



Executive Committee Meeting Report

**5 November 2014
Addis Ababa,
ETHIOPIA**

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I. Decisions

1. **The meeting agenda was approved.**
2. **The September 2014 EXCO Meeting Report was approved.**
3. EXCO welcomed and endorsed the **Draft Charter Revisions**.
4. The Secretariat will **redraft the Charter to incorporate EXCO comments, simplifying and restructuring the document.**
5. **The revised Draft Charter Revisions will then be presented to the CG members on 7 November 2014 for discussion and ratification.**
6. The Secretariat will **consolidate the work plans and budgets in a more comprehensive document both for 2014 and 2015** and circulate to Members.
7. **EXCO adopted the 2015 budget with a recommendation to create a reserve fund.**
8. **EXCO endorsed the Standard Operation Procedures (SOP) updates.**

II. Meeting Summary

Date: 5 November 2014

Attendance: *(See Annex I for full list of Members in the meeting).*

Venue: Capital Hotel and Spa, Haile Gebresellasie Street, Bole Subcity, Kebele 04/06, PO Box, Addis Ababa, Ethiopia

Item 1: Opening and Welcome

The meeting was chaired by Emilia Saiz from UCLG, acting on behalf of Josep Roig, the Chairperson of the Executive Committee. Regrets were received from the Philippines and Shack/Slum Dwellers International (SDI). Welcoming all the members and especially the new members DFID, SECO and UNICEF, the Chair introduced the programme for the week's meetings, and emphasised the importance of these meetings for the Cities Alliance. The main goal is to strengthen the Partnership and to ensure its relevance and ambition for the post-2015 development agenda. During the course of the past year, members have discussed how the Charter needs to change to clarify the roles, membership, governance and mandate of the Cities Alliance. These Charter revisions will complete the reforms of the Cities Alliance, and ensure that it is well positioned to promote the role of cities at the heart of the new development agenda.

The EXCO chair presented the draft meeting agenda and the Brussels, 8 September 2014 EXCO meeting Report for approval.

DECISIONS

1: The draft meeting Agenda was adopted.

2: The September 2014 EXCO Meeting Report was approved.

Item 2: Policy and Strategy

Governance Working Group (GWG)

The Governance Working Group (GWG)¹ of the Cities Alliance (CA) met a total of four times (October and January) and, on two occasions (6 June and 25 July), with the independent facilitator Greg Clark, launching an intense dialogue between the Members on, *inter alia*, governance, participation, growth of membership, communications and advocacy. Building upon the Terms of Reference for the Working Group (6 November 2013) and the endorsement of its first report at the EXCO meeting in Medellin on 6 April 2014, the GWG of the CA put forward a set of 13 recommendations to the EXCO to reposition and strengthen the Partnership, particularly by improving Member ownership. It was recommended that the new governance arrangements be approved at the Consultative Group meeting on 7 November 2014, and take effect on 1 January 2015.

Cities Alliance Director William Cobbett introduced the 13 recommendations adopted by EXCO at the meeting in Brussels on 8 September 2014, highlighting the most important aspects and how these recommendations would impact the Charter. He also invited the Members to deliberate on items that yet need further clarification and decisions. The main goal was to arrive at a set of final recommendations to be presented to the CG meeting on 7 November 2014 for ratification.

GWG Recommendations

GWG Paper Recommendation 1: *A concerted internal communications exercise should be undertaken to focus on and inform existing members, and seek to generate more decisive affiliation to the Alliance amongst a deeper spread of staff within member organisations.*

GWG Paper Recommendation 2: *GWG proposes that the need for responsiveness to these agendas is critical now. Cities Alliance should build upon the existing business model to diversify and expand income sources, attract new implementation capacity and optimise impact.*

GWG Paper Recommendation 3: *EXCO should adopt the proposed simplified way of describing members, and avoid using other terminologies.*

GWG Paper Recommendation 4: *EXCO should agree that Working Groups are not governance*

¹ The GWG is a sub-committee of the CA Executive Committee (EXCO) established by the CA Consultative Group at its 2013 Annual Meeting. The Working Group comprises the following Members: UCLG, UN-Habitat, BMZ (Germany), Sida, Chairperson of the Advisory Panel, Director of the Secretariat, and UNEP.

mechanisms but are designed to optimise participation and innovation.

GWG Paper Recommendation 5: *EXCO should ask the Secretariat to work with a new Cities Alliance Membership Sub-Committee to develop a membership development and growth plan for consideration by the EXCO.*

GWG Paper Recommendation 6: *The Cities Alliance moves to having a 4- or 5-year MTS and 2 or 2.5 year mandates for its Board and Assembly chairs, with a 2 consecutive term limit.*

GWG Paper Recommendation 7: *The GWG recommends that the Governance of the Cities Alliance be orchestrated around the three key entities of Assembly, Board, and Secretariat.*

GWG Paper Recommendation 8: *The GWG recommends that the EXCO agree on the role of the Assembly, Assembly Chair, and means for appointing the Chair of the Assembly.*

GWG Paper Recommendation 9: *The GWG recommends that the EXCO agree on the definitions of the Board, its roles, responsibilities, membership, and constituencies. It also recommends that the EXCO agree the definition of the role of the Chair of the Board, and methods for selecting the Chair. The GWG further recommends that the EXCO request the preparation of a Membership Strategy and the formation of a Membership Working Group to become the Membership Sub-Committee of the Board in due course, and the drafting of the delegation protocols between the Board and the Secretariat for EXCO to review.*

GWG Paper Recommendation 10: *EXCO should define the Secretariat's role and seek further details on the working relationship between the Chair and the Director.*

GWG Paper Recommendation 11: *EXCO should seek to retain the Policy Advisor(s) and build their number and role. A paper to develop this should be requested from the Secretariat.*

GWG Paper Recommendation 12: *EXCO should request a short paper to clarify the advocacy role of the Cities Alliance.*

GWG Paper Recommendation 13: *EXCO should request the GWG to make a further set of detailed recommendations on the additional issues raised above in due course, once the new arrangements are agreed upon, and to revise the Charter accordingly.*

Member Discussion

Members exchanged general views regarding this set of recommendations that will open a new page in the history of the Cities Alliance. Members underlined the imperative of these reforms, which were essential to allow a truly ambitious Cities Alliance to play an increasingly active and visible role on the global stage.

The Secretariat presented the Draft Charter Revisions for Members to review, deliberate and approve (See Annex IV). By decision of the Chair, the observer Members were also invited to participate in the discussions, leading to an active debate. Not only was there a clear consensus among all Members as to the spirit of amendments, but additional revisions were suggested to further simplify the Charter. In many instances, issues of detail were either deleted, or moved to the Standard Operating Procedure (SOP). The main discussions and changes recommended by the Members referred to the following: The selection process; models and functions of the Assembly and the Management Board; the role of the Secretariat; six constituencies of membership, and expanding to entities with implementing capacities nominated by Members; erasing the terms ‘developing’ and ‘developed’ from the text of the Charter; and adding gender balance. In particular, it was agreed that Members would be able to nominate a representative to act on their behalf, where appropriate. After a thorough debate regarding each proposed amendment, the Secretariat was requested to prepare a revised draft version incorporating EXCO comments for presentation to the Consultative Group at the meeting on 7 November 2014 (See Annex V).

DECISIONS

3: EXCO welcomed and endorsed the overall framework direction of the Draft Charter Revisions.

4: The Secretariat was requested to redraft the Charter incorporating EXCO comments for presentation to the CG meeting on 07 November 2014.

Item 3: Finance and Operations

a) 2014 Budget Actuals and Work Plan

Head of Finance and Operations Phyllis Kibui presented the 2014 Annual Work Plan and 2014 Budget Actuals. The status of implementation of the Annual Work Plan as of 10 October 2014 was presented using the traffic light indicators system: green for accomplished activities; yellow for ongoing activities; and red for deferred or cancelled activities.

It was noted that the transition to Brussels was accomplished when the Secretariat moved to its permanent premises and completed staff recruitment. In this context, the 2014 Work Programme was very ambitious.

Member Discussion

The discussion focused on deferred or cancelled activities (items with red lights). Members were particularly concerned about the MENA regional activities and stressed the importance of supporting this region in the current turbulent situation. Members also requested a more detailed breakdown of the amounts spent on each activity, ideally through merging the work plan and the budget documents.

b) World Bank Legacy Portfolio Update

Kevin Milroy presented a summary of the World Bank Legacy Portfolio, which commenced on 3 September 2013. The Portfolio began with 91 projects, of which 72 were active and 19 in closure process. From September 2013 through June 2014, 20 projects were closed and 32 others went into closure process, leaving 39 projects at end of the Bank's FY14 (30 June 2014). The staff has gone down to 3.5 and the Portfolio is expected to be substantially complete by December 2015. During 2015, the Legacy team and Secretariat will collaborate to capture the outputs and knowledge of the projects managed by the Legacy Team. The Members were satisfied by the report and expressed their appreciation for Mr. Milroy's role, and that of the Legacy team, in the transition period and in the very smooth running of the CA portfolio.

c) 2015 Budget and Work Plan

Phyllis Kibui then presented the 2015 draft Annual Work Plan and Budget. The draft Annual Work Plan is divided into four main outputs, each of which has SMART targets (Specific, Measurable, Actionable, Realistic, and Time bound) with completion dates. The presentation showed how the 2015 Work Plan is aligned to the CA Results Framework and its business lines.

The draft 2015 Budget includes main sources of funds:

- Core funds;
- Gates Foundation Intermediation Portfolio; and
- Gates Foundation Land, services and Citizenship (LSC).

Member Discussion

In welcoming the presentation, some Members suggested a new format which more clearly links the budget to activities. Questions were also asked about the definition and role of in-kind contributions, particularly when these were offset against annual membership fees. In general, it was felt that in-kind contributions should be accounted for separately, and in addition to membership fees. This led to a larger discussion on the setting of membership fees for different categories of membership, with a preference to set the fees at levels that facilitate a wider membership.

A number of Members raised concerns about the sustainability of the current levels of income, and suggested the need for the building of a reserve / contingency fund for the Cities Alliance. The Director expressed confidence in the ability of the Cities Alliance to raise new resources, particularly against the background of the proposed Charter revisions. Members stressed the importance of a medium-term financing plan, particularly in light of their desire for a more ambitious Cities Alliance. With these comments, members approved the 2015 Budget as tabled.

d) Performance Indicators and Monitoring System (PIMS) Report

On behalf of the Secretariat, Federico Silva presented the Cities Alliance's first corporate scorecard, which is designed to provide the CA with information on the achievement of development results, effectiveness in achieving those results, and efficiency of its operations. The scorecard is also meant to support strategic planning to fill crucial gaps, foster learning and corrective actions, and promote accountability for results.

The Scorecard comprises two major components: the Results Framework (RF) and the Performance Indicators Monitoring System (PIMS). While the Charter and three-year Medium Term Strategy (MTS) establish the developmental objectives of the CA, its approach and the type of activities it supports, the Results Framework articulates the different tiers of results (outputs, intermediate outcomes, outcomes and impact) that lead to the achievement of the organisation's objectives through causal and logical relationships. The Results Framework includes selected indicators to help measure and document progress and performance across the various tiers of results.

The Results Framework is defined operationally by the PIMS, which operationalises the 47 indicators into baselines, milestones and targets, data sources, and tools and frequency for data collection. The

PIMS operates across Secretariat operations, grant portfolios and the organisation as a whole, and contributes directly to the learning function of the Cities Alliance. The Secretariat will produce a final corporate scorecard during the first month of 2015 and circulate to all members.

Member Discussion

The Corporate Scorecard was extremely well received by members, who congratulated Federico and the Secretariat for such a comprehensive and convincing tool. There was a wide interest to use the Scorecard ambitiously, and numerous suggestions were made including translating it into Spanish and French as well as making it binding for all Cities Alliance programmes. Members also noted that the Corporate Scorecard could be instrumental in providing guidance to partner governments.

e) Standard Operating Procedures (SOP) Update

The Secretariat circulated updates of the SOP for decision. A few important changes had been incorporated as a result of the 2013 Ouagadougou meeting. These included the insertion of an anti-corruption policy, as well as the auditing of grants after completion. During the Charter revision discussion, members decided to move a significant portion of the text from the Charter to the SOP, which will be updated and circulated to all members upon finalisation of the Charter.

Member Discussion

Members agreed with the idea that the SOP is a living document that will be frequently updated. A proposal was made that Country Programme governments have to become members and that this should be added to the SOP. It was also suggested that the Recipient Governments should co-finance the projects with a modest amount, e.g. 20 per cent. The Secretariat was requested to prepare a proposal on what amounts can be realistic for each specific country. EXCO endorsed the SOP updates.

DECISIONS

6: The Secretariat will consolidate the work plans and budgets in a more comprehensive document both for 2014 and 2015 and circulate to Members.

7: EXCO adopted the 2015 Budget. The Secretariat will explore options to create a reserve fund for the Cities Alliance.

8: EXCO approved the SOP updates.

Annexes

Annex I: List of Attendees

<u>EXCO MEMBERS</u>	<u>PARTICIPANT</u>	<u>AFFILIATION</u>
GERMANY	Mr. Franz Marré	Federal Ministry for Economic Cooperation and Development (BMZ)
	Mr. Günter Meinert	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
SIDA	Mr. Mikael Atterhög	Swedish International Development Agency
UCLG (EXCO Chair)	Ms. Emilia Saiz	United Cities and Local Government
	Mr. Jean Pierre Elong Mbassi	United Cities and Local Government Africa
UN-HABITAT	Mr. Alioune Badiane	UN-Habitat
ex-officio EXCO MEMBER	Ms. Asa Johnsson	
	Ms. Clare Short	Chairperson: Policy Advisory Forum (PAF)
ex-officio EXCO MEMBER	Mr. William Cobbett	Cities Alliance Secretariat
<u>OBSERVERS</u>	<u>PARTICIPANT</u>	<u>AFFILIATION</u>
BRAZIL	Ms. Fernanda Teodoro Pontes	<i>Caixa Economica Federal</i>
	Ms. Inês Magalhães	Brazil Ministry of Cities
HFHI	Mr. Steve Weir	Habitat for Humanity International
METROPOLIS	Ms. Lia Brum	METROPOLIS
UNICEF	Mr. David Anthony	Division of Policy and Strategy, UNICEF
UNEP	Ms. Soraya Smaoun	UNEP
SWITZERLAND	Ms. Nicole Suhner	SECO
WORLD BANK	Mr. Kevin Milroy	Legacy Team, WORLD BANK
UNITED KINGDOM	Mr. Tony Burdon	DFID
	Ms. Rubbina Karruna	DFID

Annex II: EXCO Agenda

Cities Alliance

Cities Without Slums

Executive Committee Meeting

5 November 2014

FINAL AGENDA

*Venue: Capital Hotel and Spa, Addis Ababa, Ethiopia		
08h30	Welcome Coffee/Tea (light snacks)	Venue: TBC
09h00 – 9h15	<p>Item 1: Opening and Welcome <i>Emilia Saiz, Director, International Relations, UCLG and Acting EXCO Chair</i></p> <ul style="list-style-type: none"> ➤ Adoption of meeting Agenda ➤ Approval of Meeting Report – Brussels, Belgium, 8 September 2014 <p>Action: For Approval</p>	<p>Handouts: <i>Draft Agenda; Brussels Meeting Report, 8 September 2014</i></p>
09h15 – 13h00	<p>Item 2: Policy and Strategy Governance Working Group (GWG) <i>Emilia Saiz, Director of Statutory Issues and Institutional Relations, UCLG</i></p> <ul style="list-style-type: none"> ➤ Review of draft Charter revisions ➤ Transition Plans <ul style="list-style-type: none"> ○ Development to Support Governance ○ EXCO/Management Board Membership ○ Assembly Chair <p>Action: For Discussion and Finalisation of Presentation to CG</p>	<p>Handouts: <i>EXCO Recommendations to CG 29 September 2014; draft Charter Revisions 13 October 2014; Governance Transition Timeline</i></p> <p>Background Docs: <i>Working Group TOR; CA Charter</i></p>
10h45– 11h00	Coffee/Tea Break	
13h00 – 14h00	Lunch	
13h00 – 15h00	<p>Item 3: Finance and Operations <i>Phyllis Kibui, Head of Finance and Operations, Secretariat</i></p> <ul style="list-style-type: none"> ➤ 2014 Budget Actuals and Annual Work Plan (for information) ➤ Performance Indicators Monitoring System (PIMS) Update (for information) ➤ 2015 Budget and Work Plan (for decision) 	<p>Handouts: <i>2014 Budget Actuals and Annual Work Plan; 2015 Budget and Work Plan draft; PIMS report; SOP Update; World Bank Legacy Portfolio Report</i></p>

	<ul style="list-style-type: none"> ➤ Standard Operating Procedures (SOP) Update (for decision) ➤ World Bank Legacy Portfolio Update (for information) <p>Action: For Discussion/For Information</p>	
15h15 – 15h30	<p>Summary of Recommendations and Closing Remarks <i>Chair: Emilia Saiz, Secretary General, UCLG</i></p>	
16h00 – 18h30	Consultative Group Meeting	
19h30 – 21h00	<p><i>“Managing Systems of Secondary Cities”</i></p> <p><i>Book Launch and Cocktail Reception</i></p> <p><i>Hosted by H.E Mekuria Haile, Minister of Urban Development, Housing and Construction</i></p>	Venue: TBC

***Hotel Address: Haile Gebre Silasse Street, Addis Ababa 18786, Ethiopia; tel +32022008519**



Annex III: Site Visit Agenda

Thursday, 6 November 2014

Departure Place: Capital Hotel and Spa Lobby

Exploring Addis Ababa through the CA Medium Term Strategy prism

In conjunction with the Ministry of Urban Development, Housing and Construction, the Cities Alliance Secretariat is pleased to offer CG Members a site visit on **Thursday, the 6th of November**, to view Addis Ababa, often referred to as the political capital of Africa due to its historical and political significance. An exciting programme comprised of four parts will guide us through the different neighbourhoods of the city, discovering the blurring lines between the past and present of Ethiopia that has set itself a very bold transformative agenda framed around becoming a middle-income country by 2025 with a carbon-neutral, climate-resilient economy.

Led by representatives of the Ministry of Urban Development and Construction and the CA Team, we will be introduced to **the city rail system**. The Ethiopian Railway Corporation began construction of a 34.25 km double-track, electrified light rail transit project in December 2011. We will discuss this in relation to the three key areas identified in the CA Medium-Term Strategy: gender equality, resilience and economic growth.

Next, we will visit the famous **cobblestone construction sites**. The initiative has boosted the country's efforts to create additional employment opportunities and produce alternative road construction materials.

The site visit will then continue to Addis Ababa's **36 hectare municipal landfill**, open for over 40 years and currently 85 per cent full, which will now be closed and transformed into the Repi landfill gas project under the Clean Development Mechanism (CDM) of the Kyoto Protocol.

We will also have the opportunity to get acquainted with the **Ethiopian Civil Service University**. The University was established as a college in 1995, and it was upgraded to a university in 2011 with the objective of building the capacities of the Ethiopian Civil Service by providing specialised education, training, research and consultancy services. Special attention is given to women and disadvantaged regions.

The field trip is scheduled for **10 am- 5.30 pm**. A bus will wait at the hotel. Wearing light footwear is recommended.

Please RSVP to Ms. Nune Karakhanyan:
[***nkarakhanyan@citiesalliance.org***](mailto:nkarakhanyan@citiesalliance.org)

Annex IV: Charter 13 October 2014 - Changes as sent to EXCO on 13Oct14

Cities Alliance

CHARTER

As adopted 16 November 2010

Amended 8 November 2011;

10 July 2013; 7 November 2014

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I. Introduction

The Cities Alliance is a global partnership for urban poverty reduction and the promotion of the role of cities in sustainable development.

- 1 In the last 20 years, the world urban population has grown from 2.25 billion to 3.5 billion. Most of this growth has occurred in developing countries. It is expected that it will reach 4.9 billion in 2030. At the same time, the annual urban growth rate is declining in many parts of the world.
- 2 Local governments have grown in importance in recent decades and their role is widely recognised, but their political, institutional and financial resources and powers do not match their mandate. Urban governance and decentralisation have progressed in all regions of the world to the benefit of urban dwellers. However, local government capacities remain underdeveloped in many countries, particularly in secondary cities, and there is enormous room for south-south and city-to-city cooperation for urban development.
- 3 Economically and culturally, cities are effective engines of growth and innovation allowing people to access a variety of job opportunities and personal development at large scale. However, especially in low income countries, many of these jobs are provided by the informal sector and decent work remains a challenge in many cities.
- 4 Cities, large and small, are also places of growing inequalities and sometimes of squalid poverty, in terms of both income poverty and inadequate access to shelter and basic services. But their neighbourhoods are often marked by human solidarities, community networks and citizen initiatives.
5. Gender based inequalities deprive cities of a significant source of human potential while directly undermining the stability, inclusiveness and sustainability of urban development. However, women act as vectors of positive change in cities, promoting household economic resilience and more equitable decision making.
- 7 6. By their density, compact cities offer the potential for sustainable development and the efficient use of natural resources. But most cities witness harmful environmental pollution hazards. They are a major contributor to and victim of climate change and related disasters. Sustainable urban development strategies should be matched by adequate investment and resources. The Cities Alliance is a global partnership for urban poverty reduction and the promotion of the role of cities in sustainable development. It aims at supporting cities, local and national governments and their partners² in the developing world in addressing the above challenges to capture the gains of urbanisation and taking advantage of the above opportunities, for the benefit of their citizens.

² Partners are non-CG members and may include cities, national associations of local governments, national governments, civil society organisations, NGOs, university and research institutes, private enterprises, etc.

II. Cities Alliance Objectives

8 Cities Alliance is governed by three over-arching objectives:

- a) To strengthen and promote the role of cities in poverty reduction, and in sustainable development;
- b) To capture and strengthen the synergies between and among members and partners; and
- c) To improve the quality of urban development cooperation and lending.

9 The Cities Alliance is primarily a vehicle for partnership, seeking to improve the quality and coherence of support being provided to city and national governments in the developing world, as well as the quality of members' own urban programmes. To this end, the Cities Alliance will not develop separate implementation capacity, but work through the existing capacity of its members, as well as other partners, to promote the vision of '**Sustainable Cities without Slums**'. To achieve this vision, the Cities Alliance will promote new partnerships between local and national government, slum dwellers, private foundations, the private sector, NGOs, knowledge institutions and other partners.

10 The Cities Alliance prioritises support to cities, local authorities, associations of local authorities and/or national governments that are committed to:

- a) Improving their cities, and local governance, for all residents;
- b) Adopting a long-term, comprehensive and inclusive approach to urban development;
- c) Implementing those reforms necessary to effect systemic change, and to achieve delivery at scale; and
- d) Decentralising resources to empower local government

III. Cities Alliance Activities

11 Support provided by the Cities Alliance falls within the following broad categories:

- a) Citywide and nationwide slum upgrading programmes;
- b) City development strategies; and
- c) National policies on urban development and local government

12 Within these broad categories, Cities Alliance members and partners are able to respond to a range of developmental challenges, which are identified as priorities by the city or national government, slum dwellers, and other members or partners.

City development strategies are generally multi-sectoral and citywide, and can encompass a wide range of priorities on sustainable urban development , including subjects related to three pillars of sustainable development (economic, social and ecological) as well as investments, governance systems and physical implementation.

13 Cities Alliance country-specific activities are limited to those countries listed in the OECD Development Assistance Committee's list of Aid Recipients³, as amended (Developing Countries). Any city, national association of cities, or national government with their partners can approach the Cities Alliance for support, either through one or more members of the Cities Alliance, or through the Secretariat, which will attempt to identify appropriate member(s) to provide such support. Cities Alliance members may also apply for support. Cities Alliance will make specific efforts to increase the focus on least developed countries and secondary cities and mobilise the expertise of middle income countries. Programmes of assistance by the Cities Alliance strive to reflect the priorities of the city and its residents, local government association and national government.

14 In general, the Cities Alliance offers support to meet its objectives, including the following types of activities, subject to the availability of resources:

a) Country Programmes

Longer-term programmatic support, at a multiple city / national scale;

b) Catalytic Projects

Shorter-term activities designed to catalyse change;

c) Knowledge activities

Activities designed to fill knowledge gaps and build capacity at local, national, regional and global levels; and

d) Communication support, and advocacy

Activities designed to improve awareness of relevant policies or activities, influencing policies and behaviour and contribute to dynamic local, national, regional and global debates.

IV. Membership of Cities Alliance

15 Membership of the Cities Alliance is open to representatives from the following Constituencies represented in the Cities Alliance Assembly: (i) National governments from urbanising countries and supporting countries; (ii) Inter-governmental and Multi-lateral Institutions and International or Regional Financial Institutions and Development Banks; (iii) Associations of Local Governments; (iv) Civil Society

³ The DAC List of Aid Recipients, as updated from time to time, can be found on the OECD homepage:

http://www.oecd.org/document/45/0,3343,en_2649_34447_2093101_1_1_1_1,00.html.

and Non-Governmental Organisations; (v) Private Sector and Foundations; and (vi) Universities, Research Centres and Knowledge Networks.

16 Membership of Cities Alliance is available to all organisations within these categories who meet a set of criteria. Members will:

- Join the CA to strengthen their cooperation with other members;
- Support and actively promote coherence of effort within the Cities Alliance.;
- Make a long term commitment to cities and urban development;
- Promote equality in general, and gender equality in particular, and tackling the uneven consequences of urbanisation.
- Support decentralisation and strengthen the role of local government.
- Be committed to partnership and innovation, and the promotion of accountability, transparency and sustainability.

17 Governance and participation.

Besides being involved in the governance structures of the Cities Alliance, Members will be encouraged to participate in the activities of the Cities Alliance. Such participation can be achieved through being selected as an implementing partner in a Country programme, or participating in one or more Joint Working groups established in terms of the Medium term Strategy. Such participation will be facilitated by the Secretariat.

15 There are two categories of membership (a.) Full Members and (b.) Associate Members, both of which are entitled to participate in meetings of the Cities Alliance Assembly.

Associate Membership is available to organisations for up to two years as a prelude to joining the Cities Alliance as a paying member. Associate members are not required to pay and, as non-decision making members, are not eligible to become members of the Management Board. 19 Other organisations interested in Cities Alliance activities may be invited by the Assembly Chair to attend specific Assembly sessions as Observers and to participate in specific Policy sessions. Observers are non-decision making and are also not required to pay annual membership fees.

20 The current membership of the Assembly (as of most recent Charter amendment date) is listed as **Annex I**.

21 Prospective Full Members and Associate Members of the Cities Alliance wishing to apply for membership of the Assembly, will need to (i) be sponsored by 3 (three) existing Full Members of the Assembly (ii) endorse the Cities Alliance Charter and (iii) undertake to meet their financial contributions to the Cities Alliance Trust Fund.

22 All membership applications are reviewed by the Membership Sub-Committee of the Management Board for recommendation to the Management Board and Assembly.

23 All members are required to make an annual financial contribution to the Cities Alliance Trust Fund according to the Schedule of Annual Membership Fees listed as **Annex II**. The Management Board may decide upon exceptions to the rule.

23 Full Members who do not pay their fees will have a two-year grace period before being prevented from participating in Cities Alliance activities, if they have previously been a paying member for three years or more.

V. Governance of the Cities Alliance

24 The Cities Alliance is composed of three structures:

- a) The Assembly
- b) The Management Board (the Board); and
- c) The Secretariat.

a) The Cities Alliance Assembly

25 The Assembly comprises Full Members and Associate Members of the Cities Alliance, and is the sovereign body of the organisation.

26. The Chair of the Assembly provides political leadership for the Cities Alliance. S/he should be a person of substantial standing in the global community. **The chair should be selected from amongst the leaders associated with the members of the Cities Alliance.** The chair should serve for 1 or 2 mandates of 3 years.

27 The Assembly meets at least once a year in conjunction with a major policy dialogue. Two thirds of the membership constitutes a quorum of the Assembly. Decisions in the Assembly are taken by Full Members by consensus. Consensus means no objection to agreement, but does not preclude the ability to dissent on the record without objecting. It has the authority to form Working Groups.

28 The Senior Policy Advisors participate in the deliberations of the Assembly. The Senior Policy Advisors are key advisors to the Assembly, Board, and Secretariat. They act as Ambassadors and Advocates for Cities Alliance, and are appointed for three years, renewable once. The Chair of the Senior Policy Advisors is appointed by the Assembly.

29 Primary Roles and Responsibilities of the Assembly:

- a) Adopt, and amend, the Charter;
- b) Adopt the Medium Term Strategy of the Cities Alliance;
- c) Appoint rotating members of the Management Board;
- d) **Appoint the Chair of the Senior Policy Advisors;**
- e) Appoint the Chair of the Assembly; and
- f) Approve the applications of new Assembly Members;

b) The Management Board

30 The Assembly appoints the Management Board. The Management Board is accountable to the Assembly in all matters.

31 The Management Board comprises representatives from each of the constituencies of the Assembly. Each constituency will be allocated a minimum of one, and a maximum of two representatives, up to a maximum of twelve Members of the Board. The allocation and balance of such Members is by decision of the Assembly;

32. The Chairperson of the Management Board will not represent his/her organisation, but will act as an independent and neutral chair on behalf of the Cities Alliance.

33. *The Chairperson of the Management Board may invite the Chairperson of the Senior Policy Advisors to participate in the discussion of the EXCO as an Observer.(Alternatively – the Chair of the senior Policy Advisors is granted ex officio status as a Member of the Management Board);*

34 Management Board Members are appointed by the Assembly for three-year terms, appointed on a staggered basis..

35 The Chairperson of the Management Board is selected from nominations for an individual solicited simultaneously from either of two sources: (i) Management Board Members and (ii) an open call for external candidates, managed by the Secretariat. If a chair is selected from amongst the Board Members, s/he will relinquish his/her representative role for that Member, which role will be performed by another representative of that Member

36 The Management Board's primary roles and responsibilities are to:

- a) Provide guidance to the Secretariat on matters of policy and strategy;
- b) Approve the Business Plan, annual work plan and budget of the Cities Alliance, including that of the Secretariat;
- c) Monitor progress and make recommendations to the Assembly;
- d) Participate in the selection of the Director of the Secretariat⁴;
- e) Approve any operating manuals produced by the Secretariat;
- f) Select countries for Country Programmes;
- g) Respond to requests from the Assembly;
- h) Consider applications for membership and make recommendation to the Assembly;
- i) Approve the criteria to be used in evaluating and approving Cities Alliance activities;
- j) Review and evaluate the overall performance of the Cities Alliance;

⁴ The Director of the Secretariat is selected and appointed by UNOPS in accordance with UNOPS policies and procedures. The approval of the Director's terms of reference, and the selection of the Director, will be decided in consultation with the Management Board.

- k) Establish the membership fees for different membership categories;
- l) Help raise additional resources;
- m) Review and recommend the applications of new Assembly members; and
- n) Decide on the physical location of the Secretariat.

37 The Management Board meets as often as necessary, but no less than three times per year. It has the authority to form Working Groups. One of the Management Board meetings precedes the Assembly meeting.

38. The Management Board will establish a Membership Committee to review the overall membership of the Cities Alliance; guide the Secretariat in the identification and solicitation of new Members; ensure Membership compliance with their financial obligations, and undertake any other membership activities requested by the Management Board;

d) The Secretariat

39 The Secretariat carries out the Cities Alliance Work Programme and manages its day-to-day operations. A primary function of the Secretariat is to actively facilitate the participation of members in the activities of the organisation. It also provides appropriate services to its Members, and generally facilitates the work of the partnership.

40 The United Nations Office for Project Services (UNOPS) provides the Secretariat and administers the Cities Alliance financial resources.

41 Cities Alliance Secretariat staff are UNOPS staff members recruited and managed according to UNOPS policies and procedures. The Secretariat may accept staff members on secondment from other organisations and through junior professional and similar programmes.

42 Under the overall direction of the Director, the Secretariat has the following roles and responsibilities:

- a) Facilitate Member involvement in the activities of the Cities Alliance;
- b) Screen and evaluate project proposals, in accordance with criteria approved by the CG;
- c) Provide Secretariat services to the CG, EXCO and PAF;
- d) Prepare and present medium- and long-term strategies, for consideration by EXCO and the CG;
- e) Support the CG and EXCO in fundraising on behalf of the Cities Alliance;
- f) Maintain a database of projects of the Cities Alliance;
- g) Monitor the implementation of projects and disseminate lessons learned from CA and other activities, including an Annual Progress Report;
- h) Draft the Work Programme and budget for EXCO approval and CG ratification, and facilitate its implementation; and
- i) Prepare and present status reports on progress and results.

IV. General

43. Nothing in this Charter is intended to be a waiver of, or impair or limit, any privileges or immunities of any Member under its respective Articles of Agreement or equivalent documents, or any applicable law, all of which are expressly reserved.

Annex I: Assembly Membership (7 November 2014)

Full Members of the Assembly

In Alphabetical Order, by type of member:

National Governments – Developing Countries

- Brazil
- Ethiopia
- Nigeria
- Philippines
- South Africa

National Governments – non-Developing Countries

- France
- Germany
- Italy
- Norway
- Sweden
- Switzerland
- United Kingdom

Multi-lateral Organisations

- United Nations Environment Programme (UNEP)
- United Nations Human Settlements Programme (UN-Habitat)

Global Organisations of Local Authorities

- Metropolis
- United Cities and Local Governments (UCLG)

International Networks of Organisations

- Habitat for Humanity International
- Slum/Shack Dwellers International

Associate Members of the Assembly

- The Ford Foundation
- The United Nations Children’s Fund (UNICEF)

Annex II: Schedule of Minimum Annual Membership Fees

These fees constitute the core resources of the Cities Alliance and are used to fund the annual Work Programme for the Cities Alliance. Members are encouraged to contribute more than the minimum.

Multi-lateral Organisations:	\$250,000 ⁵
National Governments (non-Developing Countries):	\$250,000
National Governments (Developing Countries):	\$ 50,000
Global Organisations of Local Authorities, UCLG and Metropolis	N/A
International Non-Governmental Organisations and Networks:	\$ 50,000
Foundations, Private Sector and Universities:	\$ 250,000
Other Partners (as defined by the CG)	\$ TBA

⁵ For UN agencies, this can be combined as a minimum of \$100,000 cash, and the remainder in-kind (e.g. Staff secondment)

Annex V: Draft Charter with EXCO Amendments as of 5 November 2014

Cities Alliance

CHARTER

As adopted 16 November 2010

Amended 8 November 2011;

10 July 2013; 5 November 2014

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I. Introduction

The Cities Alliance is a global partnership for urban poverty reduction and the promotion of the role of cities in sustainable development.

- 5 In the last 20 years, the world urban population has grown from 2.25 billion to 3.5 billion. Most of this growth has occurred in developing countries. It is expected that it will reach 4.9 billion in 2030. At the same time, the annual urban growth rate is declining in many parts of the world.
- 6 Local governments have grown in importance in recent decades and their role is widely recognised, but their political, institutional and financial resources and powers do not match their mandate. Urban governance and decentralisation have progressed in all regions of the world to the benefit of urban dwellers. However, local government capacities remain underdeveloped in many countries, particularly in secondary cities, and there is enormous room for south-south and city-to-city cooperation for urban development.
- 7 Economically and culturally, cities are effective engines of growth and innovation allowing people to access a variety of job opportunities and personal development at large scale. However, especially in low income countries, many of these jobs are provided by the informal sector and decent work remains a challenge in many cities.
- 8 Cities, large and small, are also places of growing inequalities and sometimes of squalid poverty, in terms of both income poverty and inadequate access to shelter and basic services. But their neighbourhoods are often marked by human solidarities, community networks and citizen initiatives.
5. Gender based inequalities deprive cities of a significant source of human potential while directly undermining the women and men's rights, impact stability, inclusiveness and sustainability of urban development. However, women act as a major force of positive change in cities, promoting household economic resilience and more equitable decision making.

6 By their density, compact cities offer the potential for sustainable development and the efficient use of natural resources. But most cities witness harmful environmental pollution hazards. They are a major contributor to and victim of climate change and related disasters. Sustainable urban development strategies should be matched by adequate investment and resources. The Cities Alliance is a global partnership for urban poverty reduction and the promotion of the role of cities in sustainable development. It aims at supporting cities, local and national governments and their partners⁶ in the developing world in addressing the above challenges to capture the gains of urbanisation and taking advantage of the above opportunities, for the benefit of their citizens.

⁶ Partners are non-CG members and may include cities, national associations of local governments, national governments, civil society organisations, NGOs, university and research institutes, private enterprises, etc.

II. Cities Alliance Objectives

7 Cities Alliance is governed by three over-arching objectives:

- d) To strengthen and promote the role of cities in poverty reduction, and in sustainable development;
- e) To capture and strengthen the synergies between and among members and partners; and
- f) To improve the quality of urban development cooperation and lending.

8 The Cities Alliance is primarily a vehicle for partnership, seeking to improve the quality and coherence of support being provided to city and national governments in the developing world, as well as the quality of members' own urban programmes. To this end, the Cities Alliance will not develop separate implementation capacity, but work through the existing capacity of its members, as well as other partners, to promote the vision of '**Sustainable Cities without Slums**'. To achieve this vision, the Cities Alliance will promote new partnerships between local and national government, slum dwellers, private foundations, the private sector, NGOs, knowledge institutions and other partners.

9 The Cities Alliance prioritises support to cities, local authorities, associations of local authorities and/or national governments that are committed to:

- e) Improving their cities, and local governance, for all residents;
- f) Adopting a long-term, comprehensive and inclusive approach to urban development;
- g) Implementing those reforms necessary to effect systemic change, and to achieve delivery at scale; and
- h) Decentralising resources to empower local government

III. Cities Alliance Activities

10 Support provided by the Cities Alliance falls within the following broad categories:

- d) *Citywide and nationwide slum upgrading programmes;*
- e) *City development strategies; and*
- f) *National policies on urban development and local government*

11 Within these broad categories, Cities Alliance members and partners are able to respond to a range of developmental challenges, which are identified as priorities by the city or national government, slum dwellers, and other members or partners.

12 City development strategies are generally multi-sectoral and citywide, and can encompass a wide range of priorities on sustainable urban development , including subjects related to three pillars of sustainable development (economic, social and ecological) as well as investments, governance systems and physical implementation.

13 **Cities Alliance country-specific activities are limited to those countries listed in the OECD Development Assistance Committee's list of Aid Recipients⁷, as amended (Developing Countries).** Any city, national association of cities, or national government with their partners can approach the Cities Alliance for support, either through one or more members of the Cities Alliance, or through the Secretariat, which will attempt to identify appropriate member(s) to provide such support. Cities Alliance members may also apply for support. Cities Alliance will make specific efforts to increase the focus on least developed countries and secondary cities and mobilise the expertise of middle income countries. Programmes of assistance by the Cities Alliance strive to reflect the priorities of the

⁷ The DAC List of Aid Recipients, as updated from time to time, can be found on the OECD homepage:

http://www.oecd.org/document/45/0,3343,en_2649_34447_2093101_1_1_1_1,00.html.

city and its residents, local government association and national government.

14 In general, the Cities Alliance offers support to meet its objectives, including the following types of activities, subject to the availability of resources:

e) Country Programmes

Longer-term programmatic support, at a multiple city / national scale;

f) Catalytic Projects

Shorter-term activities designed to catalyse change;

g) Knowledge activities

Activities designed to fill knowledge gaps and build capacity at local, national, regional and global levels; and

h) Communication support, and advocacy

Activities designed to improve awareness of relevant policies or activities, influencing policies and behaviour and contribute to dynamic local, national, regional and global debates.

IV. Membership of Cities Alliance

15 Membership of the Cities Alliance is open to representatives from the following Constituencies represented in the Cities Alliance Assembly: (i) National governments (ii) Inter-governmental and Multi-lateral Institutions and International or Regional Financial Institutions and Development Banks; (iii) Associations of Local Governments; (iv) Civil Society and Non-Governmental Organisations; (v) Private Sector and Foundations; and (vi) Universities, Research Centres and Knowledge Networks.

16 Membership of Cities Alliance is available to all organisations within these categories who are committed to the overarching objectives of the Cities Alliance of reducing urban poverty and promoting the role of cities in sustainable development. In particular:

- Long term commitment to cities and urban development;
- Promote equality in general, and gender equality in particular, and tackling the uneven consequences of urbanisation.
- Support decentralisation and strengthen the role of local government
- Be committed to partnership and innovation, and the promotion of accountability, transparency and sustainability.

17 Governance and participation.

All members, and their nominees, are encouraged to participate in the activities of the Cities Alliance. Members may also propose activities that further the aims of the Cities Alliance. The Secretariat will broker and establish partnerships between different Members.

18 There are two categories of membership:

- (a.) Full Members, who participate in decision making and are eligible to serve on the Management Board; and
- (b.) Associate Members participate in the proceedings of the Cities Alliance.

19 Other organisations interested in Cities Alliance activities may be invited the Assembly Chair in consultation with the Secretariat to attend specific Assembly sessions as Observers and to participate in specific Policy sessions. Observers are non-decision. .

20 Prospective Members of the Cities Alliance wishing to apply for membership of the Assembly, will need to (i) be sponsored by 3 (three) existing Full Members of the Assembly (ii) endorse the Cities Alliance Charter and (iii) undertake to meet

their financial contributions to the Cities Alliance Trust Fund.

21 All membership applications are reviewed by the Membership Sub-Committee of the Management Board for recommendation to the Management Board and ratification by the Assembly.

22 All members pay an annual membership fee to the Cities Alliance Trust Fund. The level of these fees will be determined by the Management Board.

23 Members who do not pay their fees for two consecutive years will no longer be members of the Cities Alliance.

V. Governance of the Cities Alliance

24 The Cities Alliance governance structure is composed of three structures:

- d) The Assembly
- e) The Management Board (the Board); and
- f) The Secretariat.

c) The Cities Alliance Assembly

25 The Assembly comprises Full Members and Associate Members of the Cities Alliance, and is the sovereign body of the organisation.

26 The Assembly provides leadership for the Cities Alliance and deliberates on trends in sustainable urban development and related issues and provides strategic direction for the Cities Alliance.

27 The Assembly meets at least once a year.) **Two thirds of the membership constitutes a quorum of the Assembly.** Decisions in the Assembly are taken by Full Members by consensus. Consensus means no objection to agreement, but does not

preclude the ability to dissent on the record without objecting. **It has the authority to form Working Groups.**

28 . The Chair of the Assembly should be a person of substantial standing in the global community. The chair is selected by the members of the Cities Alliance. The mandate of the chair is 3 years which may be renewed once. The Chairperson of the Assembly will not represent his/her organisation, but will act as an independent and neutral chair on behalf of the Cities Alliance.

29 The Assembly may appoint Sr. Policy Advisors to advise the Assembly, Board and Secretariat. They are appointed for a mandate of three years, renewable once.

30 Primary Roles and Responsibilities of the Assembly:

- g) Adopt, and amend, the Charter;
- h) Adopt the organizational Strategies of the Cities Alliance;
- i) Appoint g members of the Management Board;
- j) –
(Ratify the applications of new Members;
- k) Approves the rules of procedures of the Assembly.

Reviews and evaluates the overall performance of the Cities Alliance

d) The Management Board

31 The Assembly appoints the Management Board. The Management Board is accountable to the Assembly.

32 The Management Board comprises a maximum of fifteen members. Each constituency will be represented. The allocation and balance of the Board is by decision of the Assembly.

33 The Management Board will appoint a Chairperson to serve for a period of three years.

34 Nomination for the post of Chairperson must be supported by a minimum of three members.

35 The Chairperson of the Management Board will not represent his/her organisation, but will act as an independent and neutral chair on behalf of the Cities Alliance. The Chairperson may be selected from outside the membership of the Cities Alliance.

36 If a chair is selected from amongst the Board Members, s/he will relinquish his/her representative role for that Member, which role will be performed by another representative of that Member

37 A representative of the Senior Policy Advisors will participate ex-officio in meetings of the Management Board.

38 Management Board Members are appointed for three-year terms,

39 The Management Board provides organizational direction and oversight. It approves the business plan, annual work plans and budget of the Cities Alliance.

40 The Management Board meets as often as necessary, but no less

than three times per year. 41 . The Management Board will establish sub committees to deal with Finance, and Membership.

c) The Secretariat

42 Under the overall direction of the Director, the Secretariat carries out the Cities Alliance Work Programme and manages its day-to-day operations. A primary function of the Secretariat is to actively facilitate the participation of members in the activities of the organisation. It also provides appropriate services to its Members, and generally facilitates the work of the partnership.

43 The United Nations Office for Project Services (UNOPS) acts as the Trustee, provides the Secretariat and administers the Cities Alliance financial resources.

44 Cities Alliance Secretariat staff are UNOPS staff members recruited and managed according to UNOPS policies and procedures. The Secretariat may accept staff members on secondment from other organisations and through junior professional and similar programmes.

IV. General

45 Nothing in this Charter is intended to be a waiver of, or impair or limit, any privileges or immunities of any Member under its respective Articles of Agreement or equivalent documents, or any applicable law, all of which are expressly reserved.