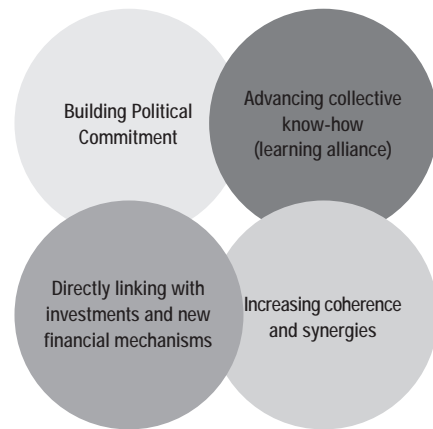# Cities Alliance in Action

The Cities Alliance is a unique policy forum in that it brings together representatives of the world's cities as equal partners in a direct dialogue with bi-lateral and multi-lateral development agencies and financial institutions. A principal motivating factor for Alliance members to join forces is their recognition that they have much to learn from each other and that drawing on their collective experience will help fill critical knowledge gaps.

The Alliance seeks to advance the collective know-how of local authorities and their international development partners on ways to reduce urban poverty and improve the quality and impact of urban development cooperation. Building on the common elements of their respective urban strategies, Alliance partners have joined forces to promote a more comprehensive approach to urban poverty reduction by focusing on action at the country level in two key areas: city development strategies (CDS) which reflect a shared vision for the city's future and local priorities for action; and citywide and nationwide slum upgrading to systematically include the most vulnerable and marginalised urban residents as both partners and beneficiaries in the city's growth.

To achieve its goals at the global level the Alliance is pursuing four interrelated strategic objectives:

Building Political Commitment

Advancing collective know-how (learning alliance)

Directly linking with investments and new financial mechanisms

Increasing coherence and synergies

Early outcomes of this strategy are encouraging. Alliance support to build political commitment around the goal of Cities Without Slums has led to the adoption, for the first time, of an international development target for urban poverty reduction. And as described in this report, focusing on CDS and citywide upgrading has met with an enthusiastic response from cities of all sizes, in more than 25 developing countries, which are working in partnership with Alliance members to achieve this goal.

Cities Alliance in Action

Becoming a learning alliance

The challenge of becoming a learning alliance has two critical dimensions: to systematically analyse and effectively communicate policy and operational lessons from experience, and to fill critical knowledge gaps. Over the past year it has become increasingly clear that each of these functions merits much greater attention, as well as a greater share of the Alliance's resources. This implies the need to more systematically incorporate these learning and communication activities as an integral part of the Alliance's work programme.

While this learning alliance objective has yet to be satisfactorily achieved, there are signs of progress. Alliance partners are already pooling their resources to begin to fill two knowledge gaps which are critical to scaling up: how to mobilise private capital to extend financial services and infrastructure to the urban poor; and the range of policy options to increase security of tenure, property rights, and access to public services. The Alliance is also beginning to receive more proposals which focus on the learning alliance function, and which are more systematically engaging existing networks of local authorities, urban professionals, academics, universities, and urban policy research institutes.

The Alliance is working with interested members and partners to develop a learning and communications strategy which will help guide and strengthen these critical functions.

Targeting results

Cities Alliance activities are designed and carried out by Alliance partners, and focus on marshaling their resources to improve the quality and coherence of urban development cooperation and its poverty reduction impacts.

Since its inception, the Alliance has invested US$30 million in 27 countries, 17 regional and global learning activities, and in one facility (the Community-Led Infrastructure Finance Facility - CLIFF). Alliance funds are catalytic. They are seed funds used to help Alliance partners build strong foundations for citywide and nationwide slum upgrading and city development strategies. They also leverage the public and private sector capital investments required for implementation. The Alliance is selective in the initiatives it funds. All proposals are evaluated against the ten core criteria that are reflected in its charter.

Cities Alliance Criteria

▲ **Targeting the objective** – city development strategies and/or scaling up slum upgrading;

▲ **Government commitment and approval** – approved by local and national authorities;

▲ **Linkage to investment follow-up** – potential investment partners are involved from the design phase;

▲ **Partnerships** – conceived in a participatory process with local stakeholders, including private sector and community organisations;

▲ **Co-financing** – combines seed funding from the Alliance with co-financing from cities as well as other sources;

▲ **Coherence of effort** – promotes cross-sectoral coordination and inter-agency collaboration;

▲ **Scaling up** – moves beyond pilot projects to citywide and nationwide scales of action;

▲ **Institutionalisation and replication** – helps cities and their national associations institutionalise city development strategies and citywide slum upgrading;

▲ **Positive impact on environment** – achieves significant environmental improvements, especially in the living conditions of the urban poor; and

▲ **Duration** – achieves deliverables within well-defined time frames, preferably within 24 months.