

**Working Group on the Governance and Structure of Cities
Alliance**

**Meeting of the Executive Committee
September 7th, 2009**

**Presentation of the report for the
Executive Committee**

Executive Summary

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Terms of Reference

Temporary Working Group on the Governance and Structure of Cities Alliance

Scope

Based on this background, the working group shall assess the following specific structure and governance issues

1. How to enhance the **role and ownership of cities** in design and implementation of CA activities
2. **Governance issues:** a) how to include foundations and other types of new members; b) representation of cities; and c) decision making and reporting formats.
3. **CA secretariat staffing and CA presence in Europe** - objectives, value added and possible solutions.

Terms of Reference
Temporary Working Group on the Governance and Structure
of Cities Alliance

Proposal for amendment of the TOR

Include fourth topic in the Terms:

1. Focus on **poor countries** and **secondary and tertiary cities**

The working group asks the EXCO to accept this amendment

Objectives of this meeting

- Presentation of the results of the work of the Temporary Working group to the Executive Committee
- Discussion of the recommendations by members of the Executive Committee:
 - Questions
 - Suggestions for modifications
- Orientation on how to deal with all major recommendations and concrete steps for their implementation .

Group Process: steps

- **First meeting: Barcelona, January 23**
 - Establish working group and decide on working procedure.
 - Individual contributions of members
 - First summary document on these contributions
- **Second meeting: Nairobi, April 5**
 - All members present
 - Was used as platform for intense and general exchange
 - Only very few conclusions
 - First draft of the report elaborated and distributed
- **Third meeting: Eschborn, June 5:**
 - Only part of members present (SDI, UN-HABITAT, Germany, Sweden, Norway, Secretariat)
 - Discussions very focused and solution-oriented
 - Preliminary conclusions on all the issues
 - Second draft of the report elaborated and distributed
 - Most members gave feedback

Group Process: my own reflection as facilitator

- **Difficult discussion and decision process in the group**
 - TOR were a **mixture of very different topics**, and they limited the depth of discussion that might have been useful.
 - Members have **different interests and perspectives** regarding the role of C.A., of the Secretariat and the respective needs for certain mechanisms.
 - **Shortcomings** in existing **mechanisms for communication and decision** (CG and EXCO)
 - Tight agendas of members make **arrangements for meetings difficult**
- **Report is result of compromise of the group**
 - Not all members completely happy with all conclusions
 - But: **almost all support the compromises** and the recommendations

Structure of the report

The report is divided in two parts:

1. Executive summary

- Short summary of purpose of each topic
- Summary of all the recommendations

2. Main report

- Each chapter represents one topic of the TOR
- Each topic:
 - Background and purpose
 - Recommendations
 - Suggestions for procedure

1. Enhancement of the role and ownership of cities in CA

Purpose of the topic

Decide on necessary modifications of policies, procedures, and roles of members and partners, which shall lead to an effective enhancement of the role and ownership of cities in the Cities Alliance.

1. Enhancement of the role and ownership of cities in CA

Recommendations 1: Independent Review

The group recommends to carry out the intended **review** of the entire system and procedures supporting project execution, including client execution – with a view to identifying obstacles and bottlenecks. This review should be combined with a **client-survey** to assess the experience of cities and their difficulties in the process and should be carried out by independent consultant or research bodies.

The **recommendations of the review** shall include basic information and proposals for the following issues:

- A comprehensive and consistent **policy for capacity development** at the level of cities and groups, networks, and associations of cities.
- Modifications of application procedures, conditionalities and products suitable to strengthen the **ownership of cities**.

1. Enhancement of the role and ownership of cities in CA

Recommendations 1: Independent Review (Cont.)

- The promotion of **longer term cooperation** including programme approach and partnership agreements with selected countries and cities, and the strengthening of the articulation of urban development at cities, regional (where existing), and national level (systemic approach). While presenting proposals for the implementation of appropriate procedures for such longer term orientation the review should as well consider **maintaining sufficient space for shorter term-oriented, flexible interventions**, whenever justified.
- Necessary adjustments to the **monitoring and evaluation system** of the Cities Alliance in such a way, that it reflects the type and degree of ownership of cities and countries.

The Secretariat should be requested to implement the recommendations of the review after its endorsement by the EXCO and the CG, in particular the establishment of modified procedures, project terms and conditionalities and the new services and products needed for capacity development.

2. Governance Issues

2.1 Governance structure (representation of cities and inclusion of NGOs and other types of new members)

Purpose of the topic

Design and implement appropriate structures and mechanisms that allow the Cities Alliance to strengthen its ties with cities, to improve their representation in the Alliance and achieve their more active participation in the policy and strategy dialogue, as well as to strengthen the involvement of NGOs, private sector foundations, and CBOs.

2. Governance Issues: 2.1 Governance structure

Recommendation 2: Modify the mandate and strengthen the Public Policy Forum and the reach out mechanisms

The group recommends to **modify the mandate of the Public Policy Forum** in such a way, that it allows a more systematic engagement of cities, NGOs, CBOs and private sector representatives in learning and exchange of experience and in the policy and strategy dialogue with Cities Alliance members. It should be extended to two days, **new mechanisms for regionally balanced participation of representatives of cities** should be implemented and the meetings should be prepared and organized in a well planned and efficient way. The results of the meeting should be systematically reported to the subsequent CG meeting by 2 or 3 members of the PPF that are elected by category of members (cities, NGOs etc.).

As a complementary mechanism to the above mentioned the group suggests, that the Cities Alliance **improve its reach out capacities by active participation of members in local government-organized events.**

2. Governance Issues: 2.1 Governance structure

Recommendation 3: Strengthen the involvement of NGOs, CBOs and private sector representatives

The group recommends a **stronger involvement of NGOs, CBOs and private sector representatives** in the Cities Alliance at three different levels: As a complementary mechanism to the above mentioned the group suggests, that the Cities Alliance improve its reach out capacities by active participation of members in local government-organized events.

- a. Continue deciding on the acceptance of **additional members** to the Consultative Group **on a case by case basis**, as long as the existing strategic framework is in vigor. **Such decisions should be based on clear criteria**, like for example the representativeness, the internationality and the relevance of the institution for the Cities Alliance.
- b. A **stronger involvement** of such bodies in the **PPF**, as indicated in the above mentioned recommendation #2.
- c. **Strengthen their involvement on national and local level** into the concrete process of preparation and implementation of programmes and projects and support the strengthening of their organizational capacities, in order to make them competent and effective partners.

2. Governance Issues

2.2 Decision making and reporting formats

Purpose of the topic

Develop and implement processes and instruments that allow the Cities Alliance to improve the management, in particular the strategic management, of its work programme, to allow for a more programmatic approach, and to establish an effective accountability relationship between the Secretariat, the Consultative Group and the Executive Committee.

2. Governance Issues:

2.2 Decision making and reporting formats

Recommendation 4: Improve the format and the process of the annual work plan

The EXCO should request the Secretariat to improve and establish both, an **appropriate format and a new procedure for the Annual Work Plan**. The new format shall provide for a clear **reference to the Medium Term Strategy and to annual strategic priorities and objectives**, supported by measurable indicators, while allowing an appropriate balance between a programmatic approach and a window for non programmatic proposals coming from the dynamic demand side. **The procedure shall allow an interactive planning process between CG, EXCO and the Secretariat.**

2. Governance Issues:

2.2 Decision making and reporting formats

Recommendation 5: Introduce a result based management

The EXCO should also charge the Secretariat to continue with the development and introduction of a **result based management** that complements the above mentioned planning process. The system should establish a systematic reference to the Medium Term Strategy and other relevant strategic decisions and the respective formats should provide a systematic link between planning, reporting and monitoring. The system should include **appropriate procedures for the presentation, feedback and approval by the EXCO and the CG.**

2. Governance Issues:

2.2 Decision making and reporting formats

Recommendation 6: Strengthen the monitoring and evaluation system

The EXCO should encourage the Secretariat to continue developing and implementing a comprehensive, but also simple and easily manageable **monitoring and evaluation system** at the Cities Alliance and to allocate sufficient resources to it.

The group also recommends to **include specific criteria** on environment and climate, poverty, social, ethnical and gender aspects, and local governance into the monitoring system and the assessment process for project eligibility. **They should not diffuse the focus of CA, but rather provide important orientations towards sustainable development**, while allowing for enough flexibility in their application, in particular with regard to the capacities and conditions in smaller cities and in poorer countries.

3. CA Secretariat staffing and CA Presence in Europe

Purpose of the topic

Support the continuous process of improving the operational capacity of the Cities Alliance, strengthen its advocacy role, and foster the potential of tapping Europe-based networks and organizations and of getting involved in the promotion of the urban agenda in Europe.

3. CA Secretariat staffing and CA Presence in Europe

Recommendation 7: Permanent staff at the Secretariat

The working group welcomes the decision taken in the last CG meeting in Barcelona to approve four key positions at the Secretariat to be held by permanent staff. It suggests to the CG to additionally approve the **creation of a fifth permanent post for the Reporting, Monitoring and Evaluation Officer** at the Secretariat and to provide necessary funds.

3. CA Secretariat staffing and CA Presence in Europe

Recommendation 8: Develop a systematic advocacy strategy

It is suggested that the EXCO should request from the Secretariat the elaboration of a **proposal for a systematic and comprehensive advocacy strategy** for the Cities Alliance, which not only identifies the necessary mechanisms and activities, but also defines the roles and contributions of the members, the Secretariat including its regional advisors, and the Advocacy Panel. The Secretariat should be encouraged to engage a professional firm if such assistance were helpful.

3. CA Secretariat staffing and CA Presence in Europe

Recommendation 9: Cities Alliance Presence in Europe

The group suggests to the CG to encourage the **strengthening of Cities Alliance-presence in Europe**. It recommends opening a small sub-office in Europe (1 Senior and 1 Junior staff), which shall have a clear focus on advocacy and networking for urban development issues in Europe including its neighboring regions. It should be established for a **period of 3 years on a pilot basis**. An evaluation after the second year of its existence should analyze the efficacy and efficiency of this office before deciding on its longer term establishment. **Modalities and location should be further explored** taking into consideration cost effects, travelling convenience and the possibilities of utilizing structures and services of existing institutions.

4. Focus on poor countries and secondary and tertiary cities

Purpose of the topic

Develop and implement measures that are appropriate to achieve a stronger concentration of funds and projects of the Cities Alliance on poor countries, and on secondary and tertiary cities.

This issue is not an explicit part of the TOR of the working group. Given the importance for some members, the group suggests to the EXCO and the CG to accept an amendment of its TOR, in order to include this topic

4. Focus on poor countries and secondary and tertiary cities

Recommendation 10: Define a gradual target for the concentration of funds and projects

The working group recommends to the ECXO to define **targets for the concentration of funds and projects of the Cities Alliance on poor countries and secondary (and tertiary) cities** that should be achieved in a gradual way over the next few years. Such targets could be:

- at least 50 % of funds and projects to be utilized for poor countries and
- at least 50 % of funds and projects to be utilized for secondary (and tertiary) cities.

The **monitoring and evaluation system and the reporting of the Secretariat should be adjusted** in such a way that it reflects the repartitioning of funds and projects on these different categories of countries and cities.

4. Focus on poor countries and secondary and tertiary cities

Recommendation 11: Increase and improve preparatory measures

The EXCO should approve the **increase and improvement of proactive initiatives**, including measures for capacity development, to be taken by Cities Alliance, in order to **promote the project pipeline in such targeted countries and cities**. They should be included into the forthcoming work programmes of the Alliance.

4. Focus on poor countries and secondary and tertiary cities

Recommendation 12: Modification of procedures and project terms

The group further suggests to the EXCO to encourage the modification of procedures and project terms in such a way that **conditionalities are higher for Middle Income Countries**, for example innovative project designs or particular learning and scaling up opportunities, **and lower for Low Income Countries (or LDCs)**, for example reduced co-financing criteria, or provision of more allowances for training and capacity building.

4. Focus on poor countries and secondary and tertiary cities

Recommendation 13: Revise the role of Middle Income Countries and big cities

The EXCO and the CG should **revise the role of Middle Income Countries and big cities** and transform them from being primarily recipients of Cities Alliance funding to becoming more partners and development agents, who **assist low income countries and smaller cities**, for example through **south-to-south exchange or by sharing their knowledge and experiences.**

5. General observations and recommendations

Purpose of the topic

Prepare the ground for a wider reflection at the Cities Alliance, which would be necessary to discuss important strategic aspects in a more fundamental way, and is considered appropriate for the upcoming celebration of 10 years of existence of the Cities Alliance.

5. General observations and recommendations

Recommendation 14: Review the vision, strategy and charter of the Cities Alliance

The group recommends to the CG to initiate a systematic stock taking of present strategies and organization of the Alliance and **a wide reflection on the future nature and role of the Alliance** under the changing development architecture, the roles of members, **adjustments of its vision, the Charter, roles and mandates of the governance bodies, and the elaboration of a new Medium Term Strategy.**

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Thank you for your attention

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