

**Cities Alliance Steering Committee
MEETING REPORT
15 September 2004
Barcelona, Spain**

The Steering Committee met on 15 September 2004, in the new headquarters of UCLG, in conjunction with the second World Urban Forum. In attendance: Plessis-Fraissard (World Bank), Biau, Reutersward, Williams and Mutter (UN-HABITAT); Gateau, Saiz (UCLG); Panehal, Carlson (USA); Persson (Sweden); and Hildebrand, Cobbett, Milroy (Secretariat). The meeting was chaired by D. Biau. See Attachment 1 for the agenda.

1. FY04 Financial Summary and FY05 Secretariat Budget

The FY04 financial results were reviewed, which included a 43% increase in disbursements over the previous year. Approximately \$9.5 million in Core funds were expected to be available during FY05, and the current work programme pipeline so far includes \$7.0 million in activities. The Secretariat briefed the Committee on its successful efforts to achieve a 50% reduction in the fees the World Bank charges to administer the CA trust funds, from 3% of contributions to 1.5% of contributions.

The FY04 Secretariat budget was reviewed. Actual expenditures were \$166,000 less than budgeted due primarily to new hires (Finance Advisor and Communications Officer) being made later in the year than anticipated.

The proposed FY05 budget of \$2,279,000 was reviewed and endorsed by the Committee, including the proposal to fund \$1,450,000 of the budget from Core funds. Operating costs are budgeted to be \$127,000 greater in FY05 than FY04 due to the increased staff size (the Secretariat is now at the full authorized staffing level) and because of increased costs for information technology and for office space due to the internal relocation of the Secretariat within the World Bank.

2. Large Proposals for SC Recommendation

Slum Upgrading Facility (SUF). After extensive discussion on the 9/15/04 draft of the SUF proposal, SC members agreed to provide written comments so that the sponsors could finalize the proposal by the end of September 2004, with a view to the SC recommending its approval by the CG in Durban. Subsequent to the meeting, a revised SUF proposal was submitted by DFID that incorporates SC member comments, and this proposal has been recommended for approval by the CG.

Municipal Finance Task Force (MFTF). After an extensive discussion on the MFTF proposal, UN-HABITAT agreed to provide written comments to the sponsors by the end of September. Subsequent to the meeting, a revised MFTF proposal was submitted by USAID incorporating these comments, and this proposal has been recommended for approval by the CG.

Brazil: National Urban Development Policy: Support to the National Program for Land Tenure Regularization and Socio-Environmental Risk Prevention in Precarious Settlements. This proposal was recommended for approval by the CG.

Tanzania: Action Plan to Upgrade All Informal Settlements in Dar Es Salaam by 2015. This proposal was recommended for approval by the CG.

During these discussions several participants expressed the opinion that the CA proposal process seems to be getting slower (quality versus efficiency), and emitted concerns about whether the SC is becoming an “accelerator or a brake” in the proposal process. There was no discussion of how to resolve this issue.

3. Co-financing criteria for Large Proposals

The Secretariat’s recommendation that the co-financing target for large proposals (\$250,001 to \$500,000 in Core funds) is on a graduated scale, ranging from 25% at the low end of the range (\$250,001) to 50% at the high end (\$500,000), was endorsed by the SC.

4. Briefing by UCLG on future CA/UCLG collaboration

Elisabeth Gateau stressed the commitment of UCLG to strengthening its partnership with the Alliance; expressed support for the MFTF proposal and noted that the UCLG will be proposing to form with CA support municipal finance ‘commissions’ of mayors with their regional members to work with and provide guidance and feedback to the MFTF; indicated UCLG’s intention to develop knowledge sharing vehicles on CDS among its members linked to implementing MDGs at the local level; and, informed the Committee of UCLG’s hope that a closer and more strategic working relationship with the Alliance could be achieved through the opening of a CA office in the UCLG building in Barcelona.

5. Personnel/ Staffing

The Secretariat briefed the SC on its organization around a team structure. The six teams (and team leaders) are:

Slum Upgrading (Cobbett)	Partnership Operations (Hildebrand)
CDS (Palesch)	Programme Operations (Milroy)
Urban Finance (Rajivan)	Communications (Akporji)

All teams report to the Programme Manager. See Attachment 2 for details.

The Secretariat briefed the SC on the resignation of Ms. Carien Engelbrecht as a regional advisor for East & Southern Africa.

The Secretariat briefed the SC on a proposal being formulated with Sweden (Sida) to finance a post in the Secretariat through a Non-Core contribution for a Senior Programme Officer. The SPO would help facilitate the efforts of cities and their development partners to achieve urban poverty reduction by assisting Cities Alliance members, clients and Secretariat staff to better integrate sustainable financing strategies and scaled-up slum upgrading as part of City Development Strategies; support the efforts of the CDS team to monitor and evaluate the impacts of CDSs; and, assist in the oversight of Cities Alliance facilities and other non-core resources. Sida intends to nominate Pelle Persson for this post. Members agreed to provide any comments on the draft TOR before the next CG. See Attachment 3 for the draft TOR.

The SC endorsed the extension of the appointment of the Manager of the CA Secretariat, Mark Hildebrand, to October 2007, and discussed amending his existing TOR, in response to the new opportunity provided by the merger of the Alliance's local authority members, to have him work more closely with UCLG to strengthen UCLG/Cities Alliance collaboration and to jointly develop and implement a strategy to engage local government associations to scale up impacts of Alliance activities. The modified TOR is provided in Attachment 4. This topic will be discussed during the Durban CG meeting.

Attachment 1

**AGENDA
CITIES ALLIANCE STEERING COMMITTEE
15 September 2004, 6:30 P.M.
UCLG Headquarters, Barcelona**

1. FY04 Financial Summary and FY05 Secretariat budget
 - > handout: Secretariat FY04-FY05 Budget report
2. Large Proposals for SC recommendation
 - > handout: Municipal Finance Task Force proposal
 - (In addition, several other Large Proposals might be submitted to the SC during the meeting for future consideration.)
3. Co-financing criteria for Large Proposals
 - > handout: Co-financing policy note
4. Briefing by UCLG on future CA/UCLG collaboration and increased engagement with CA Secretariat
5. Briefing on arrangements for 1-5 November PPF/CG events in Durban
6. Staffing/ Personnel matters
 - > Staffing update and briefing on the Secretariat's team structure
 - > Briefing on proposed secondment to Secretariat by SIDA
 - > Discussion on renewal and TOR of Programme Manager's contract

Attachment 2

Cities Alliance team structure

9 September 2004

Team TORs (summary)

SU, CDS and Finance teams:

1. Participate in core grant facility functions:
 - New proposal evaluations
 - Project monitoring
 - Final project evaluations
2. First line responsibilities for “learning” (ie, identify key lessons, innovations, experiences of relevance to membership)
3. Liaise with Communications and other teams to package “learning” for CA dissemination channels.
4. Prepare for and participate in key CA events (eg, CG meetings)
5. Provide guidance to prospective applicants for CA funding.
6. Other projects as assigned by Programme Mgr.

Partnership Operations team:

1. Secretariat management
2. Member relations
3. Resource mobilization
4. Secretariat functions (CG/SC/PAB)
5. Office administration

Program Operations:

1. TF administration
2. Proposal administration
3. Grant administration
4. Resource management
5. Progress reporting administration
6. Financial reporting
7. Final project evaluation administration
8. Records management

Communications team:

1. Produce and disseminate Secretariat-produced communication and web products, liaising with SU, CDS and Finance teams.
2. Liaise and help manage relationships with key communications partners including CA members.
3. Develop and expand the CA’s communications network
4. Assist with promotion and press relations associated with key CA-sponsored events

Team Matrix
9 September 2004

	Partner Operations	Program Operations	Slum Upgrading	CDS	Finance	Commun
STAFF:						
Hildebrand, Prog. Mgr	P					
Cobbett, SU Advisor			P			
Palesch, CDS Advisor				P		
Rajivan, Finance Advisor					P	
Chabrillat, Economist				P	S	
Akporji, Comm Officer	S					P
Milroy, Sr. Operations Off.	S	P				S
Merrick, Programme Off.	S	P	S			S
RamaKrishnan, FM cons.		P			S	
Aubry-Kendall, RM asst.		P				
Morente, Programme asst.	P			S	S	
Henderson, Program asst.		P	S			S
Others:						
Ginnsz, procurement cons.		P				
Puspa, web consultant						P

P = Primary mapping
S = Secondary mapping