

A Learning Alliance

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

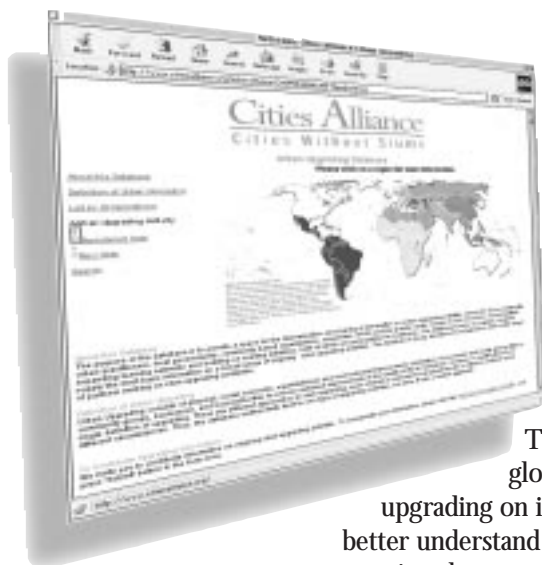
Advancing collective know-how in working with cities is therefore a central objective of the Alliance. The vision is simple. Local authorities and their associations, the private sector and community-based organisations – making a long-term commitment with the support of their national and international development partners – to share lessons foster new tools and agree on policy orientations and standards of practice in areas related to the Alliance's goals.

At the global level, the Alliance hosts a Public Policy Forum in conjunction with the annual meetings of the Consultative Group.

- The first Public Policy Forum in Montreal (June 2000) focused on the political dimensions of pro-poor urban policies and related institutional and financial reforms, reviewing lessons from experience in Africa, Asia and Latin America.
- The second Public Policy Forum held in Rome (December 2000) focused on the role of partnerships between local authorities and community-based organisations in Brazil, Mauritania and Cambodia creating the basis for city-wide actions .
- The next Public Policy Forum will be held in Calcutta in December 2001 and will focus on lessons from pro-poor city strategies in relation to local economic development, poverty reduction, and municipal governance and expenditure.

The Alliance's Policy Advisory Board, which held its first meeting in June 2001, will in the future organise the conceptual content and outreach of these Public Policy Forums to help build strategic alliances in each region. Board members will also draw on their own networks to strengthen the constituencies participating in knowledge-sharing at the regional level.

While the Secretariat is helping establish a framework for systematic information gathering and learning in the Alliance's two areas of focus, as is illustrated in the following section, most of these activities are very much driven by Alliance partners in the regions.



Urban Upgrading Database

The Alliance has created a global database on urban upgrading on its website to begin to better understand the scale and extent of ongoing slum upgrading activities worldwide, including who to contact for more information. The process of developing this database is helping to strengthen learning networks at the country and regional levels, and is building on existing initiatives, both of which are prerequisites for scaling up. This is work in progress and is being developed in collaboration with a wide range of partners including NGOs, community-based organisations, local authority associations, universities, development agencies and development banks. So far, 15 Alliance partners have contributed information on over 160 slum upgrading programmes.

As an integral part of these efforts to build a more comprehensive picture of urban upgrading at the country level, the Alliance is engaging in partnerships with universities and other learning institutions in countries where it is active. The first of these partnerships was established with the University of São Paulo. The university is not only providing office space for the Alliance's regional advisor (funded by Italy), but is also engaged in the learning and monitoring aspects of scaling up slum upgrading in Brazil. These activities serve both to build its curriculum as well as create a national cadre of expertise. Future Alliance efforts in this regard will focus on working with existing networks of learning institutions, as well as with regional urban development institutes (such as the Arab Urban Development Institute), to strengthen capacity to sustain national and regional upgrading databases

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and build a body of regional knowledge and analyses of successful scaling up slum upgrading and CDS experiences.

Upgrading Tools and Lessons from Experience

Under the leadership of the World Bank's Thematic Group for Services to the Urban Poor and the Massachusetts Institute of Technology, an informal community of slum upgrading practitioners from development agencies came together during a global video conference series which included UNCHS from Nairobi, GTZ from Frankfurt, DFID from New Delhi, and the U.S. Agency for International Development and the Inter-American Development Bank from Washington, D.C. Co-sponsored by the Alliance, this video conference series took place from February to April 2000 and began to structure a global effort which also included an electronic discussion between sessions to share perspectives, tools and experiences on scaling up slum upgrading. A well-structured interactive website was established

<http://web.mit.edu/urbanupgrading> which is maintained by the Massachusetts Institute of Technology to serve as a primary



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resource for urban upgrading practitioners and to disseminate this extensive knowledge base to a wider audience. Two CD-ROMs have been widely disseminated with Alliance support.

Regional Strategies

The Alliance has also supported efforts to build communities of practice at the regional level. The first of these was the **Regional Roundtable on Upgrading Low-Income Settlements in Africa** which was held in Johannesburg in October 2000 to foster interest and commitment among African practitioners and decision-makers. This meeting examined urban upgrading as a cost-effective development programme that can have an immediate impact on improving the conditions of the

urban poor. This was seen as a first step in helping to establish a community of upgrading practitioners in Africa.

The Cities Alliance has similarly sponsored the analysis of opportunities for city-wide and nation-wide slum upgrading in **Central America**. The initial findings of this assessment were discussed with most of the bi-lateral and multi-lateral development agencies active in the region, including both the IDB and the World Bank, at a meeting in New York in June 2001. On the basis of this and further analysis currently under way, a series of follow-up actions have been agreed upon which are likely to lead both to new investments and a greater coherence of effort in scaling up slum upgrading in the region.

Learning from Slum-Dwellers

Over the past decade, organisations of the urban poor have become a national force in a number of countries and are increasingly sharing their experiences internationally. In Asia and Africa this process has been consolidated through the formation of Slum Dwellers International, a network of national federations in 12 countries that build organisational strength and procedures through savings and credit activities. A defining feature of these organisations is their willingness and capacity to enter into developmental partnerships that will advance the interests of their members.

Globally, it is clear that the urban poor are the single most important resource in achieving urban development at scale. The importance of involving their representative organisations in planning and executing large urban upgrading programmes has not been well understood by many governments.

The Cities Alliance is supporting an ambitious joint proposal from UNCHS and SDI that builds upon SDI's existing activities in three countries – India, South Africa and the Philippines. In each of these cases, SDI has created a network of urban practitioners able to engage with local and national political leaders.

The objective of this initiative is to support the interaction of these organisations with city managers and higher levels of government to identify and address the institutional, legal and policy obstacles to scaling up slum upgrading. The anticipated outcomes include a combination of policy and regulatory reforms designed to facilitate local partnerships with organisations of the urban poor in scaling up slum upgrading.

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CDS Resource Cities

The Alliance is supporting city development strategies in all regions, but it is the cities of Asia which have led the way in knowledge sharing and tool development. Japan is co-sponsoring a number of these initiatives in the region; these are also increasingly benefiting from the strong support of national associations of cities as well as the national authorities responsible for finance and local government, especially in the Philippines, Indonesia and China.

Civic leaders in the Philippines are leading several of these efforts. While the Cities Alliance is providing support to the **League of Cities of the Philippines** to institutionalise and expand poverty-focused city development strategies from seven pilot cities to an additional 10 cities, the original seven cities have formed a support group of resource cities and launched a website <http://www.cdsea.org> in order to

strengthen and expand existing local knowledge resources, allowing the cities to solve immediate problems through communities of municipal practitioners with modern information technology.



Asian CDS Networking

With 23 cities from 13 Asian countries participating, mayors, agencies and donors gathered in Fukuoka, Japan, July 11 and 12, 2000, for a conference to report progress on CDS implementation. The **Asian City Development Strategies Conference 2000**, sponsored by the World Bank, UNCHS, the Cities Alliance, the Ministry of Construction of Japan, Fukuoka City, Fukuoka Prefecture and the Development Bank of Japan, was the second Asian CDS conference. It was structured around the theme of implementing CDS in an urbanising and decentralising Asia.

The participating mayors developed the Fukuoka Declaration 2000, which clarifies and strengthens the mutually supportive role of central and local governments, and promotes institutionalisation of CDS approaches so that they would be sustained beyond the terms of office of current political leadership. It recognises CDS as a tool for good urban governance where the vision and course of action for future urban development are guided by the norms of participation, responsiveness, transparency, accountability, equity, security and sustainability. And the cities pledged to share information and lessons on their CDS experiences with each other and with future generations of CDS cities.

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Guiding the Process and Identifying CDS Knowledge Gaps

Globally, the World Bank, UNCHS and the Urban Management Programme initially took the lead by producing a draft CDS action plan, guidelines and progress reports which were presented to the Cities Alliance Consultative Group. DFID, UMP and the World Bank's Development Grant Facility are also supporting efforts to draw lessons from the experience of the first round of CDS, particularly with regard to urban poverty reduction.

Given the fact that these initiatives are being developed by so many different partners in each region, the Secretariat organised a two-day workshop in March 2001, bringing together the task managers in order to refine the framework used to guide the CDS process, identify the issues that require further thinking and structure a related

learning agenda. The consensus of these task managers was that more guidance on the CDS process would be useful.

Accordingly, a draft discussion paper was widely disseminated in May 2001. It outlines the strategic focus and key elements of city development strategies from the Alliance's perspective. The next step in this process will be the development of a CDS resource framework, modelled after the above-cited upgrading resource website, to provide a platform for the exchange of CDS ideas and experiences and facilitate further CDS tool development. The primary source of this knowledge will continue to emerge from cities themselves, and the task of the Alliance will be to maintain the framework in which these lessons can be captured and shared. This CDS website and CD will be developed with local authority organisations so as to generate and disseminate this information through their networks.

Institutionalising CDS in the Philippines

Despite relatively favourable economic growth in recent years, poverty – and, in particular, urban poverty – remains a serious problem in the Philippines. This is a growing challenge to local government units which, following the decentralisation process begun with the Local Government Code of 1991 to promote local democracy and governance, are responsible for delivering basic services and alleviating urban poverty. Yet they need support to build capacities to govern effectively in partnership with local civil society and to have a vehicle to access and disseminate knowledge on effective and proven innovations in urban governance and poverty reduction from other experiences.

The CDS programme will develop: a toolkit based on local and international CDS experiences; training programmes for local government officials and trainers to expand and sustain the initiative; 10 new city development strategies inclusive of action and investment plans, mechanisms for sharing knowledge and the latest thinking on CDS; and a small coordinating team to drive the process. In addition, national policy institutions such as the Municipal Development Fund Office, the Housing and Urban Development Coordination Council, the Department of the Interior and Local Government and the Asian Institute of Management will join to institutionalise the process at a national level.

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New Knowledge Frontiers

In addition to its learning agenda, the Alliance has launched several initiatives which are designed to identify and fill knowledge gaps that are central to achieving its goals. Several examples follow as illustrations.

Sustainable Housing Finance for the Poor – Innovations and Good Practices.

Access to credit for the poor is a global policy challenge, which has a direct impact on incremental shelter delivery as well as local economic development. Innovations in providing sustainable financial and other services to poor people for shelter are emerging from different quarters, particularly in micro-finance. Several organisations have focused on gaining tenure and property rights for the poor and are also innovating with financial services for communities. To date, many of these experiences have not been documented, or at least analysed according to a common framework. Many commercial financial institutions, including those that started as micro-finance institutions, are interested in learning from other experiences in order to improve their own product offerings to poor clientele. Governments and their funding partners are also interested in learning from successful and efficient housing finance schemes to improve their own models of support.

The Cities Alliance has launched a primary analysis on this topic, initially through assessing innovations from field programmes. The Alliance is partnering with Accion International, the Cooperative Housing Foundation and Frontier Finance, each of which is a network of financial

institutions with a long history of commitment to and experience and success in delivering sustainable financial services to the poor. This will be a learning exercise, with the different institutions working together to learn from each other's models and experiences and applying these lessons throughout their networks. The three networks of financial institutions engaged as partners in this exercise collectively represent over 100 of the leading financial institutions involved in micro- and shelter finance provision to the urban poor. Over 60 per cent of their clients are women.

The three networks are selecting best practice cases from among their member institutions for field analysis and documentation on innovations. Lessons from this initiative will be widely disseminated to inspire replication, adaptation and further entry into this area by commercial financial institutions. In addition to the three implementing partners, Consultative Group to Assist the Poorest, International Finance Corporation, Plan International, USAID and UMP are co-sponsors and participants in this initiative.

Building Latin American and Caribbean Capacities in Urban Knowledge Management.

Renewed interest in the urban development agenda has prompted new questioning on how best to support cities as engines of growth and of poverty alleviation. Although rich documentation on urban development experiences have been produced, the results of all these efforts are not strictly comparable due to the diversity of conceptual approaches, as well as the diverse statistical indicators used for analysis. Accordingly, there is the need to build a

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knowledge base on urban development strategies and processes to which municipal authorities and urban stakeholders can have easy access – a base where comparable indicators can be found as well as documented best practices.

The Cities Alliance is supporting an initiative launched by UMP and IULA to develop such information in Latin America and the Caribbean. This project intends to contribute to the building of a knowledge base on urban development strategies that can become a tool for policy decisions. A comparative study and analysis will be carried out in 8 to 10 cities that have achieved economic growth and significant poverty reduction, on the basis of a common methodology. The study will involve work by various urban development partners (cities, national city associations and NGOs specialised in urban management), which will contribute to the production of knowledge – and, at the same time, benefit from training activities.

CIVIS Notes Series

As a learning alliance, one of the Cities Alliance's objectives is to act as a clearinghouse to distil, disseminate and expand knowledge of CDS and scaling up slum upgrading. Cities Alliance launched the short note series – CIVIS – as a forum for sharing practical experiences and successful examples among policy-makers and practitioners. The focus is on practical cases and examples of what has worked and why, as well as on policy issues. The first two issues published are *The Cities Alliance Vision* and *How Swaziland Is Upgrading Its Slums*. CIVIS is published in English, French and Spanish. Future topics will be solicited from Alliance members and partners, and feedback and additional topics will be sought systematically from the readership (via email-based surveys, website-based feedback, etc.). CIVIS is distributed via print copies and the Cities Alliance website.

All Cities Alliance materials are available from its website at
<http://www.citiesalliance.org>.