes are like giant tankers that take time to turn. Norway's policy reorientation is an important pointer, but, as with all government programmes, the existing commitments take time to be completed, so spending priorities can change only slowly. On the other hand, the CG representative of

Germany made a different point – expenditure patterns had not changed, but for many officials, there was a much greater awareness of the urgency of urban poverty.

However, four agencies (Japan, Britain, Italy and the Netherlands) have expanded their contribution to CA's core funds, and three (Japan, Britain and Italy) to non-core funds. In the absence of the CA, it is unlikely they would have increased urban development spending commensurately on their own programmes (the UK aid budget was simultaneously expanding).

On the other hand, the LGAs do not report significant changes in their behaviour, and the CA has only just begun the immense task of informing the cities of the developing countries of its objectives and the opportunities it provides. A survey by the consultants – courtesy of the IULA headquarters – of IULA members and affiliates in Sub-Saharan Africa produced only one response and that indicated no knowledge of the CA. A similar survey of the UMP address list in Asia produced no responses at all. This is perhaps to be expected so early in the life of the CA for it is a long and hard task to reach such a vast and variegated audience, although better use of the LGAs might assist this promotional task (this is discussed later, section 3.3.4, LGAs).

In general then, the initial phase of the CA has shown its activity to be highly relevant to its objectives and to the alleviation of urban poverty. It has been effective in achieving important changes in relevant global opinion but still has far to go to reach its target audience of cities. And it has been efficient relative to the scale of costs implied.

We turn now to the central relationships of the 'learning alliance'.

### **3.2 World Bank:UN-Habitat Partnership**

The creation of the CA can be seen as something of a major step forward for the Habitat agenda endorsed at the Istanbul UN Conference on Human Settlements (1996) and for the UN agency, UN-Habitat, which had organised that event and had been, within the UN family, responsible for two decades for world settlements. The World Bank had had for nearly thirty years by far the largest urban lending programme – and at some points in time, the only urban lending programme – but this had been heavily devoted to urban infrastructure. A partnership with UN-Habitat, gave the Bank access to an agenda and an experience to begin new means of implementing the agenda of 1996 and to rally the other donors and partners in such an endeavour. For UN-Habitat it was an unrivalled opportunity to advance and massively scale up the Habitat Agenda, in particular the two central campaigns – for secure tenure and improved urban governance – and to persist in some of the themes of its own Urban Management Programme which was in the process of being decentralised to the cities themselves (and which had been the first failed experiment in Bank-Habitat collaboration).

Initially, it was understandable that there was staff in both the Bank and Habitat who saw the CA's trust fund as an exclusive route to finance the initiatives of their own organisations. In the first full year of the CA, 22 of the 23 projects accepted for funding were jointly managed by the two agencies. Some Bank officers saw the CA as a way to secure funds to prepare for urban loans (and loan terms did not include the costs of preparation). Some in UN-Habitat saw the trust fund as a way to earn overheads on projects to relieve the chronic under-funding of the agency. There were inevitable frictions but, for many on the CG, the partnership between the two founding-members was precisely what was important in attracting the adherence of other sponsors.

However the growth of bilateral finance within the CA – the bilaterals were now providing the bulk of funds - shifted the balance of power within the CG, and the bilaterals were increasingly unwilling to see themselves as reduced simply to assisting financially the plans of the two multilateral agencies (particularly since the bilateral agencies were financing directly both multilaterals). As one of the bilaterals expressed it, if the two multilaterals saw the CA as just a means to supplement their own budgets, few of the bilateral agencies would want to remain in the Alliance. Indeed, there would be no real ‘alliance’ at all. The more powerful bilaterals wanted the Bank and Habitat to become ordinary and equal members of the Alliance, paying only the standard annual fee, rather than retaining special privileges (for example, the chair of both the CG and the Steering Committee). It followed that the Secretariat should properly be the instrument of the CG and financed out of core funds (now achieved), not financed and defined exclusively by the two multilaterals as in the original formula.

It was perhaps understandable that in this context, some people in both multilateral agencies might see the CA as an interloper, diverting funds away from all other urban programmes in favour of its own two priorities. The feeling was only very partially justified for, as we have seen, there has been a major expansion in financial flows to urban development as the result of the CA and it cannot be assumed these would have occurred and flowed into urban development programmes without the formation of the CA and the political priority it attached to its two programmes in the campaign against urban poverty.

Furthermore, once UN-Habitat’s budgetary problems were eased as a result of a significant increase in donor funding, some of these urgent frictions were relieved. This makes it possible now for UN-Habitat to seize the opportunities presented by the creation of the CA to play the important role for which it is by experience and aptitude fitted to play within the Alliance.

### **3.3 The Consultative Group**

The original name of the CG was presumably created to describe a body that the two founding agencies, the World Bank and UN-Habitat, would consult. The CA Charter describes it as:

“a global public policy forum to share the lessons from experience and agree on policy orientations and standards of practice ... to catalyse partners’ actions”.

It does not describe it as the governing council of the CA. Yet the CG became the sole means by which the bilateral agencies could influence the CA so, ipso facto, it became the governing council, with a supervisory role over the Secretariat. This burden of administrative work made it rather difficult to perform its constitutionally defined role of public policy forum at the same time; nor, with these responsibilities, could it easily be a serious source of learning from all the programmes of urban development being undertaken by its members as well as the initiatives of the CA itself. Many partners on the CG complained at different times of the burden of routine administrative work on the CG, excluding the opportunity to discuss substantive questions. On the other hand, it seems that with such a large number of members, it was impossible to pay adequate attention to the detail of the Secretariat’s work in order to exercise proper supervision.

Two remedies were adopted for this problem. On the one hand, the role of public policy forum was spun off to a separate occasion as a second day to the CG annual meeting, to be organised by the Secretariat. However, it is not clear that this is a remedy since it may well weaken the CG’s ownership of the PPF so that members no longer see attending it

as part of their role as CG members (this becomes more serious when the turnover of CG members weakens any continuity). On the other, a Steering Committee was created to shoulder the bulk of supervisory work and go into the detail of larger trust fund applications. This – as we shall see – seems to have worked well. However, it has not finally settled the ‘learning alliance’ issue since there are once again voices calling for a second day of CG meetings to consider substantive issues (as is scheduled for the Brussels meeting in October 2002).

The CG has not yet settled into its most fruitful role and this is perhaps only to be expected in the creation of a relatively novel organisation without easy precedents. The role – the heart of a ‘learning alliance’ that seeks to pool the experience of all its members in the relevant programmes – is something that will be discovered in practice rather than imposed by fiat. But it does involve drawing lessons from the urban development experiment, flagging those of most importance, those most easily replicated and scaled up, and disseminating them. The CG has worked with increasing effectiveness as a mechanism for some forms of collaboration and up-scaling, but its key role of evaluation – drawing lessons – has still to be developed. However, given the extraordinary pressures of time on many of the members from their ordinary work, it is difficult to get the time to realise these broader roles.

There is also a problem for the CG in knowing what relevant programmes – and evaluations – are being undertaken by bilateral and multilateral agencies. There ought to be occasions in which partners can be given an opportunity to present relevant programmes or projects from their portfolio, whether those are completed, underway or only being formulated, to the critical appraisal of the CG and the exploration of relationships of collaboration between partners.

### **3.3.1 Evaluation**

Since the CA is so young, the completion of projects has hitherto been much less important than their launch. In the Secretariat, the scrupulous procedures governing applications now need to be replicated for completions, with a powerful Review Board in the CG to assess how far projects met their aims, whether the aims were now worth meeting, whether the expenditure was justified in terms of learning, of innovation and best practice (in some cases, this process of assessment needs to extend into the future to test sustainability and the conditions for this).

In this respect, given the history of completed CDSs (undertaken both before and after the creation of the CA, and initiated after the creation of the CA by agencies other than the CA), it is time the CG undertook an evaluation of all CDS exercises to seek to identify the conditions of sustainability and the relative value of different formulae for undertaking a CDS. This is discussed in the next section on CDS projects (4.3.2).

The greater stress on evaluation, on lessons learned, is crucial to the supposed function of the core fund and the nature of a ‘learning alliance’. The partners on the CG have, in many cases, powerful evaluation departments and long experience, and insofar as possible, the CG needs to be able to utilise their skills in the tasks. The CG needs to formulate and experiment with different modes of evaluation, employing the capacity of its own members, and the staff of their agencies, the PAB (see the later discussion of this), national and local LGAs, of the peer reviewers list and others. The creation of country level CAs (see section 6.2) may also allow local reviewers to be employed, albeit outside their country.

The CG should also serve as the clearing house for published proposals for, or evaluations of, projects of partners in the Alliance's priority areas of focus. Selected CA proposals are already circulated to partners to see at what points collaboration is feasible.

It might be useful if the Annual Report offered an account of evaluations over the preceding year so that a series of Reports would offer a cumulative record on this issue.

### **3.3.2 Dissemination**

If one powerful arm of the 'learning alliance' is evaluation, learning lessons, the other is dissemination. Without major inputs here, learning has no particular value in influencing policy and practice. The task is immense (for the current state of thought in the CA, see *CA Communications Strategy: Addressing Knowledge Gaps as a Learning Alliance*, June 2002). Although there are difficulties in pooling the experience of the partners on the CG, they are small compared the problem of communicating learning to the mayors and managers of – say – the growing number of cities of half a million or more population in the developing countries. At the heart of this is reaching the managers of the poorest cities, and doing so in an accessible form that provides information of real value. At present, the CA has only begun this task – through web sites, seminars, workshops and conferences (the last three of which can only reach tiny numbers, at best the teachers of teachers of teachers or those who need instruction least). Web sites are becoming increasingly important for the exchange of information between cities (as we see in CA initiated schemes in China, the Philippines, India and Latin America) but the poorest cities are unlikely to have access; or busy city managers will not use such access. The 'up-scaling' of the exchange of experience, the transmission of learning and the raising of capacity inevitably require both a change of scale of ambition to reach a mass audience and a rooting in the context of particular countries. Perhaps in some countries or linguistic regions (for example, the Spanish speaking or Arabic speaking world) this is best achieved by local CAs, working closely with LGAs (cf. the later discussion, section 6.2).

To reach the poorest cities may require a 'technological retreat' from electronic communication to mass produced cheap pamphlets, a little library of urban management, short (20-30 pages) and easily accessible (with vivid case studies, cartoons and diagrams) of a size to fit a pocket or a brief case, and covering the key issues and lessons of slum upgrading and CDSs, of urban poverty and best practice in tackling it, local economic development, the urban environment and its management, urban governance and finance, all ending with specific programmes of action. There are of course a host of comparable publications, produced by LGAs, UMP and some donor agencies so the first step would be to establish an inventory of available materials to avoid duplication, and then to seek – in collaboration with relevant partners – to consolidate materials, translate them, reissue them and identify the gaps that need to be filled. New publications may perhaps be commissioned from outside experts (including LGA sources) and even produced in some countries by commercial publishers, but they must be directed at a highly specific audience – not urban development professionals but the urban management of the poorest cities. It follows that the format must not be extravagantly designed or lavish in appearance.

It may also be important to move towards producing a journal. This would primarily be directed at communications between the staff of the sponsors of the CA, the world professional community and a few others, at disseminating learning and lessons among a relatively small group as compared to the manuals.

### **3.3.3 Capacity-building.**

Scaling up the work of the CA will inevitably mean moving away from financing individual projects as at present occurs, and more financing the means to implement a class of projects. Publications, the provision of materials (case studies, training manuals), sponsoring training programs, workshops, seminars, overseas study visits and attendance at conferences, sponsoring the attachment of foreign experts etc. are all means to facilitate learning in order to improve practice, to scale up the efforts of many agents. In sum: to build capacity to tackle the two priorities proposed. The Secretariat is already at work on some of this through discussions with MIT and associated universities, but again the medium term perspective must be to upscale this work to the level of in-country training in association with local LGAs and training institutes. In the case of CDS, for example, capacity-building would be directed at enhancing the ability of many cities to undertake their own CDS without making a special application to the CA for funding a one off CDS. CA funding to explore the potential here may be of particular importance.

The bulk of materials of the CA is currently predominantly in English (Spanish, French and Chinese are currently exceptions)– and designed quite lavishly. English is the language of international discourse and while understandably irritating to some participants, the costs of translation into the main UN languages simply in order to meet the audience of professionals – thus depriving the slum dwellers – could hardly be justified. However, the use of English radically limits the mass audience, and the dissemination work of the Secretariat needs to break out of this limitation to indigenise the languages used. This can probably only be undertaken in collaboration with in-country CAs and local LGAs and publishing in the countries concerned, to produce, for example, material in Arabic, in the languages of Sub-Saharan Africa and of the states of India, etc.

### **3.3.4 LGAs.**

The local government associations (including here for the moment both elected political authorities and appointed administrative staff) pose a special problem. On the one hand, their experience and knowledge of, and access to, the world of cities is immense and rich, far beyond that of the other sponsors on the CG, but their priorities – their relationship to their affiliates - are somewhat at a tangent to the preoccupations of the donor group. Some LGA representatives feel that in this context they are unable to play an effective role, to contribute their experience to the common pool. This is a serious problem. Any scaling-up process would be effective only if fed through existing networks of local government associations, yet some of the associations resent the cost and time of CG meetings (paid for by their members) when they doubt their role.

The LGA experience in the management of cities is already partly exploited by programmes of technical assistance, often financed through bilateral or multilateral funding – programmes operated by UN-Habitat (C2C), the World Bank, Canada (West African Cities), USAID, DFID, the Bertelsmann Foundation (with five East European countries) as well as many other technical exchanges (for example, following USAID's involvement in the CA project in Kigali, Rwanda, the technical assistance extended to that city by Philadelphia). The IULA has published an excellent comprehensive survey of many of its members involvement in these city-to-city technical assistance programmes (see *Local Challenges to Global Change: A Global Perspective on Municipal International Co-operation*, IULA, The Hague, 1995; see also ICMA's Resource Cities Programme).

On the other hand, the CA is only on the edge of exploring the role of country-level LGAs in partnerships – for example, the role of the League of Cities of the Philippines in directing the second phase of CDSs; that of the Chinese Association of Mayors in the

second phase of CDSs in China etc. The LGAs can play a key role in the creation of country-level CAs if they can be strengthened and adequately compensated.

How is this opportunity to be exploited? One important first step is for each side, the CG, the Secretariat and the LGAs, to become much more familiar with each other's work, perhaps through the short exchange of staff. The aim of this would be to build a database of experts within the cities of the LGAs for short-term technical assistance both advisory and capacity building (through the creation of training schemes in collaboration with those already offered by LGAs). Second, is the creation of a joint evaluation unit between the LGAs and the Secretariat to assess both the experience of such technical assistance and capacity building and draw out the lessons for the CG. Third is the development, with the LGAs, of means to disseminate both the lessons, the case study commentaries, and knowledge of the expertise on hand to assist cities embarking upon programmes under the CAs two priorities.

### **3.3.5 The speed of change.**

The CA is still in the process of establishing relations of trust with its partners and participants and no changes should be introduced so abruptly as to jeopardise these relations. The changes recommended here, if accepted, can only therefore be introduced gradually, without risk of undermining existing conditions of co-operation.

## **3.4 The Steering Committee**

The creation of the Steering Committee seems to have been an excellent innovation, simultaneously relieving the CG of part of its administrative burdens and on the other introducing the possibility of serious supervision and help to the Secretariat, increasing transparency and accountability. This becomes of growing importance as the Secretariat becomes pro-active, providing a focus for initiatives for the deliberations of the CG (as it necessarily will do as its expertise and experience grows).

Among some CG members not involved, there may occasionally be resentments that they are 'excluded' from the work of the Steering Committee and that therefore their role of government of the CA is impaired. However, the circulation of Steering Committee members – every two years – should in time remove this feeling. It might be helpful to ensure that one of the smaller bilateral donors is always included in the membership, rather than these positions being taken by the larger donors. Similarly, it would be probably useful to move towards a rotating chair (at the moment, the chair is held jointly by representatives of the Bank and of Habitat) so that this position can circulate among CG members. Finally, as the role of the CG becomes more clearly focussed, it is to be expected that much of its work – such as supervising evaluation or dissemination – will devolve to subcommittees working with the relevant member of the Secretariat, and this in turn will devolve central decision-making powers.

## **3.5 The Secretariat**

Given the objective problems of starting a new organisation from scratch, the Secretariat, despite long drawn out problems of recruiting a full complement of expert staff, has established an excellent record. It has been able to campaign for expanded membership and funding with great success, to develop the procedures for grant application processing – with transparent modes of assessment – and stimulated a considerable flow of applicants. Now, in the year 2002, with at last a full complement of staff, continued

growth in funds, and institutional stability, the Secretariat can begin to focus its role with greater precision and pro-activity.

The Secretariat has a very small staff – as a deliberate policy of the CG, stressing that in an alliance, the allies undertake the bulk of the work involved. However, this limits the initiatives of the Secretariat, its participation in projects, in the relevant urban development work of the partners, in evaluation and dissemination. However, now that the first attempt to launch the CA is no longer the central issue – and the backlog of projects from the early days, accepted to get the organisation launched rather than because they were innovatory, are coming to completion – there should be more time for these broader purposes and to focus more sharply on innovation<sup>2</sup> - without this implying any radical change of direction. More use of the capacities of the partners to facilitate the making of applications would also assist the scaling up of applications from priority areas.

The urgent necessities of launching the organisation initially led to an emphasis on processing proposals for funding, as if the CA were just another funding agency, albeit with peculiarly restrictive terms for application. These necessities seem to have led to a certain neglect of the tasks of the broader 'learning alliance', of facilitating the CG tasks of evaluating, drawing lessons and disseminating those lessons. Given the small staff and the burden of existing tasks, the staff was unable to visit a selection of projects even for core-funded projects, to monitor and ultimately draw critical lessons. Now however the Secretariat can afford to process fewer applications of higher quality, with, if required, longer periods of gestation, targeting the poorest cities in the poorest countries or those with the least capacity to make applications unaided.

The second important range of tasks concerns facilitating and servicing the CG in the roles of evaluation, dissemination and capacity-building.

If time allowed, it would also be useful if members of the Secretariat could – as with LGAs – join partner agencies for short periods to understand the scale of their work or join project and programme evaluation missions, in order to assist the enhancement of the coherence of actions. On the other hand, staff in the donor agencies and LGAs might be enabled to work in the Secretariat for short periods to assist both the education of both sides and the alignment of programmes. Thus, the staff of the Secretariat should move on to being active promoters of pooled learning between all partners.

### **3.5.1 An Exit Strategy**

Under the terms of DGF Bank funding for the CA, the CA must define an exit strategy to end DGF funding at the end of the third year of funding (June 2004). This would cover the Bank share of the financing of the CA. The location of the Secretariat within Bank premises (specifically within the Urban Sector offices) has also been raised. In terms of finance, the transition has already been made and the Secretariat costs are now met from the trust fund. The debate on relocation of the Secretariat is a question for the CG and the Bank rather than this report. The Bank has already indicated that it is perfectly willing to continue with present arrangements. Suffice it to say that in the consultants' survey of CG members, the consensus of the bilaterals (now easily the major source of funds for the

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<sup>2</sup> "innovation" – new ways of doing things – does not necessarily mean universally innovative, but innovation in context. A new approach in Brazil may be common practice in India, but an approach, say, to scaling up in São Paulo cannot be counted as innovative if it has already been used in Rio. On the other hand, as will be argued later, CDS can no longer be considered innovative in the Philippines, so new means must be employed there to achieve innovation.

Innovative pilot projects are also appropriate where they represent learning opportunities at a city or national level. Non-core pilot projects may be an appropriate means to such local context learning from pilot projects.

CA) was that while they favoured greater detachment from the World Bank as a governing partner (as with the UN-Habitat), the retention of Bank financial management and a close relationship to the Urban Sector of the Bank as both the major source of urban lending and of urban development experience remains very important. On the other hand, senior World Bank officials are committed to reducing the founder role of the Bank but are not opposed to relocation out of the Bank if the other members of the CG favour this. UN-Habitat, it seems, would prefer location to remain in the Bank or, if it is to move, would favour a change to Nairobi, the centre of UN-Habitat.

### **3.6 The Policy Advisory Board and the Public Policy Forum**

The PAB was created to:

“provide guidance to the CG on key strategic and policy issues, and in supporting the implementation of CA activities ... to provide advice on specific issues ... to review and comment on CA strategy ... facilitate the engagement of local authority networks ... and evaluate the impact of the CA work programme through ex-post evaluation of selected activities”.

This is an ambitious programme indeed, which can hardly be accomplished, given the infrequency of PAB meetings (twice per year) and thus the lack of continuity in the engagement of PAB members (who are, in any case, very occupied with their everyday activities). The Secretariat pays tribute to the insightful comments made by the PAB to the CG and claims that the CG values these. However, their different kinds of expertise would seem to be invaluable to the CA across the spectrum of its activities.

The PAB is – together with the Public Policy Forum – one of the chief ‘windows on the world’, or rather, windows on the many different worlds within which CA operates, ranging from the worlds of housing finance, urban economics and local authorities, to the organisations of slum dwellers. It is thus inevitably a wider political world in which political demands inevitably surface and indeed must reach political expression if the wider aims of the CA are to be achieved. At the Kolkata PPF, which followed the CG meeting and was organised in part by the Asian PAB members, some CG members felt that perhaps the PPF had exceeded its responsibilities. However, other CG members – and only 10 CG members are recorded as attending the Kolkata PPF – found it to be an exciting learning event (particularly for the staff of the agencies they represented), opening a window on a situation where the slum dwellers were not the passive recipients of aid but the active leaders in remedying their own condition, something that was part of the original agenda of the CA. On the other hand, perhaps NGOs and other participants were allowed to gain some understanding of the official arguments and how their aims might be met without direct collision. It is thus understandable that some PAB members should press the CG to make 30 per cent of trust funded proposals be worked out with ‘grass roots’ organisations representing the urban poor.

The PAB members are senior, experienced and very busy, so it is important their role is carefully defined to what they can accomplish in the limited time they have to devote to the CA, without this restricting their diversity and creativity in acting as ambassadors for the CA. Some members are already developing regional roles – the two African members of the PAB are active in helping to pull together an organisation of Mayors and Ministers in Sub-Saharan Africa (African Cities). The members from developing countries can play an important role in sustaining in-country CAs, and in a much strengthened evaluation role (albeit not in their own country).

The PAB members should also be able to continue to act as the conscience of the CA on issues such as the position on forced evictions that was raised at the Kolkata PPF in December 2001; in this case, the confidence of the slum dwellers organisations in the good faith of the CA is vital if its objectives are to be realised in partnership with the slum dwellers.

Concerns have been expressed about potential conflicts of interest. PAB members, three of whom are active participants in NGOs in developing countries, are naturally important potential applicants for CA grants, and a number of these have been awarded to organisations with which they are associated. This could be considered to constitute a trend that is open to question on ethical grounds. The consultants feel that this is not an issue so long as the PAB members continue to have no role in the processes of project appraisal and selection.

The PPF format remains still fluid after three meetings (Montreal, Rome and Kolkata), although the focus is becoming clearer – the PPF is, as mentioned, a window on a particular world of relevance to the CG; Mayors in the first case, community-city relations in the second, and slum dwellers' organisations in the third. Given that meetings are held only once per year, the role of the PPF cannot of necessity be large in the life of the CG. The next meeting – in São Paulo, next year – concerns housing finance, an increasingly important issue for the CA. The main representation will be from the private sector. Furthermore, it is unlikely the same format followed in Kolkata of a three-day forum with field trips will be repeated since few CG members are able to devote so much time (furthermore, the next meeting, in Brussels in October is scheduled to last two days). However, it would also be a pity to neglect the important educational role that was shown in Kolkata. The CA was created to test innovatory methods; innovation is inevitably risky; the PPF is also taking risks with the highly political issues concerning slums.

### **3.7 The Cities**

The issues here have been discussed earlier under the CG discussion and is briefly repeated here simply because the cities – and the slum dwellers – are the final audiences for the CA, the final vindication of the validity of its objectives. The agenda to be completed is vast. There have been useful innovations in terms of city knowledge-exchange web sites, but the task of influencing, teaching and learning from the city managers of developing countries remains. Through the LGAs represented on the CG, the Secretariat needs to begin a programme of relating to country LGAs, and/or with the LGA CG members – seeking to strengthen them and collaborate with them in the tasks of capacity building, evaluation and dissemination, and – as in the Philippines and China – involving them in managing CA programmes. City to city technical assistance remains a vast field of potential work to enhance urban management in the two chosen CA programmes.

### **3.8 Conclusions**

In general, then, with continuing evolving learning since its inception, the CA has been very successful in establishing a structure and regulatory framework for pursuing its objectives through its two areas of focus and flexible enough to learn while acting. All components within the CA have reshaped roles – the CG has moved from being a consultative body to being a governing council and now increasingly to an 'internal' public policy forum, aligning and learning from the urban development programmes – in the two priority fields – of all the partners. The PAB has developed the role of constituting a bridge

from the partners to an 'external' public policy forum, a window on one of the relevant worlds outside the CA.

The CG has developed to a position where it can increasingly be the junction in learning processes. In the past, this has been a process restricted by the burden of other responsibilities and the difficulty in achieving some form of coherence of effort among CG members and thus making effective its learning process. By the current year, many of these teething problems have been overcome and the CG and the Secretariat can begin to think more clearly about the future role of the CA as a 'learning alliance' in its chosen field, pooling the knowledge and lessons of the urban development programmes of all the partners as well as the CA's projects. It is also expanding in new related fields – in housing micro finance, capacity building and dissemination. The orientation of the CA, as a result of this 'maturation', is already moving to a more experimental and flexible pursuit of its basic objectives, an approach within which the financing of selected projects is only one component. Much more powerful evaluation and dissemination mechanisms are going to be required if those objectives are to be pursued at the level of cities in the developing countries. And those mechanisms must be robust, learning the right contextual lessons rather than the means to transfer a currently fashionable language and the current conventional nostrums of urban development.

The actions undertaken by the various institutions of the CA have all been relevant to the stated objectives and the strategies adopted. Many have been, in an immediate sense, strikingly effective, but it would be premature for the reasons stated earlier to speculate about their ultimate impact, the outcomes. Finally, the work done has been undertaken at relatively low cost, illustrated by the small size of the Secretariat in relationship to the scale of its business.