

## **Annex IV: Terms of Reference**

### **Independent Evaluation of the Cities Alliance**

#### **Introduction**

The Cities Alliance grew out of a partnership between the World Bank and the U.N. Centre for Human Settlements (UNCHS/Habitat), established in a December 1998 Memorandum of Understanding in which the Bank and UNCHS agreed to collaborate in a new joint venture "aimed at making unprecedented improvements in the living conditions of the urban poor and the socio-economic and environmental viability of cities." They agreed to focus on two common elements of their respective urban strategies - develop holistic City Development Strategies (CDS) and scale up slum upgrading.

This joint venture was launched in May 1999, held its inaugural meeting in Berlin in December 1999, and was operationalised by the adoption, in March 2000, of the Cities Alliance Charter by the two founding partners, joined by all of the G-7 Governments plus the Netherlands, Norway and Sweden, and the political heads of the four major international organizations of local authorities. The Charter provides for a governance and organizational - structure comprised of a:

- Consultative Group (CG) composed of the above-mentioned members that have adopted the Charter. A Steering Committee composed of five CG members provides guidance to the Secretariat on policy matters and overall direction.
- Policy Advisory Board (PAB) comprised of pre-eminent urban experts from each region.
- Secretariat staff to carry out the Cities Alliance mandate and manage its day-to-day operations.

A Cities Alliance Multi-Donor Trust Fund was established in which members pool resources that would be applied to annual work programmes approved by the Consultative Group. The World Bank administers the Trust Fund on behalf of the Cities Alliance and hosts the Secretariat.

By focusing on the city and its region rather than on sectors, and by scaling-up solutions promoted by local authorities and the urban poor themselves, the Alliance is promoting a strategy to improve the coherence and impact of external support to local authorities. And by engaging potential investment partners from the outset, the Alliance is encouraging the development of new public and private sector lending and investment instruments to expand the level of resources reaching local authorities and the urban poor, enabling them to build their assets and income.

The Secretariat has been established since the May 1999 launch, and there have been two annual work programmes approved to date: the 2000 Work Programme (approved March 2000, and updated in June 2000) and the 2001 Work Programme (approved December 2000). The 2002 Work Programme is to be considered at the Consultative Group meeting scheduled for December 2001.

The Cities Alliance Charter states that the Alliance will not develop separate implementation capacity, but rather draw upon the existing capacity of its partners, capitalizing on their experience and expertise in ways that strengthen their operations. It also states that the Secretariat will be kept small and focus on the administration of the Cities Alliance partnership rather than the delivery of Alliance-funded activities.

An independent evaluation is being commissioned to help inform the Consultative Group member organisations, the PAB and the Secretariat about the impacts of the partnership during the three years since the May 1999 launch as well as make recommendations for monitoring, evaluating and improving future progress.

### **Cities Alliance: Objectives, Strategic Approach & Guiding Principles**

It was established in the Cities Alliance Charter that the Alliance will marshal the resources, experience, and knowledge of its partners to focus on two priorities for action:

- i) *Cities Without Slums*, through the citywide and nationwide upgrading of low-income settlements to improve the livelihoods of the urban poor<sup>2</sup>; and
- ii) *City Development Strategies (CDS)*, aimed at formulating a broad consensus on a vision and a set of priorities for city actions.

The Cities Alliance objectives are to:

- a) improve the quality of urban development cooperation and urban lending;
- b) strengthen the impact of grant-funded urban development cooperation;
- c) expand the *level* of resources reaching the urban poor, by increasing the coherence of effort of existing programmes and sharpening the focus on scaling-up successful approaches; and
- d) provide a structured vehicle for advancing collective know-how. These objectives have been operationalised through a three-part strategy:
  - Political Commitment. Build the political commitment to achieve the vision of *Cities Without Slums*, and to develop a shared vision and priority actions to reduce urban poverty and sustain local economic growth (CDS).
  - Citywide and Nationwide Scales of Action. Support efforts of cities and countries to move to scale by addressing policy, legal, regulatory, financial and technical constraints to moving to scale (the 'enabling environment') and to catalyse citywide and nationwide slum upgrading.
  - Learning and Sharing. Increase impact and efficiency of urban development cooperation by: working together to share lessons and experiences; to adopt and develop good practices and integrate into project design; and to improve coherence of technical assistance programming and investment follow up.

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<sup>1</sup> The *Cities Without Slums* action plan was developed in July 1999, and quantifies these objectives.

To implement the Alliance objectives, 'guiding principles' were established to affirm the commitment of all partner organizations to a new approach to urban development (source: Cities Alliance 'Vision'):

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

## **Purpose and Scope of the Evaluation**

The purpose of the evaluation is to assess progress in achieving Cities Alliance objectives; provide guidance on how to improve this progress; and, develop mechanisms and baseline indicators to measure future progress and impacts.

To achieve this purpose the evaluation shall include the following:

1. Assessment of the performance, from May 1999 through April 2002, of the programme-level activities of the Cities Alliance (see Annex I) and of the individual activities funded from the Cities Alliance Trust Fund (see Annex II). The assessment will be made in terms of:
  - *Relevance*. Are the programme-level and individual activities funded and delivered consistent with:
    - achievement of the objectives,
    - pursuit of the strategic approach, and
    - adherence to the guiding principles?
  - *Efficacy*. To what extent are the programme-level and individual activities achieving their intended objectives and impacts? What activities have been or promise to be most strategic in achieving Alliance objectives, and what are their salient characteristics?
  - *Efficiency*. To what extent are the benefits of the programme-level and individual activities commensurate with inputs (both cost and time of implementation)?

Special consideration shall be given to the relevance, efficacy and efficiency of services provided by the Secretariat; and, to the improved coherence of effort and scaling-up successful approaches in the two priorities for action (*Cities Without Slums* and CDS).

2. Documentation of the criteria and indicators used in the assessment of each result, and the rationale for the criteria and indicators used.
3. Analysis of and recommendations about how the CG members and Secretariat can improve the relevance, efficacy and efficiency of the programme-level and individual activities of the Alliance:
  - *Relevance.* The evaluation shall address the Alliance's comparative advantages and its 'value-added', and may make recommendations on the Alliance objectives (are they clear and measurable?) Are the CG, PAB and Secretariat roles appropriate?
  - *Efficacy.* To what extent are the programme-level and individual activities achieving their intended objectives and impacts, and how can that be improved? To what extent are the evaluation criteria<sup>3</sup> contributing to achievement of the intended objectives?
  - *Efficiency.* To what extent are the benefits of the three components of the strategic approach commensurate with inputs? What is the optimum relative emphasis on each the components of the strategic approach?
4. Analysis of and recommendations about how the Cities Alliance should measure, monitor and evaluate the impact of programme-level and individual activities. This shall include:
  - impact (success) indicators and measures, for both programme-level and individual activities, over the short, medium and long-term;
  - baseline data for these indicators and measures;
  - monitoring mechanisms to collect and assess the data; and
  - a Terms of Reference for the next Cities Alliance independent evaluation, to be conducted in two or three years.
5. Discussion of and recommendations on how the *institutional development impact* of the Alliance should be evaluated - the extent to which the programme contributes to improvements in norms or practices that enable key Cities Alliance constituents to effectively use available human, financial and natural resources for urban poverty reduction.
6. Discussion of the financial sustainability of the Cities Alliance - the ability to sustain and grow support from traditional and non-traditional donors, and to achieve the grant- funding targets of the Cities Without Slums action plan.

The consultant will report the findings and recommendations to the CG Co-Chairs in a report written in English not to exceed 60 pages, excluding appendixes. The evaluation team shall provide an inception report and a preliminary de-briefing and a

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<sup>3</sup> To assess requests for funding of activities from the Cities Alliance trust fund, ten criteria were established in the Charter to "evaluate adherence to fundamental Alliance principles that emphasize partnerships and prospects of success and sustainable change":

- |                                      |                                        |
|--------------------------------------|----------------------------------------|
| • Targeting the objective            | • Coherence of effort                  |
| • Government commitment and approval | • Scaling-up                           |
| • Linkage to investment follow-up    | • Institutionalisation and replication |
| • Partnerships                       | • Positive impact on environment       |
| • Co-financing                       | • Duration                             |

final de-briefing as spelled out in the time-plan below. The team leader will be expected to make a presentation of findings and recommendations at the Cities Alliance 2002 annual meeting of the CG.

It is expected that the time budget for the evaluation should not exceed 24 staff - weeks, and that at least 50% of this time should be invested by the principal evaluator. It is expected that the consultant will have used the greater part of its allocated time budget (approximately 18 man-weeks) before the Interim Report at end-July 2002.

## **Methodology**

The methodology will be proposed in the Consultant's Proposal, and will be further developed by the consultant and presented in the Inception Report. The methodology should include but not be limited to:

- Desk review of Cities Alliance key documents including the Charter, *Cities Without Slums* action plan, work programmes, business plans, quarterly and annual reports, Consultative Group meeting reports, grant progress reports, vision statement, communications of the Secretariat, etc.
- Desk review of feedback from CG and PAB members on desired impact and success measures/indicators from their own point of view.
- Personal interviews with Secretariat staff at its Washington, D.C. office.
- Interviews and/or survey questionnaires of representatives of the Cities Alliance constituencies: CG, PAB, implementation task managers, and city, country and regional partners, including NGOs and community-based organizations of the urban poor. Such interviews may include telephone, email, video-conference communications and personal interviews. It shall include one mission to a venue agreed between the consultant and the Secretariat which will provide opportunity for personal interviews with constituencies. This venue is tentatively proposed to be in Nairobi at the time of the UN-Habitat Urban Forum (29 April - 3 May 2002).
- Quantitative methods where feasible.
- Any additional sources of information or procedures to obtain views and feedback on the Cities Alliance that the reviewer feels to be necessary in order to accomplish the tasks set forth in these Terms of Reference, including the option to sub-contract certain tasks or topics to recognized experts in these fields.

## Timing/Calendar

December 2001	Finalization of Terms of Reference
January - February 2002	Request for and submission of proposals
February 2002	Evaluation of proposals and selection of consultant
March 2002	Contracting of consultant
April 2002	Inception report that includes the proposed analysis design " plan, to be approved by the Secretariat in consultation with the CG.
April - June 2002	Data collection / evaluation
End June 2002	Interim report (bullet points) and debriefing of the Steering Committee (or other such representatives of the CG) and Secretariat. This is to offer a chance to redirect the work of the consultants in case there has been any misunderstanding of the content or emphasis of the ToR or any other information
September 2002	First draft report submitted to Steering Committee ( or other such representatives of the CG), PAB and Secretariat by September 3. Debriefings with the Secretariat and Steering Committee co-chairs.
October	Feedback on the report from members in Brussels in conjunction with October 8-9 CG meeting.
October/November 2002	Final report prepared incorporating feedback from debriefings, and presented to CG Co-chairs by November 15,2002.

## **Obligations of Cities Alliance Secretariat**

- Provide key documents.
- Facilitate contacts with Alliance constituents.
- Provide temporary office space at Alliance headquarters for up to two weeks.
- Facilitate access to World Bank video conference facilities.
- Ensure independence of the evaluation.

## **Obligations of Consultant**

- Inform Secretariat in timely fashion of all contacts made with Alliance constituents.
- Treat documents in confidential manner.
- Not publish evaluation results or output without permission from the Secretariat.
- Return all Cities Alliance documents used in the evaluation.
- Report in timely basis any possible conflicts of interest.

## **More Information**

Background information on the Cities Alliance (including its Charter and first Annual Report) can be obtained from its website: [www.citiesalliance.org](http://www.citiesalliance.org)