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Cities Alliance

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3

CHARTER

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6 *DRAFT*

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8 16 November 2010

9 WB Legal Comments as of 10 February 2011

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26 **I. Introduction**

27 **The Cities Alliance is a global partnership for urban poverty reduction**
28 **and the promotion of the role of cities in sustainable development.**
29

30 1 In the last 20 years, the world urban population has grown from 2.25 billion to 3.5 billion. Most
31 of this growth has occurred in developing countries. It is expected that it will reach 4.9 billion in 2030.
32 At the same time, the annual urban growth rate is declining in many parts of the world.

33 2 Local governments have grown in importance in recent decades and their role is widely
34 recognized, but their political, institutional and financial resources and powers do not match their
35 mandate. Urban governance and decentralization have progressed in all regions of the world to the
36 benefit of urban dwellers. However, local government capacities remain underdeveloped in many
37 countries, particularly in secondary cities, and there is enormous room for south-south and city-to-city
38 cooperation for urban development.

39 3 Economically and culturally, cities are effective engines of growth and innovation allowing
40 people to access a variety of job opportunities and personal development at large scale. However,
41 especially in low income countries, many of these jobs are provided by the informal sector and decent
42 work remains a challenge in many cities.

43 4 Cities, large and small, are also places of growing inequalities and sometimes of squalid poverty,
44 in terms of both income poverty and inadequate access to shelter and basic services. But their
45 neighborhoods are often marked by human solidarities, community networks and citizen initiatives.

46 5 By their density, compact cities offer the potential for sustainable development and the efficient
47 use of natural resources. But most cities witness harmful environmental pollution hazards. They are a
48 major contributor to and victim of climate change and related disasters. Sustainable urban development
49 strategies should be matched by adequate investment and resources.

50 6 The Cities Alliance is a global partnership for urban poverty reduction and the promotion of the
51 role of cities in sustainable development. It aims at supporting cities, local and national governments
52 and their partners¹ in the developing world in addressing the above challenges to capture the gains of
53 urbanization and taking advantage of the above opportunities, for the benefit of their citizens.

54

¹ Partners are non-CG members and may include cities, national association of local governments, national governments, civil society organizations, NGOs, university and research institutes, private enterprises, etc.

55 **II. Cities Alliance Objectives**

56

57 7 Cities Alliance is governed by three over-arching objectives:

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

62 8 The Cities Alliance is primarily a vehicle for partnership, seeking to improve the quality and
63 coherence of support being provided to city and national governments in the developing world, as well
64 as the quality of members' own urban programmes. To this end, the Cities Alliance will not develop
65 separate implementation capacity, but work through the existing capacity of its members, as well as
66 other partners, to promote the vision of '*Sustainable Cities without Slums*'. To achieve this vision, the
67 Cities Alliance will promote new partnerships between local and national government, slum dwellers,
68 private foundations, the private sector, NGOs and other partners.

69 9 The Cities Alliance prioritizes support to cities, local authorities, associations of local authorities
70 and/or national governments that are committed to:

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

76 **III. Cities Alliance Activities**

77

78 10 Support provided by the Cities Alliance falls within the following broad categories:

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

82

83 11 Within these broad categories, Cities Alliance members and partners are able to respond to a
84 range of developmental challenges, which are identified as priorities by the city or national government,
85 slum dwellers, and other members or partners. City development strategies are generally multi-sectoral
86 and citywide, and can encompass a wide range of priorities, on

87
88 sustainable urban development priorities, including subjects related to three pillars of sustainable
89 development (economic, social and ecological) as well as investments, governance systems and physical
90 implementation.

91 12 Cities Alliance country specific activities are limited to those countries listed in the OECD
92 Development Assistance Committee's list of Aid Recipients², as amended (Developing Countries). Any
93 city, national association of cities, or national government with their partners can approach the Cities
94 Alliance for support, either through one or more members of the Cities Alliance, or through the
95 Secretariat, which will attempt to identify appropriate member(s) to provide such support. Cities
96 Alliance members may also apply for support. Cities Alliance will make specific efforts to increase the
97 focus on least developed countries and secondary cities and mobilize the expertise of middle income
98 countries. Programmes of assistance by the Cities Alliance strive to reflect the priorities of the city and
99 its residents, local government association and national government.

100 13 In general, the Cities Alliance offers support to meet its objectives, including the following types
101 of activities, subject to the availability of resources:

102 *a) Country Programmes*

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

104 *b) Catalytic Projects*

105 Shorter-term activities designed to catalyze change;

106 *c) Knowledge activities*

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

109 *d) Communication support, and advocacy*

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

113 **IV. Membership of Cities Alliance**

114

115 14 ~~Cities Alliance membership of the Consultative Group~~ is open to representatives of (i) national
116 governments, (ii) multi-lateral organizations, (iii) the global organisations of local authorities, UCLG and
117 Metropolis, (iv) international networks of organizations engaged in urban development and (v) other
118 partners as described below.-

119

Comment [w1]: NOTE: this edit includes a subtle change, specifying UCLG and Metropolis instead of parenthetically mentioning them)

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² 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.

120 15 There are two categories of membership (a.) Full Members and (b.) Associate Members, both of
121 which are entitled to participate in the Consultative Group meeting of the Cities Alliance.

122 16 Consultative Group (CG) Full Members include representatives of (i) national governments, (ii)
123 multi-lateral organizations, (iii) the global organisations of local authorities, UCLG and Metropolis, and
124 (iv)-international networks of organisations. [\(mention EXCO Membership?\)](#)

125 17 CG Associate Members may include representatives of (i) foundations, (ii) NGOs, (iii) private
126 companies, (iv) local authorities and (v) other partners. They are entitled to participate in the CG session
127 without participation in the decision making process.

128 18 Others interested in Cities Alliance activities may be invited by the CG Co-Chairs to attend
129 specific CG sessions as Observers and to participate in specific Policy Advisory Forum sessions. Observers
130 are non-decision making and do not need to pay annual membership fees.

131 19 The current membership of the Consultative Group (as of 30 June 2010) is listed as **Annex I**;

132 20 Prospective Full Members and Associate Members of the Cities Alliance can apply for
133 membership of the Consultative Group, provided they (i) are sponsored by 3 (three) existing [Full](#)
134 Members of the Consultative Group (ii) endorse the Cities Alliance Charter and (iii) undertake to meet
135 their financial contributions to the Cities Alliance Trust Fund. .

136 21 Their applications are reviewed by the Executive Committee for recommendation to the
137 Consultative Group. With the exception of UCLG and Metropolis, all members are required to make a
138 financial contribution to the core funds of the Cities Alliance, according to the Schedule of Annual
139 Membership Fees listed as **Annex II**. The CG, upon recommendation by the EXCO, may decide upon
140 other exceptions to the rule.

141 22 Members that fail to make their agreed financial contribution for two consecutive financial
142 years will no longer be members of the Consultative Group, and they will be notified by the EXCO.

143 **V. Governance of the Cities Alliance**

144

145 21 The Cities Alliance is composed of four structures:

- 146 a) The Consultative Group (CG)
- 147 b) The Executive Committee (EXCO)
- 148 c) The Policy Advisory Forum (PAF); and
- 149 d) The Secretariat

150

151 **The Consultative Group**

152

153 22 The Consultative Group comprises Full Members and Associate Members of the Cities Alliance,
154 and is the primary decision-making body of the organization.

155 23 The Consultative Group meets at least once a year. Two thirds of the membership constitutes a
156 quorum of the Consultative Group. Decisions in the Consultative Group are taken by Full Members by
157 consensus. Consensus means no objection to agreement, but does not preclude the ability to dissent on
158 the record without objecting. It has the authority to form Working Groups.

159 24 The Consultative Group is co-Chaired by the founding members of the Cities Alliance: the World
160 Bank³ and UN-Habitat⁴

161 25 Primary Roles and Responsibilities of the Consultative Group:

- 162 a) Adopt, and amend, the Charter;
- 163 b) Approve the long and medium term strategic direction of the Cities Alliance;
- 164 c) **Ratify** the annual work plan and budget of the Cities Alliance following approval by the
165 Executive Committee;
- 166 d) Approve the criteria to be used in evaluating and approving Cities Alliance activities;
- 167 e) Review and evaluate the overall performance of the Cities Alliance;
- 168 f) Establish the membership fees for different membership categories;
- 169 g) Help raise additional resources;
- 170 h) Appoint Rotating Members of the Executive Committee;
- 171 i) Appoint the Chairperson of the Policy Advisory Forum;
- 172 j) Approve the applications of new CG members; and
- 173 k) ~~Decide~~ **Advise** on the **physical** location of the Secretariat.

Comment [aes2]: How does ratify differ from approve? Recommend using the same term unless there is a specific intention to mean something else, in which case that different meaning should be transparent.

Comment [aes3]: Who decides?

Comment [aes4]: This is now "may" on line 267, so suggest deleting this from the list as a "primary duty."

175 **The Executive Committee**

176

177 26 The CG appoints the Executive Committee from the Full Members and Associate Members of
178 the CG? The Executive Committee is accountable to the Consultative Group in all matters.

179

³ Represented by the Vice-President of Sustainable Development, or his/her designated representative

⁴ Represented by the Executive Director or his/her designated representative

180 27 The Executive Committee comprises representatives from a combination of Permanent
181 Members, Rotating Members and an Ex-Officio Member and a potential Observer, viz.,

182 **a) Permanent Members:**

- 183 a. UCLG, UN-Habitat and World Bank

184 **b) Rotating Members:**

- 185 a. One national government from Developing Countries
186 b. Two national governments from non-Developing Countries
187 c. Two other Full Members or Associate Members

188 **c) Ex-Officio Member**

- 189 a. Manager of the Secretariat

190 28 The Chairperson of the EXCO may invite the Chairperson of the PAF to participate in the
191 discussion of the EXCO as an Observer.

192 29 Permanent Members and Rotating Members are decision making and the Ex-Officio Member
193 and Observer are non-decision making.

194 30 Rotating Members are selected by the CG, for three year terms, appointed on a staggered basis.
195 The UCLG representative acts as the Chairperson of the Executive Committee. If, for any reason, the
196 UCLG representative is not available, the EXCO members will elect a Chairperson for that meeting.

197 31 The EXCO's primary roles and responsibilities are to:

- 198 a) Provide guidance to the Secretariat on matters of policy and strategy;
199 b) Approve the annual work plan and budget of the Cities Alliance, including that of the
200 Secretariat, **subject to ratification by the CG**
201 c) Monitor progress and make recommendations to the CG;
202 d) **Approve** the annual work plan and budget for the Policy Advisory Forum;
203 e) Participate in the selection of the Manager of the Secretariat⁵;
204 f) Approve any operating manuals produced by the Secretariat;
205 g) Select countries for country programmes;
206 h) Nominate the Chairperson of the Policy Advisory Forum for CG appointment;
207 i) Respond to requests from the CG; and
208 j) Consider applications for membership and makes recommendation to the CG.

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Comment [aes5]: Should be clear that EXCO approval is not sufficient. Also wouldn't tie this to the "next" meeting, since there may always be iterations that need no objection attention, etc.

Comment [aes6]: Is this also subject to CG ratification? Since the budget in lines 168 and 212 is for the whole Cities, why is there an added budget for this part of Cities? Seems that it should all be together – or one is simply a subset of the larger budget. Even if the timing is different in terms of approvals, it would seem logical to use the same approval / ratification procedure for all portions of the Cities budget, including the PAF piece, which is integral to the whole.

⁵ The Manager of the Secretariat is selected and appointed by the World Bank in accordance with World Bank policies and procedures. The Executive Committee participates in endorsing the position's terms of reference and is involved in shortlisting and interviewing candidates.

209 32 The Executive Committee meets as often as necessary, but no less than twice per year. It has the
210 authority to form Working Groups. One of the EXCO meetings precedes the CG meeting.

211 ~~Absence at two consecutive meetings results in removal from the EXCO. EXCO will then make a~~
212 ~~recommendation for replacement to the CG.~~

213 The Policy Advisory Forum

214

215 33 The Policy Advisory Forum is the Cities Alliance platform for public discussion, debate and
216 knowledge sharing of activities that improve awareness of relevant policies or activities, changing
217 policies and behaviour.

218 34 The Forum promotes dialogue between CG members and invited partners on key policy and
219 strategic issues of city and urban development, and advises the Cities Alliance on appropriate policies
220 and strategies.

221 35 The PAF has a Chairperson for a period of three years. In formulating the work programme and
222 activities of the PAF, the Chairperson will work in close consultation with the Chairperson of the EXCO,
223 and the Manager of the Secretariat.

224 36 The PAF provides a platform for Full Members and Associate Members of the Consultative
225 Group to engage in policy dialogue with other parties, including but not limited to representatives of:

226 a) Country partners of the Cities Alliance, particularly cities and local authorities

227 b) Universities and training institutions

228 c) Non-governmental organizations

229 d) Community-based organizations

230 e) Foundations

231 f) Private sector organizations.

232 37 The main PAF meeting is held in conjunction with the annual meeting of the Consultative Group.
233 In between meetings, the PAF can also be convened, in coordination with the Secretariat and the
234 Chairperson of the PAF, at a country or city level.

235 38 The PAF Chairperson provides reports to the CG.

236

237 **The Secretariat**

238

239 | 39 The Secretariat carries out the Cities Alliance ~~mandate, Work Programme~~ and manages its day-
240 to-day operations. A primary function of the Secretariat is to actively facilitate the participation of
241 members in the activities of the organization. It also provides appropriate services to its Members, and
242 generally facilitates the work of the partnership.

243 | 40 The Secretariat is administered by and within the World Bank, and the World Bank serves as
244 trustee of Cities Alliance financial resources. The Cities Alliance secretariat manager and staff are part of
245 the Finance, Economics & Urban Development Department of the Sustainable Development Network,
246 Vice Presidency of the World Bank. ~~This set-up will be reviewed by the CG as needs occur. The CG may~~
247 ~~advise on the physical location of the Secretariat.~~

248
249 | 41 Cities Alliance secretariat staff are World Bank staff members recruited and managed according
250 to World Bank policies and procedures. The secretariat may accept staff members on secondment from
251 other organizations and through junior professional and similar programs.

252
253
254 | 42 Under the overall direction of the Manager, the Secretariat has the following roles and
255 responsibilities:

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

268

Comment [aes7]: What does this mean? Is there an open discussion of this now? If so, this could have implications for the new TF and would need to be better understood.

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270 **IV. General**

271

272 | 1. Nothing in this Charter is intended to be a waiver of, or impair or limit, any privileges or
273 | immunities of any ~~member~~ under its respective Articles of Agreement or equivalent
274 | documents, or any applicable law, all of which are expressly reserved.

275

276 | 2. [describe adoption and amendment procedure]

277

278

279 **Annex I:**

280 **Full Members of the Consultative Group (30 June 2010)**

281

282 In Alphabetical Order, by type of member:

283

284 National governments – Developing Countries

285 Brazil

286 Chile

287 Ethiopia

288 Nigeria

289 Philippines

290 South Africa

291 National governments – non-Developing Countries

292 Australia

293 France

294 Germany

295 Italy

296 Netherlands

297 Norway

298 Spain

299 Sweden

300 United Kingdom

301 United States of America

302 Multi-lateral organizations

303 European Commission

304 United Nations Environment Programme (UNEP)

305 UN-Habitat⁶

306 World Bank⁷

307 Global organizations of local authorities

308 Metropolis

309 United Cities and Local Governments (UCLG)

310 International networks of organizations

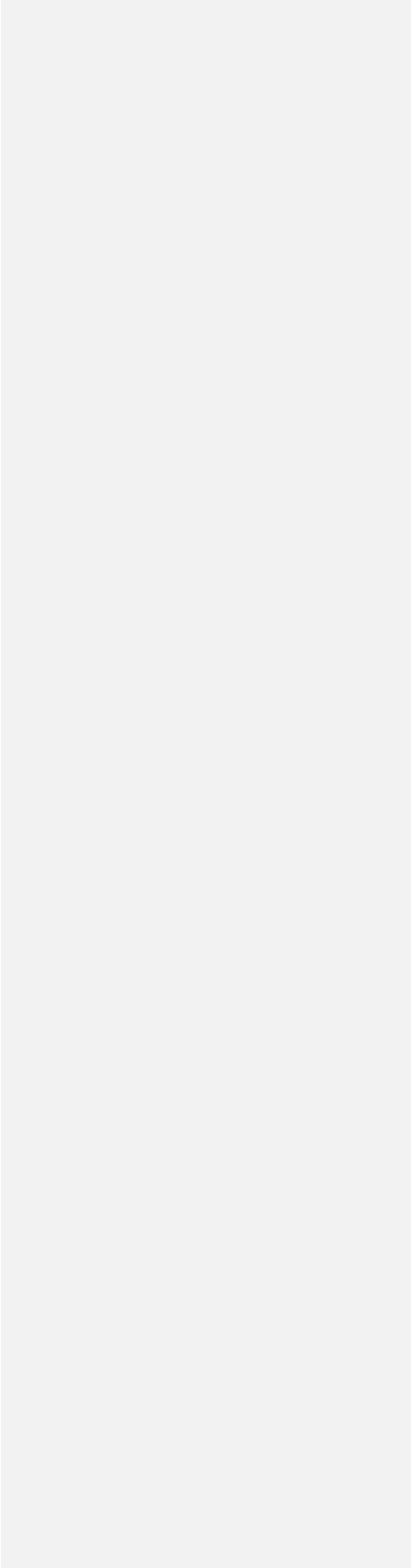
311 Habitat for Humanity International

312 Slum/Shack Dwellers International

⁶ Founding member

⁷ Founding member

313 **Associate Members of the Consultative Group (30 June 2010)**
314 None
315



316 **Annex II: Schedule of Minimum Annual Membership Fees**

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

319	Multilateral Organizations:	\$250,000 ⁸
320	National Governments (non-Developing Countries):	\$250,000
321		
322	National Governments (Developing Countries) Representatives	\$ 50,000
323		
324	International Non-Governmental Organizations and Networks:	\$ 50,000
325		
326	Foundations, Private Sector and Universities:	\$ 250,000

⁸ For UN agencies, this can be combined as a minimum of \$100,000 cash, and the remainder in-kind (e.g. Staff secondment)