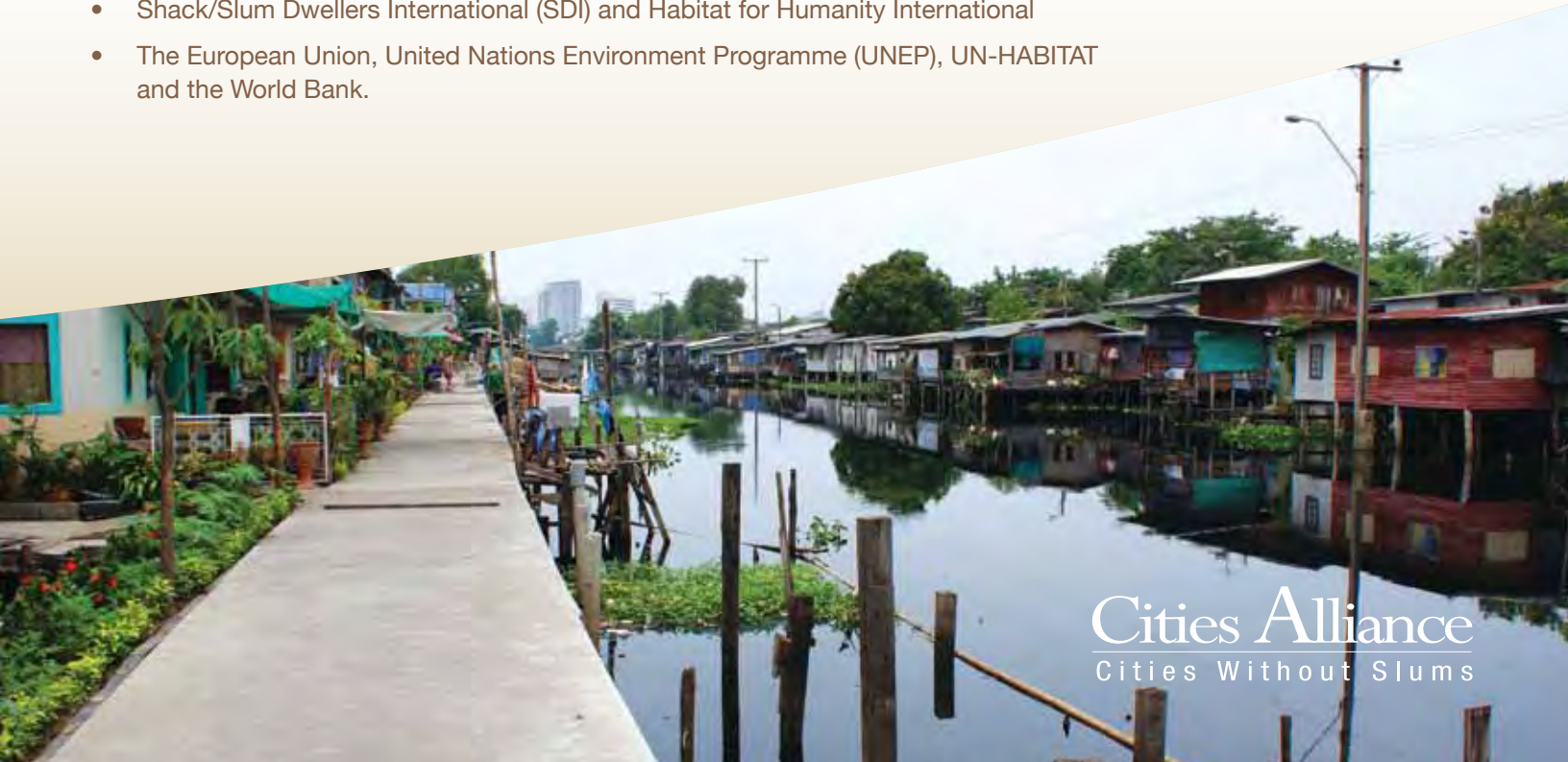# CITIES ALLIANCE

WHAT IS THE CITIES ALLIANCE?

The Cities Alliance is a global coalition of cities and their development partners committed to scaling up successful approaches to urban poverty reduction. By promoting the positive impacts of urbanisation, the Alliance supports learning among cities of all sizes, and also among cities, governments, international development agencies and financial institutions. With the proper support, cities are proven poverty fighters and engines of economic growth.

The Cities Alliance was created in 1999 when 10 donor governments joined the World Bank, UN-HABITAT and the major international associations of local authorities to form a new partnership aimed at focusing on two key issues: the growth of slums and the management of cities where slum growth was taking place.

WHO ARE THE MEMBERS OF THE ALLIANCE?

The Alliance is a broad and growing partnership that presently includes:

- Local authorities, represented by United Cities and Local Governments (UCLG) and Metropolis.

- The governments of Australia, Brazil, Chile, Ethiopia, France, Germany, Italy, Netherlands, Nigeria, Norway, Philippines, South Africa, Spain, Sweden, United Kingdom, and United States of America.

- Shack/Slum Dwellers International (SDI) and Habitat for Humanity International

- The European Union, United Nations Environment Programme (UNEP), UN-HABITAT and the World Bank.

Cities Alliance
Cities Without Slums

WHAT DOES THE CITIES ALLIANCE DO?

The Cities Alliance provides matching grants in support of:

- City development strategies (CDS) that link the process by which local stakeholders define the vision for their city and its economic growth and environmental and poverty reduction objectives, with clear priorities for action and investment.

- Citywide and nationwide slum upgrading in accordance with the Alliance's Cities Without Slums Action Plan (MDG Target 11), including promoting secure tenure, access to shelter finance, and policies to help cities prevent the growth of new slums.

- Sustainable financing strategies for cities to attract the long-term capital investments needed to upgrade infrastructure, improve accountability for service delivery, and demonstrate stable revenue streams to more effectively leverage domestic capital.

The Cities Alliance is also a learning alliance, working with networks of cities, organisations of the urban poor, universities and other partners to capture and disseminate the collective knowledge of city stakeholders on ways to reduce urban poverty and improve the quality and impact of urban development cooperation.

The Alliance's overall strategic objectives are to build political commitment and a shared vision for scaling up slum upgrading and city development strategies, to distil and share knowledge on sound practices and experiences, and to catalyse citywide and nationwide impacts. Particular emphasis is placed on supporting longer-term, in-country programmes for cities and local government to support systemic change.

WHAT ARE THE RESOURCES OF THE CITIES ALLIANCE?

From 1999 to 1 April 2010, the Cities Alliance used an open access grant facility to provide funding for country-specific, technical assistance projects in CDS and slum upgrading as well as related learning and knowledge sharing activities. Under the grant facility, the Alliance approved 220 projects in all developing regions with a total exceeding US $65 million.

Effective 1 April 2010, the Cities Alliance is transitioning to a new Catalytic Fund. While the fund will continue to provide financing for CDS, slum upgrading, and knowledge activities, its focus will be on longer-term, in-country programmes. Applications will be accepted based on periodic calls for proposals that promote sustainable urban development. The fund will also provide small grants for immediate catalytic opportunities on a year-round basis.

WHO CAN APPLY FOR CITIES ALLIANCE SUPPORT?

Applications for Cities Alliance grant funding typically originate from local authorities, but must be endorsed by the government of the recipient country and sponsored by at least one Alliance member. Sponsors will normally provide co-financing for the proposed activity and should participate in designing and supporting the applications. National governments can also make applications, especially where nationwide activities are to be supported.

Cities Alliance grants are, wherever possible, managed directly by the local (or national) authority itself. It is also possible for organisations of civil society to be involved in grant management and, where necessary, Alliance members themselves.

Countries eligible to receive Cities Alliance assistance are those included in the Organisation for Economic Cooperation and Development's (OECD) Development Assistance Committee's List of Aid Recipients.

Cities Alliance
Cities Without Slums

WHAT IS THE APPLICATION PROCESS?

Applying for a Cities Alliance grant is a straightforward process. The first step is to:

- Review the application guidelines on the Cities Alliance Web site (www.citiesalliance.org).

- Identify at least one Cities Alliance sponsor, according to the application guidelines. Applications with multiple sponsors are particularly encouraged.

- Ensure the proposal meets Cities Alliance eligibility requirements and selection criteria.

- Contact the Cities Alliance Secretariat for support, if needed.

The Cities Alliance Secretariat does not implement the activities it funds, rather it draws upon the existing capacity of Alliance members. In-country work is managed through cities, the regional operational units of Cities Alliance members, other multilateral and bilateral partners, and existing global and regional partnership programmes.

WHAT ARE THE CRITERIA USED TO EVALUATE A PROPOSAL?

All proposals submitted for Cities Alliance grant funding are evaluated against the following nine criteria:

- **Targeting the objective**: the degree to which the proposal aims to promote pro-poor policies, in addition to supporting the scaling up of slum upgrading and/or city development strategies.

- **Government commitment and approval**: project approval by local and national authorities must be documented by attachments to the application.

- **Linkage to investment follow-up**: the extent to which investment partners are involved from the outset and the potential for investment follow-up.

- **Partnerships**: the participatory process involved in proposal generation with local stakeholders, including the private sector and community organisations.

- **Co-financing**: combining seed funding from the Alliance with co-financing from other sources.

- **Coherence of effort**: the promotion of cross-sectoral coordination and inter-agency collaboration.

- **Scaling up**: the potential for moving beyond pilot projects to citywide and nationwide scales of action.

- **Institutionalisation and replication**: the mechanisms created to help cities and their national associations institutionalise city development strategies and citywide slum upgrading, and ways these can be replicated elsewhere.

- **Positive impact on environment**: ways the project proposes to achieve significant environmental improvements, especially in the living conditions of the poor.

WHAT IS THE APPROVAL PROCESS ONCE A PROPOSAL IS SUBMITTED?

The Secretariat team, including specialist advisors on city development strategies, slum upgrading, local economic development, and urban finance, evaluates the proposals to ensure that they meet the Alliance's eligibility criteria.

Once a proposal has been approved in accordance with the internal processes of the Cities Alliance, a grant agreement is prepared with the implementing agencies.

For more information about the approval process, please visit the Cities Alliance website at www.citiesalliance.org.

CITIES ALLIANCE IN ACTION - GLOBAL IMPACTS

CITIES WITHOUT SLUMS - TARGET 11 OF THE MDGS

The Cities Alliance's first significant global impact was the decisive international response to the Cities Without Slums initiative, now firmly mainstreamed within the international development agenda as Target 11 of the Millennium Development Goals:

"By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers as proposed in the "Cities Without Slums" initiative."

This target was further strengthened by the U.N. General Assembly in September 2005 to include the need to prevent the formation of new slums by offering alternatives to the urban poor.

The Cities Without Slums action plan contains a vision around which a consensus is being built and support mobilised. As the only international development goal which targets cities, it has resonated with slum dwellers worldwide, as well as with local and national governments in all regions. The vision of Cities Without Slums has helped launch many citywide and nationwide upgrading programmes, as illustrated in the following sections.

NATIONAL IMPACTS

Brazil's cities are recognised for their innovative urban reforms. With Alliance support, the national government—a long-term partner— has implemented major reforms in urban policies. In São Paulo, the Alliance also supported the creation of HABISP, an innovative urban development tool that has generated considerable international interest. Integrated approaches to slum upgrading in Alagados, one of Brazil's largest slums in the city of Salvador (Bahia state)—implemented with Alliance support, primarily from Italian contributions—are being replicated in other parts of the country with local, national and international financing. Both initiatives are being used as examples for replication in other Brazilian cities. The Alliance is also co-financing a Brazilian State of the Cities Report.

Republic of the Philippines. Driven by the dynamic League of Cities, city development strategies have been implemented in cities of all sizes throughout the Philippines. With the third phase of the CDS programme completed, city development strategies are being incorporated into the national planning process. This will complement the national government's ambitious plans to harmonise local planning, investment programming, revenue administration, budgeting, and expenditure management. In addition, a grant is underway to review the CDS programme and undertake a State of the Cities report.

In **Uganda**, the Alliance is supporting the national government in implementing a major initiative to upgrade existing slums in five secondary cities and help both cities and citizens plan for inclusive future growth. The Transforming the Settlements of the Urban Poor initiative in Uganda is the first implementation of the Alliance's global Land, Services and Citizenship programme, which seeks to assist a selected group of developing countries grapple with the challenge of rapid urbanisation, growing cities and deepening urban poverty. The Cities Alliance is also supporting the development of a national urban policy and a strategic urban development plan for 2010-2025 that aim to enhance the urban sector's role as a driver of economic growth in Uganda.
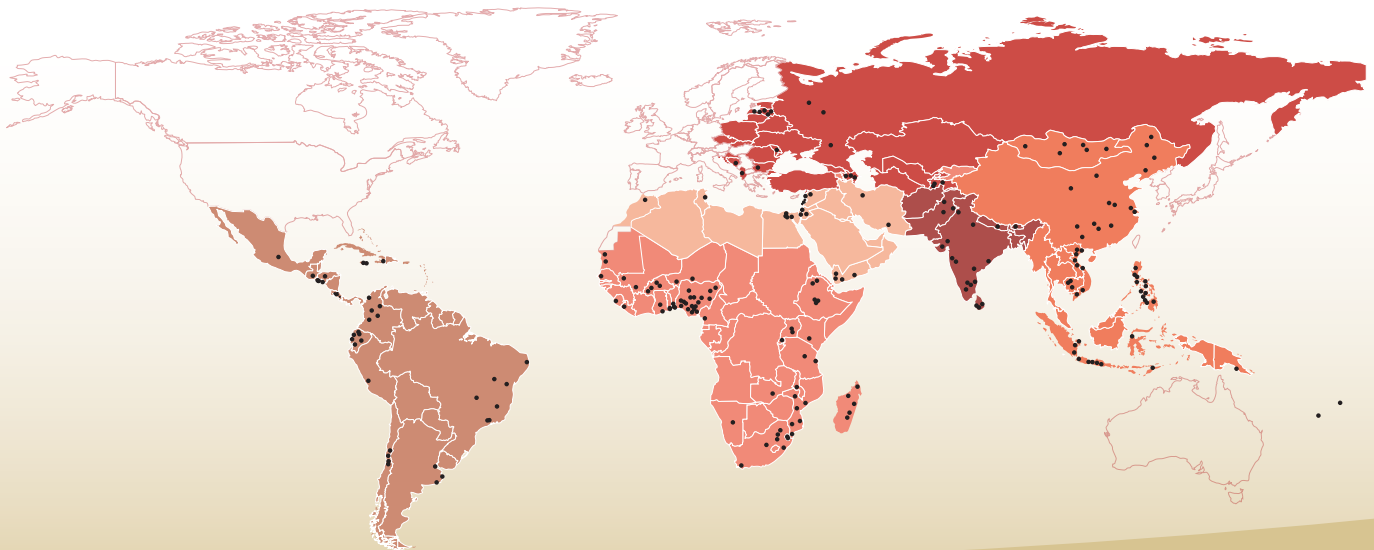
CITYWIDE IMPACTS

Yangzhou (China). As a pilot city in China's Eco City programme, Yangzhou is working to become a model of sustainable development with a balanced approach to urban growth. At the same time the city has sought to preserve and regenerate its historic city centre, whose residents are primarily low income. With support from the Cities Alliance and GTZ, the municipal government developed an urban upgrading strategy for the Old City of Yangzhou that was incorporated into the city's overall development strategy. The vast majority of residents of the Old City have been able to remain in their neighbourhoods, participate in the upgrading and benefit from the process.

Hodeidah and Mukalla (Yemen). One of the least developed countries in the world, Yemen is seeking to transform its strategic port cities into centres of economic growth in order to reduce poverty and improve the quality of life for residents. With Cities Alliance support, the port cities of Hodeidah and Mukalla prepared city development strategies that highlighted strategic priorities for each city. The strategies have been instrumental in leveraging financing from the World Bank—as well as the Governments of Yemen, Oman, Kuwait and Japan—for investments in slum upgrading as well as the strengthening of agro-processing in Hodeidah and infrastructure for tourism development in Mukalla. The Cities Alliance has also supported city development strategies in Sana'a and Aden.

Dar Es Salaam (Tanzania). Like many African cities, Dar Es Salaam is struggling to come to terms with rapid urbanisation and the proliferation of slums as people migrate to the city. In Dar Es Salaam, around 70 percent of the population lives in unplanned and unserviced informal settlements. With support from the Cities Alliance, UN-Habitat and the World Bank, local authorities have prepared a strategy for upgrading the city's informal settlements by 2015, identifying critical areas for interventions related to urban land availability, basic service delivery and housing. The strategy was adopted by the national government, and an Action Plan prioritising the upgrading investments outlined in the strategy is being finalised and financing strategies identified. The Cities Alliance is also supporting an activity to help attract more investment financing for Dar Es Salaam as well as the development of a Tanzania State of the Cities Report.

CITIES ALLIANCE CITIES

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