

CIVIS

The Vision

Cities and towns now form the front line of globalisation and development in this, the Urban Millennium. Within a generation the majority of the developing world's population will live in cities and towns, and the number of urban residents in developing countries will double by nearly 2 billion.

- Over the next two decades, more than 88 per cent of the population growth in developing countries will be urban.
- By 2025, 78 per cent of the world's urban population will be in developing countries.
- By 2015, there will be 23 megacities with populations in excess of 10 million; of these, 19 will be in developing countries, 15 of them in Asia.

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Income inequality is worsening, sharpening the distinctions between and among social classes; the urban rich from the urban poor, and the urban poor from the rural poor. The urban challenge of this decade is to create the conditions for reducing poverty: employment opportunities, improved access to basic services, legal and social protection and financial services.

Under-representation of the poor, deliberate discrimination against minority groups, coupled with unresponsive and bureaucratic modes of governance further threaten to entrench marginalisation. Inequalities like these only compound already widespread discrimination, especially against women. The irony in this is that women are generally the most active participants in development, and in the building of cities.

In effect, badly governed cities deny the poor the most valuable form of urban citizenship: the right to be heard, to place their needs and priorities on the development agenda with other city needs.

In many regions of the world, national governments acknowledge failure in providing security, infrastructure and services to the poor. City governments, newly enfranchised by decentralisation, have too little experience and capacity to catch up with huge gaps that have built up over decades. Slums in many large cities are growing in size and in share of urban population. In these cities the poorest pay most dearly for low-quality urban services. Moreover, poorly integrated land, housing, financial and transport

markets impose enormous costs onto the urban economy. Again, it is women who bear the brunt of these inefficiencies.

These statistics and demographic trends often have the effect of obscuring the human face of this global challenge. Cities and towns are the crucibles of history, of politics and society, culture and humanity, wonderfully complex sites of human exchange, as well as marketplaces. Yet when the urban poor are portrayed, they are mostly presented as the passive recipients of tragic circumstance and misery, waiting for salvation from elsewhere.

Signs of Hope

A different reality is beginning to emerge from within some of the world's slums; one which reveals the poor more and more as active participants in development, and as the true poverty experts. Where banks do not lend to them, they save and lend to each other; where no housing is available, they build their own shelter; where no education is provided, they teach each other. The poor are currently the single largest producers of shelter and, indeed, builders of cities, in the world today. In most cases, it is women who take the lead in designing survival strategies, providing the conditions for development.

It is also clear that some city leaders want to gear up to face the challenge of urban poverty through actively engaging with the poor and the marginalised. The recent progress that has been made in participatory local democracy is providing fertile ground for innovations in the ways that people's demands are articulated and satisfied. It is precisely these sorts of initiatives that provide some of the best prospects for sustainable development strategies, and to which the world's development institutions are being invited to respond.

The Cities Alliance wishes to support these signs of hope by investing in the poor, their institutions and in those cities in which multiple stakeholders demonstrate a shared commitment to addressing poverty and inequality through well-integrated programmes. In supporting this approach, the Cities Alliance will strive to ensure that positive changes are not limited to isolated projects, but impact on policies and are scaled-up to meet the challenge. This requires cities to adopt participatory, pro-poor approaches as their default mode of operation, creating the conditions for nation-wide programmes to attack urban poverty.

In summary, the Cities Alliance recognises cities and towns as engines of growth where the convergence of sectoral activities, and collaboration among communities, all levels of government, and other private and public sector institutions, can create an arena for sustainable development for the country. Indeed, the same quality and rigour in analysis, advice and strategising that is normally applied to national economies and central governments, should be applied to urban economies and local authorities.

The Cities Alliance

The World Bank and the United Nations Centre for Human Settlements (Habitat), have joined forces to launch the Cities Alliance: an expanding partnership of those institutions and donors who believe the time has come to forge a new approach to urban development and to support the initiatives of the poor. Other development agencies have joined to expand the partnership to a scale commensurate with the nature and size of the challenge.

UNCHS is the focal point within the United Nations system for the implementation of the Habitat Agenda. Habitat has completed a comprehensive revitalisation exercise, emerging as the City Agency of the United Nations, adopting the style and profile of an advocacy agency. The World Bank has just launched a new urban and local government development strategy, indicating a wholly new orientation and importance for urban development within the institution.

The Cities Alliance provides expanded operational capacity to the urban strategy being developed within and between the two founding organisations. The decision by Habitat to launch two global campaigns provides an overarching long-term framework and a vehicle for the Cities Alliance, as it is for helping implement the Bank's strategy. The Global Campaign for Secure Tenure provides a framework for slums upgrading, whereas the Global Campaign on Urban Governance mirrors the Bank's search for well-managed cities. It is this synergy that is captured by the Cities Alliance.

To succeed, however, the Cities Alliance has to expand beyond the two founding partners and continue to attract a broader constituency of development agencies. The Cities Alliance is now a broad and growing partnership of bilateral and multilateral agencies, donors and associations of local authorities, poised to mobilise global commitment and resources.

New Ways of Working Together

The members and partners of the Cities Alliance have set themselves the challenge of implementing a pro-poor urban vision – this will require moving beyond the rhetoric of urban development. The Cities Alliance does not have all of the answers but, as long as it provides a mechanism for continually asking the difficult questions, it can only move forward.

At the heart of making this approach a reality is the need for city governments to demonstrate a clear vision, underwritten by solid political will. This must be the first point of departure for the Cities Alliance; it is precisely these leaders and these cities that Alliance will seek as partners.

Reinforcing recent experiences, the Cities Alliance promotes an inclusive and participatory approach to urban development. This emphasises active consultation by local authorities with the urban poor, with time being taken to develop a shared vision for the city. In this regard, the urban poor as seen as much as developmental partners as they

are as potential beneficiaries. Experience has demonstrated that city consultation processes underwrite the long-term sustainability of urban development, and significantly enhance the chances of success.

In short, the Cities Alliance is primarily concerned to support the promotion of good urban policies and strategies, and then helping city governments and their local partners to translate these policies into programmes – programmes to improve slums, programmes to improve city management. The real measure of success will be when the investment of the Cities Alliance combines with the investment of the urban poor.

The importance of urban issues to national and global sustainable development goals has been acknowledged at the 1996 Habitat II Conference on Human Settlements, and features prominently in the Bank's *World Development Report 1999/2000*.

The Cities Alliance aims to provide a vehicle for making pro-poor policies a reality.

Cities Alliance Principles

To implement this Mission, the following key guiding principles will affirm the commitment of all partner organisations to a new approach to urban development:

- The focus of the Cities Alliance is on the urban poor, and on urban poverty eradication;
- Cities Alliance activities promote pro-poor policies, and the goal of an inclusive urban citizenship;
- Cities Alliance policies and activities will promote the role of women in city development;
- Cities Alliance activities will support existing local initiatives, especially where poor communities have built social capital;
- Cities Alliance programmes will focus on scaling up efforts of partner cities to reduce urban poverty;
- Cities Alliance will promote partnerships between local and national governments, and those organisations directly representing the urban poor.

These principles will guide the Cities Alliance in its two main types of activities:

- (i) slum upgrading, holding up a vision of Cities Without Slums, with a target of improving the lives of 100 million slum dwellers by the year 2020;
- (ii) City Development Strategies, promoting inclusive and participatory approaches to urban development and sound urban governance.

The ultimate aim of this strategy is to promote sustainable cities and towns that fulfil the promise of development for all of their inhabitants – in particular, by strengthening the rights and improving the lives of the poor – while contributing to the progress of the country as a whole.

The Cities Alliance is also a learning alliance which, through its activities promotes and facilitates the sharing of information and encourages practices and policies that are designed to directly help the urban poor. This knowledge-based approach to development will help build a shared vision, using the Cities Alliance as an effective clearinghouse for urban innovation.