

**Joint Work Programme
on Promoting Equitable
Economic Growth in Cities**

Cities Alliance
Cities Without Slums

Exploring the Role of Improved Access to Public Goods and Services

A Policy Dialogue of the
JWP Annual Meeting 2016

Exploring the Role of Improved Access to Public Goods and Services

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Overlooking the central Kumasi market at closing time in Kumasi, Ghana, June 22, 2006.
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Inside photos

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About the Global Policy Dialogue on Equitable Economic Growth in Cities

This report documents the global policy dialogue organised by the Cities Alliance Joint Work Programme (JWP) on Equitable Economic Growth in Cities at its 2016 Annual Meeting. The meeting took place at the Church House Conference Centre in London on 26 May 2016. It is part of the JWP Global Policy Dialogue series, aimed at stimulating discussion and sharing knowledge on the role of local public goods and services in supporting inclusive growth and reducing inequalities in cities.

The JWP is funded and chaired by the Department for International Development (DFID). The members of the JWP are DFID, UN Capital Development Fund (UNCDF), UN-Habitat, Women in Informal Employment: Globalizing and Organizing (WIEGO), the Commonwealth Local Government Forum (CLGF), Ford Foundation, the World Bank and Clare Short (Chair of the Cities Alliance Management Board).

Disclaimer

The views, analysis and policy recommendations expressed in this publication are those of the participants alone and do not represent the views of the United Nations Office for Project Services (UNOPS) or the policies and viewpoints of the Cities Alliance Secretariat or its members.

Joint Work Programme on Promoting
Equitable Economic Growth in Cities

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Kicking off the first annual meeting of the Joint Work Programme on Equitable Economic Growth in Cities

The 2016 annual meeting marked an important milestone of the Cities Alliance's newly established Joint Work Programme on Equitable Economic Growth in Cities. The meeting brought together almost 50 participants from 35 institutions—members, partners, experts and key stakeholders—to discuss the programme's central theme and proposition: that greater access to public goods and services is a fundamental condition for equitable economic growth in cities.

What exactly does this hypothesis mean? How do public goods and services—such as water, transport, public space and health care—support equitable economic growth in cities? What can local governments do and how can such processes be most effectively supported, both locally and globally?

The adoption of a number of international commitments, including the Sustainable Development Goals (SDGs), the Paris Climate Agreement and the Addis Ababa Action Agenda, has put the spotlight on the need for new approaches to ensure inclusive economic growth and reduce inequalities. At the city level, the same issues will be at the forefront when governments gather in Quito, Ecuador, in October to adopt the New Urban Agenda.

In many cities the equitable economic growth challenge is a dual trial. Despite the often repeated claim that cities are “engines of growth”, there is nothing certain about the growth trajectories of cities. Many secondary cities in rapidly urbanising countries struggle to provide economic opportunities to growing populations. General unemployment and youth unemployment, in particular, both present huge challenges for cities across the globe. In many OECD countries, inequality in cities has risen faster than

overall inequality. In other words, cities need to be productive to host vibrant urban economies that benefit from agglomeration and scale. They also need to be inclusive and equitable, in order to ensure the sustainability of growth, as well as contributions to increased prosperity and well-being. The two challenges cannot be treated separately.

What about the role of public goods and services? Generally, improved access benefits the poor. Moreover, it strengthens the fundamental prerequisites for growth and productivity, enabling cities to benefit from economies of agglomeration and scale. At the same time, more knowledge is needed to explore exactly how mayors and local stakeholders can shape the way in which these goods and services are produced and maintained to support equitable economic growth in their city.

The annual meeting set out to kick-start a global structured dialogue with the aim to provide answers to some of those questions. To that end, the annual meeting aimed at sharing experiences, commitments, challenges and recommendations.

Three questions – three sessions

The meeting was structured around three specific questions, which were addressed through three corresponding sessions:

1

What is the role of equitable access to public goods and services for fostering equitable economic growth in the city?

The **discussions** of the first session were framed through an input presentation by Gordon McGranahan, Research Fellow at the Institute of Development Studies, followed by a **panel discussion** with a question-and-answer session facilitated by Clare Short, Chair of the Cities Alliance Management Board, and a **wrap-up reflection** by Marco Kamiya, Leader of the Urban Economy and Municipal Finance Unit at UN-Habitat.

2

What types of global knowledge and tools are available and needed to better promote equitable economic growth in cities?

Applying a **World Café interactive format**, the second session identified global knowledge gaps around three pre-identified themes.

3

How can the global awareness of successful local solutions to equitable economic growth in cities be raised?

A **presentation** by Victoria Beard, Director of Research at the World Resources Institute, set the context of the final session. William Cobbett facilitated the subsequent **panel discussion**, which concluded with a question-and-answer session. David Jackson, Director of UNCDF, delivered **wrap-up reflections**.

Opening remarks:

William Cobbett, Cities Alliance Director and **Melinda Bohannon**, Deputy Director for Growth and Resilience at the Department for International Development (DFID), opened the annual meeting.

INTRODUCTION

→ William Cobbett stressed the role of the Joint Work Programme (JWP) as a cornerstone of the Cities Alliance Medium Term Strategy (2014-2017). The Medium Term Strategy rests on three thematic pillars, including supporting equitable economic growth, promoting gender equality and strengthening the partnership, all of which contribute to the overall theme of promoting equity in cities.

The JWP on Equitable Economic Growth in Cities marks the beginning of a collaborative exercise to explore and rethink the productive role of cities to ensure vibrant city economies that provide maximum opportunities to often growing populations. As part of that effort, a key aim will be to influence and insert the role of cities in the wider global agenda to promote inclusive economic growth and reduce inequalities. Additionally, building on its partnership approach, the JWP will work to guarantee the complementarity of development efforts in the sector. With several development partners working on this common set of issues, priority must be attributed to complementarity and avoid duplication.

“It is good to note that we have WRI, OECD, the Ford Foundation and Cities Alliance working on a common set of questions. Our first challenge is to make sure we do not duplicate. Contributing to each other’s work would be a global good to all of us.”

William Cobbett

“A key objective of the JWP and our discussions here today should be to convert these complex issues into actionable policy recommendations.”

Melinda Bohannon

→ Melinda Bohannon underlined DFID’s commitment to the JWP, as funder and Chair of the JWP group. She highlighted three characteristics related to the JWP and the discussions of the annual meeting of particular importance.

Firstly, the JWP’s efforts are timely. In the wake of the adoption of the SDGs, the Paris Agreement and the Addis Ababa Agenda for Action, the focus on equitable economic growth and the tackling of spiralling inequalities comes at a crucial moment, when concerted action seems both needed and possible. Secondly, the focus on cities and the insertion of a cities agenda into the broader economic development discourse is crucial. In many ways it is also a relatively novel and innovative approach, which needs to be explored and expanded. Thirdly, a key focus of such efforts as the JWP should be to convert the complexity of these issues into policy actions and recommendations. The JWP aims to achieve global knowledge and dialogue and local-level policy recommendations that provide actionable and evidence based advice.



↑ William Cobbett



↑ Melinda Bohannon

What is the Joint Work Programme on Equitable Economic Growth in Cities?

Rene Hohmann, Senior Urban Specialist and JWP Programme Manager
Rubbina Karruna, Cities Advisor at DFID

→ To further situate DFID’s engagement as the chair of the JWP, Rubbina Karruna, presented an overview of the Infrastructure and Cities for Economic Development (ICED) programme.

The ICED programme will support DFID and its development partners to:

- improve the enabling environment for sustainable, inclusive growth-enhancing infrastructure service delivery; and
- harness the benefits of cities for sustainable economic growth and poverty reduction.

The five-year programme, which started in March 2015, is one of the flagship programmes of DFID. The support to the JWP is situated within the ICED workstream, focused on global-level international action to address binding constraints on infrastructure and city development. The JWP support is intended to contribute to more effective and coordinated international dialogue based on high-quality information and knowledge.

→ Rene Hohmann outlined the purpose and structure for the four-year period (2016-2020).

As part of the Cities Alliance Medium Term Strategy, the JWP has been set up to respond to the equitable economic growth challenge in cities, focused on supporting equitable access to public goods and services by all citizens and formal and informal businesses in cities. It works with development partners to produce global knowledge, facilitate policy dialogues and support city-level diagnostics and policy recommendations. The goal is to support growth trajectories increasingly characterised by equity, inclusion and environmental sustainability in cities.

The JWP implements its partnership approach through three components that take into consideration the instruments available to local governments, the differing contexts, challenges and priorities of cities, and the globally relevant lessons and knowledge required to support equitable economic growth in cities.

The work is undertaken by the JWP members and partners, headed by the chair and actively facilitated by the Cities Alliance Secretariat. The current membership of the JWP includes DFID, UN Capital Development Fund (UNCDF), UN-Habitat, Women in Informal Employment: Globalizing and Organizing (WIEGO), Commonwealth Local Government Forum (CLGF), Ford Foundation, the World Bank and Clare Short (Chair of the Cities Alliance Management Board).



↑ Rubbina Karruna

Joint Work Programme (JWP) on Equitable Economic Growth in Cities (2016-2020)

JWP Objective

Local governments in partner countries enable the delivery of public goods and services, accessible and responsive to the needs of all citizens as well as formal and informal businesses



JWP Results Framework

↑ COMPONENT 1

Global Equitable Economic Growth Dialogue

Output 1

Organising global advocacy campaign and structured policy dialogue on Equitable Economic Growth in Cities

↑ COMPONENT 2

Generating Global Knowledge on Equitable Economic Growth in Cities

Output 2

Production of peer reviewed global knowledge products

↑ COMPONENT 3

Equitable Economic Growth Campaign Cities

Output 3	Output 4	Output 5	Output 6
Selection/Formation of Programme City Partnership on Equitable Economic Growth	Institutional Enabling Environment Report for each city	Local Assessment Report for each city	Production of city-level evidence-based policy briefs and recommendation

↑ Activities of the Joint Work Programme Equitable Economic Growth in Cities

What is the role of equitable access to public goods and services for fostering equitable economic growth in the city?

SESSION 1

Setting the scene:

Gordon McGranahan on the role of access to land and public services for equitable economic growth

Key Points

- The benefits of cities as “engines of growth” can be understood in terms of the benefits of sharing, matching and learning.
- However, the pursuit of growth always involves politics and coalitions, often seeking economic advantage through means that do not support sharing, matching and learning.
- Promoting a narrow growth agenda, without consideration to the potentially corrosive politics of cities as “growth machines,” risks missing the dangers of such activities, and undermines prosperity and equity.
- Responses to urbanisation has evolved from efforts of resistance to nonsolutions. Neither have been conducive of inclusive urbanisation and have often resulted in widespread informality.
- Addressing the links between land and informality (in terms of both settlements and economies) is key to supporting equitable access to urban benefits. However, existing regulations often render formalisation unfeasible for informal operators. Examples of approaches to support inclusive urbanisation include **Shlomo Angel’s approach** to urban expansion, and densification through plotting, as advocated by **Arif Hasan**.
- While there are many interpretations of how to formalise the informal, it does not mean simply enforcing regulations that have been designed without informal enterprises and settlements in mind.

“Supporting the development of a vigorous, inclusive and equitable economy means formalising the economy to the benefit of informal residents.”

Gordon McGranahan



Gordon McGranahan

Research Fellow, Institute of Development Studies



– Find out more about Solly Angel’s Urban Expansion Initiative: <http://sollyangel.com>
– Explore the work of Arif Hasan: <http://arifhasan.org>

Voices from the floor

→ “Behind the equitable access to public goods and services there are the politics of the city, which needs to be recognised. We need to realise that the politics of the city allow ‘informality from above’—private residences and businesses of the elite allowed to evade official regulations—but when people at the bottom do it is called informal and considered bad.”

Martha Chen

Women in Informal Employment: Globalizing and Organizing (WIEGO)

→ “New forms of finance are needed for cities to get the resources necessary to cope with increasing populations. If posed as a national challenge, for both local and central governments to deal with, hopefully cities can be recognised as powerful agents of change in terms of equitable economic growth.”

David Jackson

UNCDF



Insights from decision-makers and practitioners

Facilitator: **Clare Short**

Panellists: **Sylvanus Adzornu**, **Sangeeta Singh**, **Yemi Cardoso** and **Lucy Slack**

“It is not strange or surprising that all these difficulties go with urbanisation. It is not a new experience. It is important to emphasise that there may be some things to learn and other things to avoid in order to avoid making the same mistakes that have been made in the past.”

Clare Short, opening remark

→ **Sylvanus Adzornu**

Ministry of Local Government and Rural Development, Ghana

On the role of decentralisation in Ghana to enhance service provision and economic growth.

- Decentralisation in Ghana has supported the expansion of local-level public goods and services.
- However, some utilities, such as water and electricity, remain centralised, but would be better managed locally.
- Formalisation of the informal, which is key, is first and foremost about recognising the contributions of informal enterprises.
- Cities need to formulate strategies that focus on the specific economic advantages of each city.
- Decentralisation needs to come with rigorous monitoring and control mechanisms to maintain lines of accountability and ensure responsible use of autonomy.

→ **Yemi Cardoso**

Citibank Nigeria and Cities Alliance Africa Think Tank

On the role of grant-making and borrowing as catalysts for private sector infrastructure investment in Lagos.

- Grants and borrowing, as means of finance for infrastructure and services, are not mutually exclusive.
- In the Nigerian context, grants have had substantial effects on infrastructure development, particularly at subnational and project levels. Examples include the set-up of the Lagos Metropolitan Transit Authority, DFID grants in the power sector and the restructuring of large water utilities.
- The primary role of grants is to remove binding constraints to allow the private sector to engage and invest in areas where they otherwise would not.
- In addition, development partners have an important role to play in disseminating best practices and providing peer-to-peer learning opportunities.

→ **Sangeeta Singh**

National Association of Street Vendors of India

On the recognition of informal vendors for inclusive growth in India.

- In the Indian context, the major challenge for the inclusion and recognition of the informal economy is the gap between legislation and implementation.
- Despite legislation in place recognising the rights of street vendors, small businesses face harassment and obstructions, creating impossible working conditions, with huge costs of doing business.
- Action is needed to enforce rights, including mind-set changes in the long run and platforms between local governments and the informal sector to preserve livelihoods.
- Platforms, such as National Association of Street Vendors of India (NASVI), need to be watchdogs, monitoring implementation to ensure inclusive economic growth.

→ **Lucy Slack**

Deputy Secretary General, Commonwealth Local Government Forum (CLGF)

On the role of national governments in providing an enabling environment for equitable economic growth in cities.

- A first step is to recognise the role of politics in shaping the dynamic between central and local governments.
- A key priority must be to ensure that decentralisation is completed, including to reduce unfunded mandates.
- National governments need to ensure cities' access to finance, by supporting local governments to access funds from capital markets, for example, and through public-private partnerships.
- Local governments are particularly well placed to access and ensure the inclusion of voices of different stakeholders, including those operating in the informal economy—which is key to local economic development.
- Ghana provides an interesting example, with policy in place that recognises the role of local governments in fostering local economic development.

“After 10 years of struggle we now have an act recognising the rights of street vendors in India. But implementation is only at 1 per cent—posing a real challenge to inclusive economic growth.”

Sangeeta Singh

“Decentralisation in Ghana has supported the expansion of local public goods and services.”

Sylvanus Adzornu



Voices from the floor

→ “Grants can be useful in facilitating follow-up investment for service provision. Across a number of Indian cities, DFID grants supported the reorganisation of business propositions for the private sector regarding solid waste services by developing clusters of cities with viable waste chains and preparing strong and accurate feasibilities. Along with viability gap funding, the propositions ensured accuracy of costs and risk assessments, spurring greater private sector confidence.”

Richard Slater
ICF

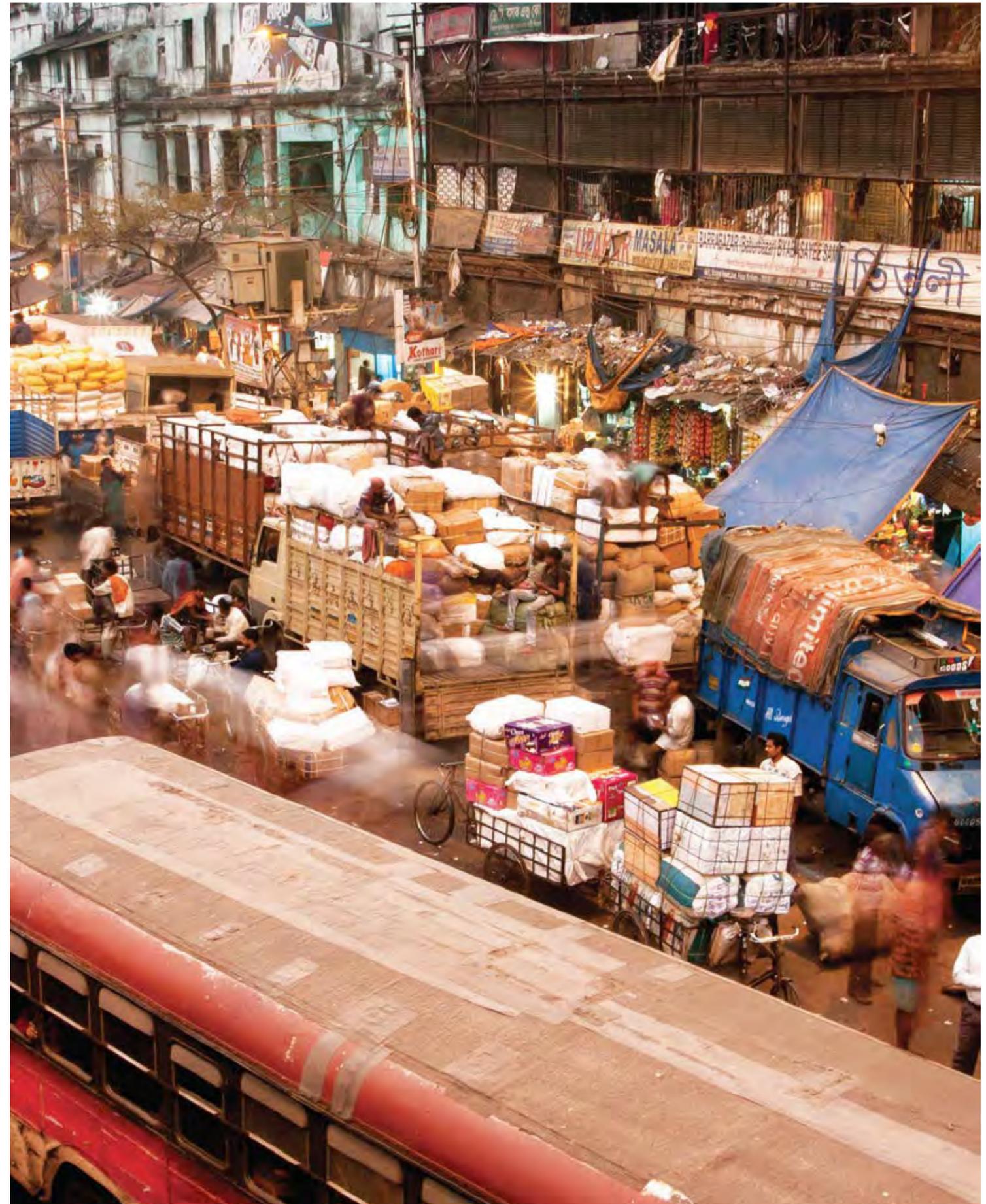
→ “While it can be tempting for development partners to support cities in unlocking central funds withheld due to political reasons, doing so risks undermining the democratic process. Rather, we should work at the city level to create partnerships with organised groups of citizens to demand the release of such funds. Getting information in the hands of more people means that you can set the bar higher and work upwards, rather than downwards to the lowest common denominator.”

Mike Bird
WIEGO

“In many countries where UN-Habitat works, the local counterparts – be it ministries, municipalities or other stakeholders – are requesting us to link equity and urban development to local economic development. As has also been reflected in our discussions here, while we do not know exactly how to do this, there is consensus on the need to tackle these issues, developing viable financial models and addressing the many issues of equity. It is clear that we have to supply input to policies that respond to the demand of stakeholders, including municipalities. For example, urban layout, as a point of connection, linking urban planning to local economic development through its impact on value chains and competitiveness, could be a point of entry.”



Marco Kamiya, Clare Short, Sylvanus Adzornu, Sangeeta Singh, Yemi Cardoso and Lucy Slack



World café

What kind of global knowledge and tools are available and needed to better promote equitable economic growth in cities?

SESSION 2

The world café session sought to collect ideas on knowledge gaps for the Joint Work Programme to address through a set of global knowledge products. The results of the session will inform a product description on each theme. Three themes had been pre-identified through a consultative process within the Joint Work Programme group:

- 1 new forms of public service delivery models for equitable economic growth;
- 2 the role of public goods, space and services for the productivity of the informal economy; and
- 3 understanding gender equality, access to public services and inclusive growth in cities.

Additionally, a fourth, open, station was proposed with a theme to be identified by the meeting participants. However, no such suggestion was made. A Joint Work Programme group member facilitated the discussions at each station.



↑ Jenny Ekelund
Moderator of the JWP Annual Meeting



↑ World Café group on the informal economy
facilitated by Marty Chen, WIEGO

What is the world café?

The World Café is an easy-to-use method for creating a living network of collaborative dialogue around questions that matter in service to real work. Cafés in different contexts have been named in many ways to meet specific goals; for example: Creative Cafés, Strategy Cafés, Leadership Cafés, and Community Cafés. World Café conversations are based on the principles and format developed by the World Café, a global movement to support conversations that matter in corporate, government, and community settings around the world.

1 The role of public goods, space and services for the productivity of the informal economy

The discussions were clustered around three themes:

Knowledge gaps around the informal economy

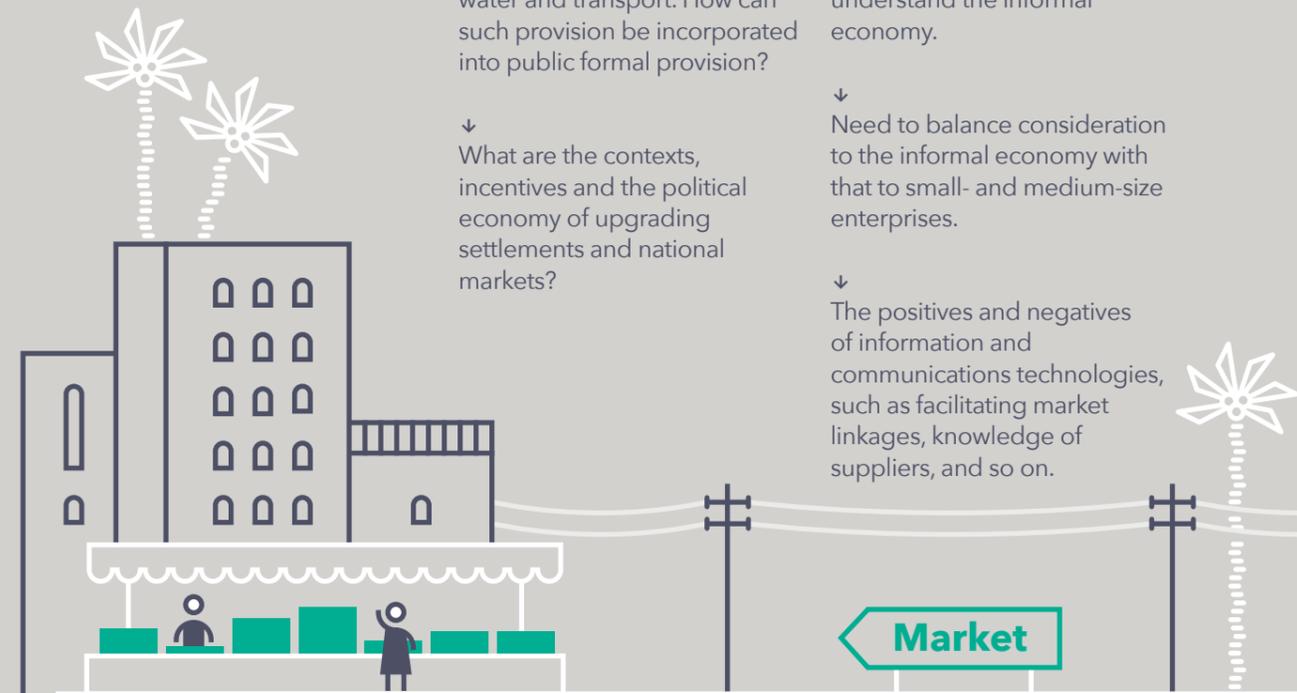
- ↓ The size and composition of the urban informal economy.
- ↓ The productivity and contribution of informal enterprises and economies.
- ↓ Evidence on the taxes, rents and costs incurred by the informal economy.
- ↓ Understanding the environmental impact of informal economic activity.

Knowledge gaps regarding public goods and services

- ↓ Lack of knowledge on the informal economy among local economic development practitioners, including the overlap of the informal economy and informal settlements.
- ↓ What impact does a legal entity, such as an address, have on livelihoods and productivity?
- ↓ The role of the informal economy as provider of public goods and services, such as water and transport. How can such provision be incorporated into public formal provision?
- ↓ What are the contexts, incentives and the political economy of upgrading settlements and national markets?

Policy stance and mind-sets

- ↓ How to understand public space as a common. Does the public space belong to the state or to the people? What are the effects of privatisation?
- ↓ How can society understand the political and economic stakes and incentives underpinning policy biases to sweep away the informal economy?
- ↓ Urban practitioners, planners and designers need an increased capacity to understand the informal economy.
- ↓ Need to balance consideration to the informal economy with that to small- and medium-size enterprises.
- ↓ The positives and negatives of information and communications technologies, such as facilitating market linkages, knowledge of suppliers, and so on.



2

Gender, access to public services and inclusive growth in cities

The groups identified areas and dimensions related to gender and access to public goods and services that need to be further explored.

Intersectionality

How do social positions (such as ethnicity, class and migration status) intersect to affect gendered needs of public goods and services?

Data disaggregation

How does one collect and generate gender disaggregated data and knowledge to inform policy recommendations and interventions?

Unpaid care and household work

How can society better understand and recognise the domestic work and contributions of women?

Mechanisms of women's self-organisation and representation

How do women organise and negotiate for voice, participation and representation? How can such organisation enhance access to public goods and services?

The impact of specific service access to the productivity and livelihoods of women

What are the potentials and challenges of designing safe and accessible services (such as safe urban transit and public space) for the economic life of women?

Women's economic empowerment and human rights

How does society understand the relation between economic empowerment, growth and human rights? Are there trade-offs? Are they compatible?

Intersection of different services on gender and economic activity

How does the lack of legal tenure or adequate education affect access to other services? What are the gendered causes and effects of such deprivations?

Barriers and constraints to enhancing women's access to public goods and services

Are the barriers and constraints political, bureaucratic or cultural? What type of interventions are needed to foster truly transformational change?

SESSION 2



3

New forms of public service delivery mechanisms for equitable economic growth

This station focused on three aspects of the theme: motivations for alternative service delivery models, their effectiveness and knowledge gaps.

Motivations

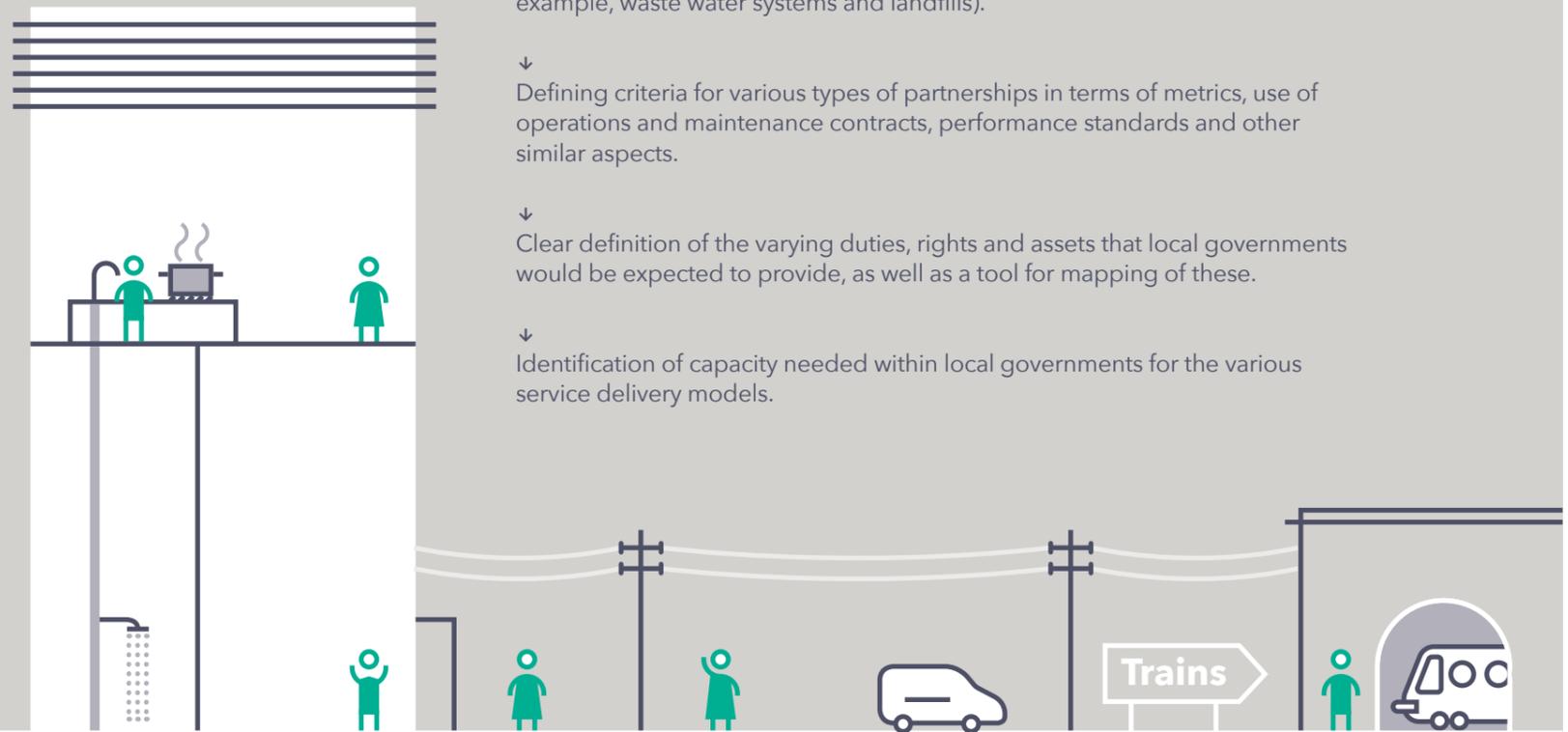
Local governments have been attempting alternate service models ranging from public-private partnerships to communally owned and operated infrastructure. The motivations often include the search for greater efficiency, the need for capital for infrastructure investments, greater flexibility in managing labour and patronage opportunities.

Effectiveness

When local governments are at the design stage in choosing the appropriate model, they would need to consider such criteria as scale (distinction between large and small investments), baseline efficiency, the capacity of the local governments to manage the partnerships and the metrics with which to evaluate performance standards.

Knowledge gaps

- ↓ Detailing of a typology of service delivery based on a continuum that ranges from communally owned and operated infrastructure (transport union or waste collection) to those that are based on concessions with the private sector (for example, waste water systems and landfills).
- ↓ Defining criteria for various types of partnerships in terms of metrics, use of operations and maintenance contracts, performance standards and other similar aspects.
- ↓ Clear definition of the varying duties, rights and assets that local governments would be expected to provide, as well as a tool for mapping of these.
- ↓ Identification of capacity needed within local governments for the various service delivery models.



How can the global awareness of successful local solutions to equitable economic growth in cities be increased?

SESSION 3

Setting the scene:

Victoria Beard, World Resources Institute: Towards a more equitable city - framing challenges and opportunities

Key Points

- More than in previous decades, urbanisation is taking place in countries with stagnant economies. Many of these countries are experiencing an “urbanisation of poverty.” These cities have the least financial resources to provide services to this growing urban population. Failure to serve the urban underserved has detrimental effects on the economy and the environment.
- The next World Resources Report will explore key knowledge gaps related to the challenge of providing services to the urban underserved. Scoping out from the focus on services, the report examines why and how citywide transformation happens, focusing on the role of key enablers such as governance, finance and planning and management.
- The poor and middle class that struggle with services—the urban underserved—represent approximately 20 to 70 per cent of the population in rapidly urbanising cities.
- The approach builds on a categorisation of cities based on current and projected economic capacity. The categories, which will be further developed, include struggling, emerging, thriving and stabilising cities.

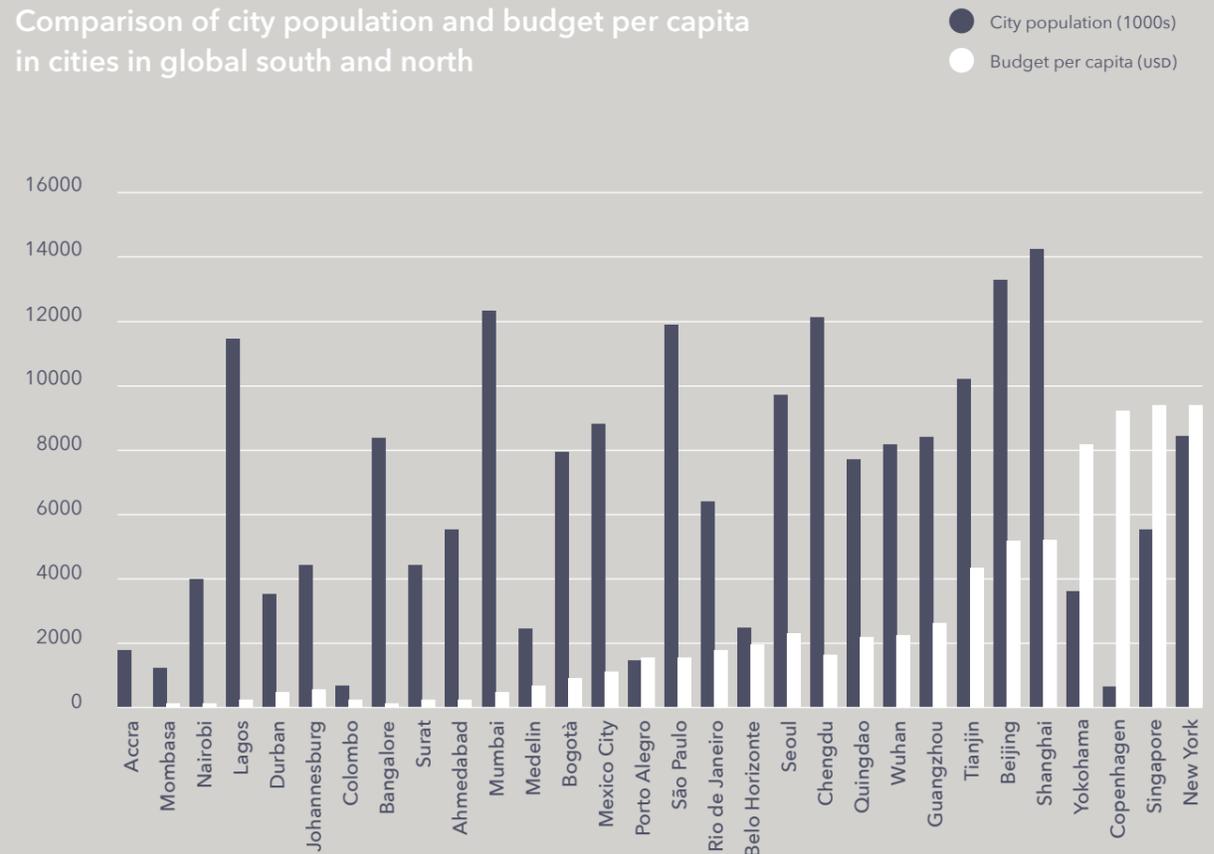
- A series of working papers will be produced focusing on high-priority action areas, including land use, housing, water, energy and transport—all situated at the intersection of urgency and lock-in.
- Often the poorest and the lower middle class pay more for services of lesser quality. As a result, they cannot reap the benefits of the urban economy and agglomeration, in turn preventing economic development.
- Service accessibility involves a number of dimensions, including proximity, cost, reliability, quality and quantity.
- At the sectoral and city-wide level, three enabling conditions for positive change can be identified: governance, finance and planning and management.

“There is no perfect city, there is a lot of back and forth and a lot of complexities and problems with all cases. But there are some cities that really do inspire in terms of thinking about urban transformation.”

Victoria Beard

Learn more about the World Resources Report:
<http://www.wrirosscities.org/worldresourcesreport>

Comparison of city population and budget per capita in cities in global south and north



Source: V.A. Beard, A. Mahendra, M.I. Westphal, 2016



Victoria Beard
Director of Research, World Resources Report



World Cafe group on Gender facilitated by Ana Marie Argilagos, Ford Foundation

Voices from the floor

→ "When thinking about the challenges facing cities in urbanising countries, in addition to looking at GDP growth and population growth, we should include data on job creation. Much of the growth taking place in cities have been capital intensive, essentially labour shedding, not labour absorbing. So if we think about inclusive growth issues, it is important to not only look at GDP, but on job creation."

Somik Lall
the World Bank

→ "In addition to the three enabling conditions, the missing piece is often an in-depth look at the capacity challenge. We keep saying that cities are the drivers of economic growth but when you have a closer look at the capacity to run secondary cities - it is not an equation. And the bigger problem is that it takes a couple of generations to fix. The lack of attention to this topic is very worrying".

William Cobbett
Cities Alliance

Roundtable discussion:

Perspectives from the local to the global

Facilitator: **William Cobbett**

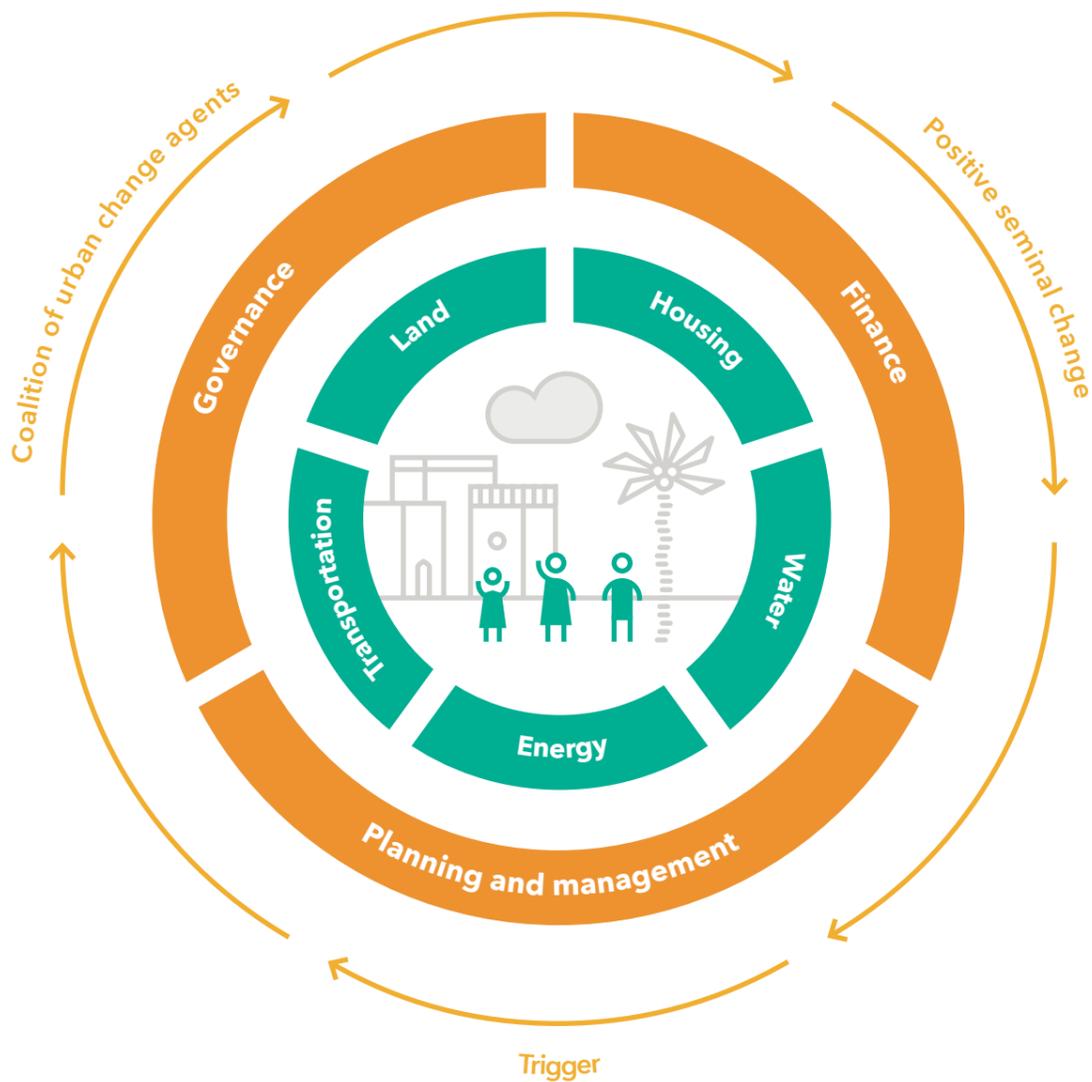
Panellists: **Ashraf Adam, Alexandre Kolev, Somik Lall and Claude Nahon**

"The central question in all of this is how does sustainable urban transformation actually occur? It is the really difficult question because that is the advice that we are setting us up to give to mayors over the coming four years. If you only got so many levers, where do you go first to get your maximum impact?"

William Cobbett

↗ Transformative Urban Change (World Resources Report 2016 - 17)

SESSION 3



→ Claude Nahon

Sustainable Development Senior Vice President, Electricity of France (EDF) Group

On the changing conditions for local service provision.

- Access to electricity in cities will be determined by three fundamental changes or trends:
 - decentralised and informal generation–urbanisation;
 - decarbonisation; and
 - digitalisation.
- In this context, society needs to combine decentralised and centralised provision in innovative ways to have greater access and resilience.
- Access to public goods is a basic need and an enabling aspect of growth, but it is not enough to create value and jobs.
- One of the most important factors to attract business is a stable and consistent policy environment, which requires coordination and alignment among all levels of government.

→ Ashraf Adam

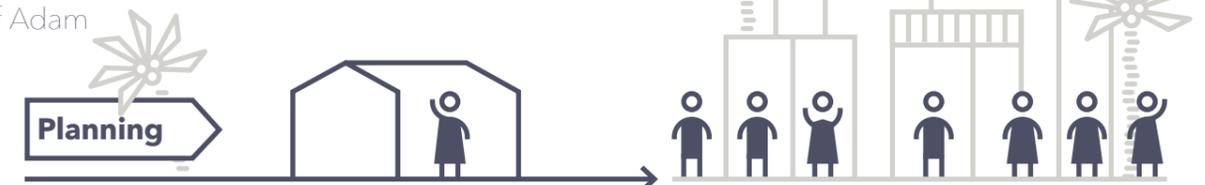
Executive Director of Economic Development and Planning, South African Local Government Association (SALGA)

On lessons from tackling urban inequalities in South Africa.

- Considering the stark spatial inequalities in South Africa, social cohesion should be considered as the basis for intervention, rather than urban planning logic.
- In terms of service delivery, government should assume the role of policy facilitator and coordinator—not implementer. New actors should be considered to deliver services in ways the (weak) state cannot.
- Incrementalism is key. New approaches must be tried out—and mistakes made—in order to sustain transformational change, particularly in young states, such as post-Apartheid South Africa.
- There needs to be greater focus on the needs of secondary cities, such as capacity enhancement, investments and land use planning.

"Because the spatial inequality in South African cities is so stark the idea that we need to integrate the city is perhaps foolhardy. We should find ways in which those cities can be great spaces on their own terms, in their own ways."

Ashraf Adam



→ **Alexandre Kolev**

Head, Social Cohesion Unit, OECD Development Centre
On the role of cities in the inclusive growth agenda.

- Policy discussions on inclusive growth have largely taken place among national governments. It is urgent to engage in dialogues with local governments as a way to recognise the contributions of cities to inclusive growth.
- Inequalities in cities have generally increased faster than in countries.
- The exact approaches and measures to address inequalities in cities remains poorly documented; hence, the urgent need to develop better understanding and more knowledge of local solutions to inclusive growth.
- The OECD Inclusive Growth in Cities Campaign aims to raise awareness of local challenges and solutions, and to empower local governments to act.
- Addressing the current erosion of trust in institutions will require close engagement with local stakeholders: local governments should play a key role.



◀ Somik Lall, Alexandre Kolev, Claude Nahon and Ashraf Adam

“In the OECD area, it is estimated that over the past decade 60 per cent of jobs were created in 275 cities; 40 per cent of total public spending was carried out by subnational level governments.”

Alexandre Kolev

“The movement from being a local autarchic city to a tradable city is what has made secondary and primary cities really work, encouraging job creation and specialisation.”

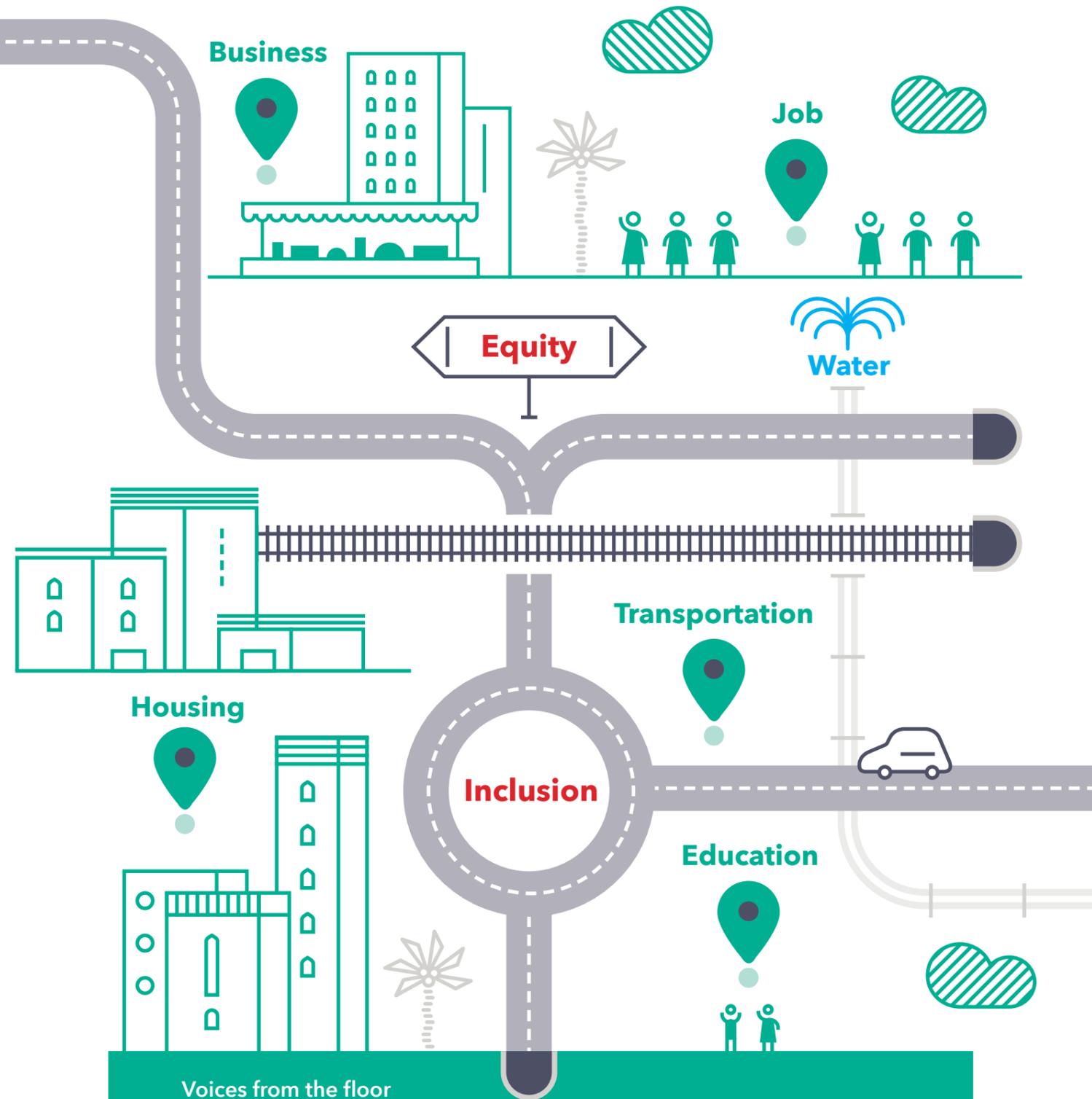
Somik Lall

→ **Somik Lall**

Lead Economist, the World Bank
On the conditions and constraints of thriving city economies.

- Cities can drive economic growth when they fill three functions: encourage economies of scale, enable specialisation and improve tradability.
- At the moment many cities, particularly in Sub-Saharan Africa, are not doing well on any of the three functions, creating a vicious cycle with lack of job creation and economic development.
- Additionally, cities often operate under binding national constraints. The analytical agenda should identify what cities can do for job creation within those constraints.
- Work is needed that links policies to four dimensions: basic institutions, including ease of doing business; land markets and infrastructure; skills and human capital; and finance to support clusters and entrepreneurs.
- Unless we get job creation or competitiveness as a central pillar of cities’ mandates, public goods provision will be necessary but never sufficient.

Waste service



Voices from the floor

→ “I am very happy to see that we are arriving at similar conclusions in terms of what is needed in cities, although we do not have all the answers yet. We clearly need an approach to urban development that combines appropriate legal frameworks, governance, finance and urban planning. These are the basic conditions for long-term planning in cities. For growth to happen, we also need to incorporate the dimensions on competitiveness, value chains and clusters.

But we also need to be aware that our counterparts—the municipalities, the ministries of housing, the ministries of urban development—they do not always understand this language. We need to ensure that the concepts are consistently understood and applied, from national to local actors.”

Marco Kamiya
 UN-Habitat

“The Paris Agreement, the SDGs, the new Urban Agenda, the rapid urbanisation we have seen in charts during the day—basically what we are saying is that cities are the units of measurement and the units of implementation for the future of the human race on this planet. Nation states may hold all the cards in terms of political power, but they cannot be the sole units of activity if we are going to meet all the mentioned agreements. Sooner or later there will have to be a new compact between these units of measurement and implementation—cities and national governments—recognising that we will succeed or not based on how we manage cities. And that will have to be this new urban agenda, this new financing agenda, underlining that this is not decentralisation versus centralisation, but that it is a shared issue. We have to bring these issues together for all stakeholders—from those that stack their money in Panama to those that sit in national government—to see that unless they come to terms with the roles of cities, their nations will not develop.”



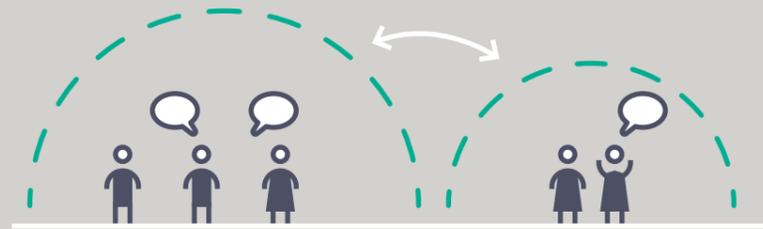
↑
David Jackson



Postscript

Rene Hohmann

Senior Urban Specialist and
JWP Programme Manager,
Cities Alliance



This first annual meeting of the Joint Work Programme set the scene for an ambitious four-year programme of the Cities Alliance to better understand and address the link between access to public goods and equitable economic growth in cities. The presence of Cities Alliance members and various development partners (including representatives of informal vendors, practitioners and city decision-makers) testifies to the topical nature of the subject at hand. At the same time, the discussions also shed light on the complexity of the issues we have set out to address. While the presence of around 35 institutions, as well as the interventions of participants throughout the meeting, clearly underscored the importance and relevance of equitable economic growth to cities, the diversity of the discussion also pointed to the fact that the concrete causation, manifestations and policy implications implied to foster equitable economic growth need to be better understood.

It seems fair to conclude that the proceedings of the day confirmed the thematic direction of the Joint Work Programme. However, the three questions underpinning our three sessions generated a wealth of recommendations and follow-up questions that the Joint Work Programme will need to digest and consider in its programming efforts. These include the role of a structured global policy dialogue. At the Habitat III conference in Quito later this year, the international urban development community will have finished a breath-taking marathon of global negotiations in support of a new cities agenda.

With a universal Cities Goal (SDG 11) in the Agenda 2030, a strong appreciation of cities in the Paris Climate Agreement as well as with the adoption of a New Urban Agenda at the Habitat III conference in Ecuador, we will surely be blessed with a variety of global frameworks to inform policy and development approaches in cities. Any global policy dialogue fostered by the Joint Work Programme and its partners, such as the OECD/Ford Inclusive Growth in Cities Campaign, will need to find a smart way to capitalise upon and contribute to the localisation of these agreements, while stressing the importance of equitable economic growth.

Moreover, the World Café session of the annual meeting kick-started a discussion on how knowledge gaps around the relationship of equitable economic growth to the informal economy, gender and alternative public service delivery models can be filled. The vivid discussions in the three thematic groups can be seen as a testimony to the challenging, but essential, task ahead of us: to derive a distinct focus in our research endeavour on these topics.



← Rene Hohmann



To succeed, we will need to develop strategic partnerships with universities, think tanks and knowledge institutions already working in this vibrant field of research. As one of the respondents to our survey on the learning outcomes of the meeting rightly indicates: *“There remains a need to better develop the theoretical link between service provision and equity. This is a critical point of departure.”*

Acknowledging the complex nature of the subject while keeping to its ambitious commitment to develop concrete policy recommendations by and for cities, this

Joint Work Programme can only meet its objective through broad partnerships, collaboration and knowledge exchange. It will require that past experiences and ongoing initiatives of development partners are increasingly synchronised and shared. Against this background, the Joint Work Programme will keep reaching out to development partners to join this journey over the next four years. We at Cities Alliance are looking forward to it.



↑ Participants at the JWP Annual Meeting 2016

Annex

List of participants

Joint Work Programme Members				
Mr/ Ms	First Name	Last Name	Title	Affiliation
Ms	Rubbina	Karruna	Chair of the Joint Work Programme/ Cities Advisor	Cities Advisor, Growth & Resilience Department, Department for International Development (DFID)
Ms	Melinda	Bohannon	Deputy Director, Growth & Resilience Department	DFID
Ms	Eleanor	Bainbridge	Infrastructure Advisor (DESA)	DFID
Mr	Simon	Stevens	Team Leader, Investment Climate Team, GRD	DFID
Ms	Ana Marie	Argilagos	Senior Advisor	The Ford Foundation
Ms	Lucy	Slack	Deputy Secretary General	CLGF
Ms	Clare	Frost	Programme Officer	CLGF
Mr	Marco	Kamiya	Leader, Urban Economy and Municipal Finance Unit	UNH
Mr	David	Jackson	Director	UNCDF
Ms	Martha	Chen	International Coordinator	WIEGO
Mr	Mike	Bird	Operations Director	WIEGO
Ms	Clare	Short	Chair of the Cities Alliance Management Board	Cities Alliance Secretariat
Mr	William	Cobbett	Director	Cities Alliance Secretariat
Mr	Fredrik	Bruhn	Programme Analyst	Cities Alliance Secretariat
Mr	Jamie	Simpson	Project Manager	Cities Alliance Secretariat
Mr	Rajivan	Krishnaswamy	Sr. Financial Specialist	Cities Alliance Secretariat
Mr	Rene Peter	Hohmann	Programme Manager	Cities Alliance Secretariat
Ms	Nune	Karakhanyan	Executive Associate	Cities Alliance Secretariat
Ms	Catherine	Allan	Visual Scribe	Meeting Magic

Panelists				
Mr/ Ms	First Name	Last Name	Title	Affiliation
Ms	Jenny	Ekelund	Associate	The Partnering Initiative
Mr	Gordon	McGranahan	Research Fellow	Institute of Development Studies
Ms	Sangeeta	Singh	CEO	National Association of Street Vendors of India (NASVI), India
Mr	Sylvanus	Adzornu	Head of Unit	Urban Development Unit; Ministry of Local Government & Rural Development, Ghana

Mr	Somik	Lall	Lead Economist	The World Bank
Mr	Ashraf	Adam	Executive Director, Economic Development and Planning	South African Local Government Association (SALGA)
Mr	Yemi	Cardoso	Chairman	Citibank, Nigeria
Ms	Victoria	Beard	Director of Research, Ross Center for Sustainable Cities	World Resources Institute
Ms	Claude	Nahon	Board Member SDSN Goal 11	EDF Group, Paris, France
Ms	Alexandre	Kolev	Head of Social Cohesion Unit	OECD

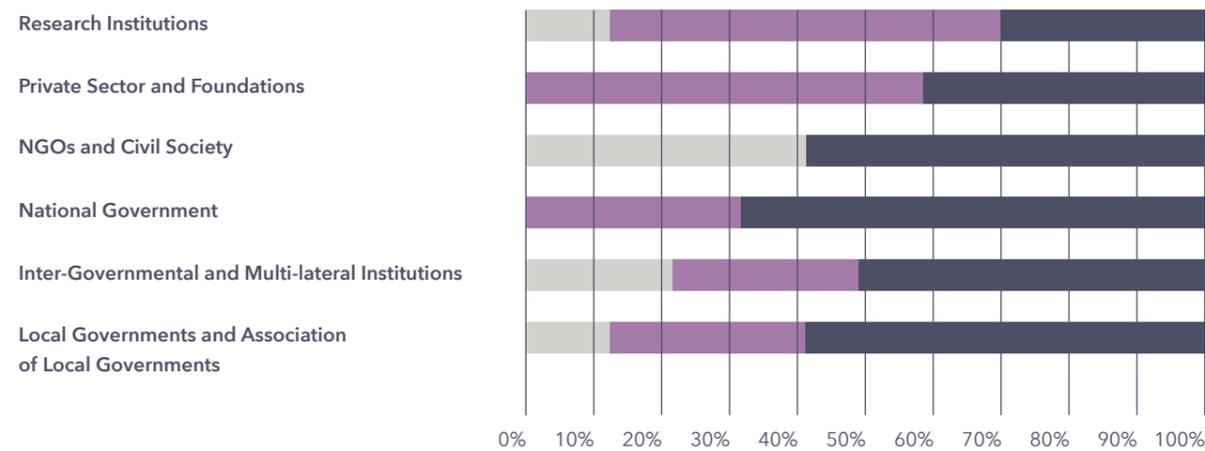
External Partners				
Mr/ Ms	First Name	Last Name	Title	Affiliation
Mr	Tim	McMinn	Manager, Urbanisation and Development	Pricewaterhouse Coopers (PWC)
Ms	Sarah	Lyness	Evaluation and Communications Director	International Growth Centre
Mr	Callum	Wilkie	Researcher	London School of Economics
Mr	Jean-François	Habeau	Executive Director	Global Fund for Cities Development (FMDV)
Ms	Paula	Lucci	Research Fellow	Overseas Development Institute (ODI)
Mr	Martyn	Clark	Project Manager	Tripleline
Mr	David	Edwards	Assistant Director	ISU-Prince Charles
Mr	Andrew	Charles		ARUP
Ms	Petra	Harkay	Partnerships Manager	The Guardian
Ms	Kirsten	Jack		Adams Smith International
Mr	Russell	Bishop	Senior economist	New Climate Economy
Ms	Maia	Kutner	Head of Cities	Carbon Development Project (CDP)
Ms	Florianne	de Boer	Cities and Investors lead	Carbon Development Project (CDP)
Mr	Michael	Keith	Director of COMPAS	University of Oxford
Mr	David	Dodman	Director	International Institute for Environment and Development (IIED)
Mr	Richard	Slater	Consultant	ICF
Ms	Marianne	Najafi	Sustainable Development Advisor	EDF
Mr	Daniel	Betham	Head of Smart Customers	EDF Energy R&D UK Centre
Mr	Nick	Simcik-Arese	Postgraduate Associate	Oxford University
Mr	Carlos	de Freitas	Director of Programmes	FMDV

Annex

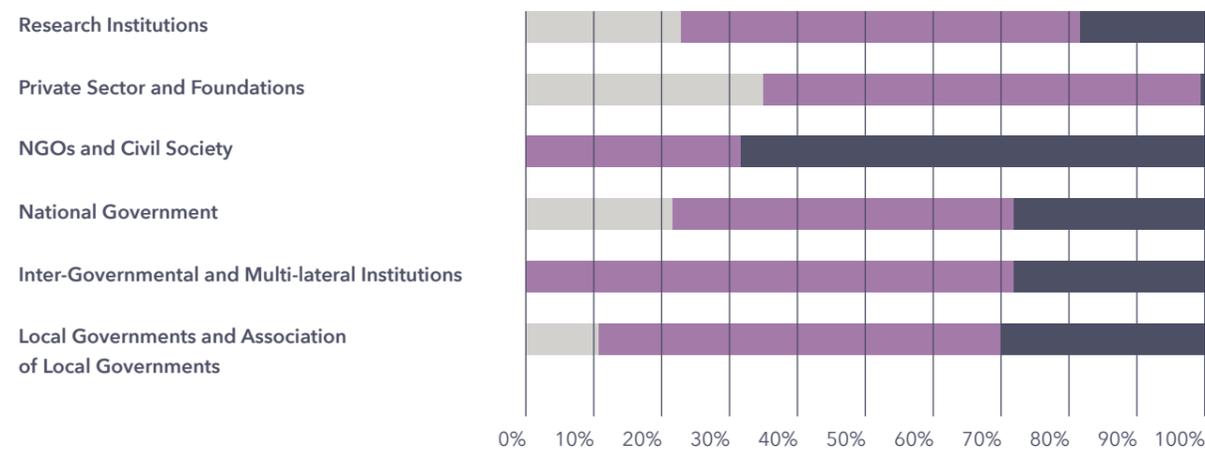
Feedback survey results



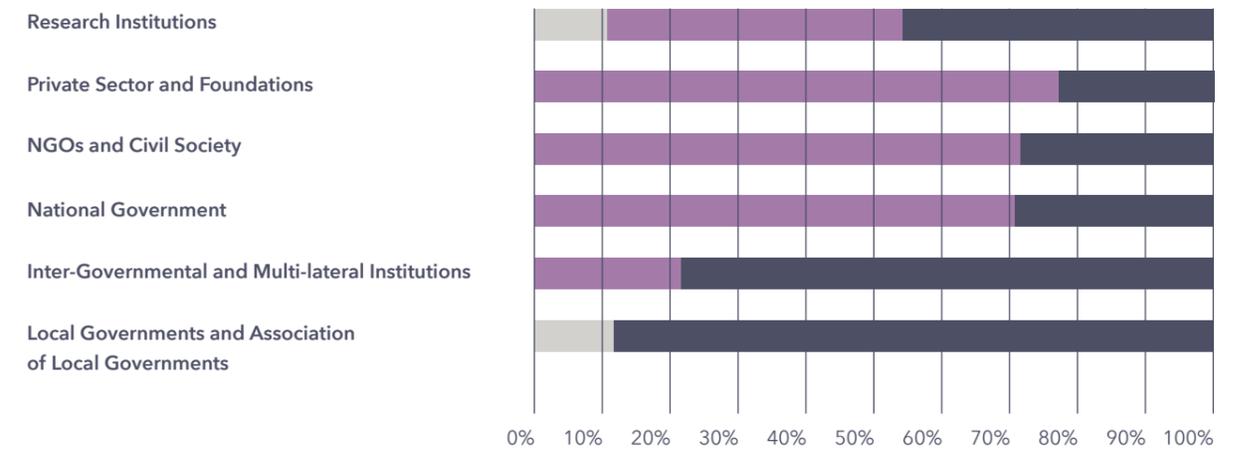
How would you rate the extent to which this meeting has contributed to a better understanding of the relation between public goods and services and equitable economic growth in cities?



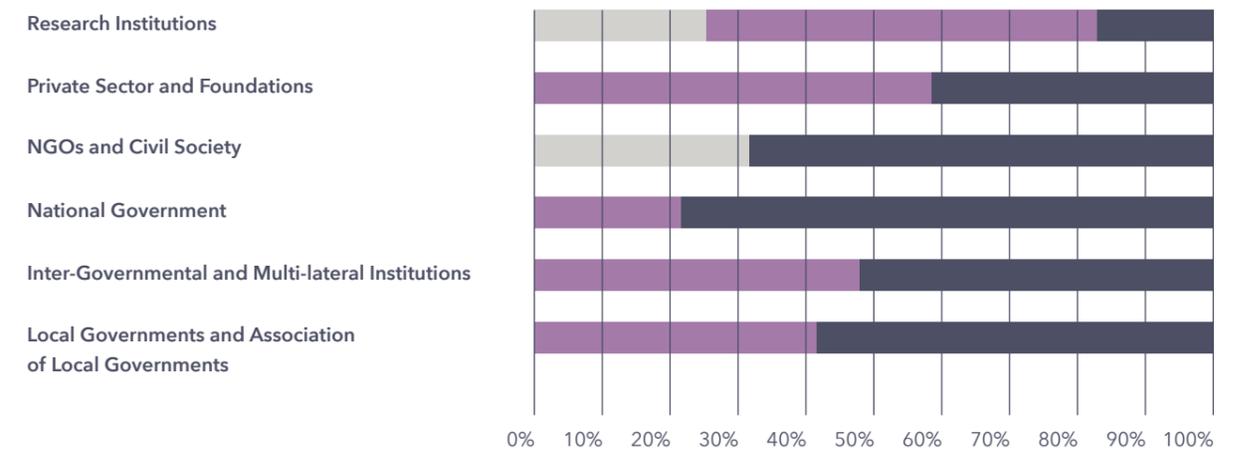
How would you rate the extent to which the content of the meeting matched the announced objectives?



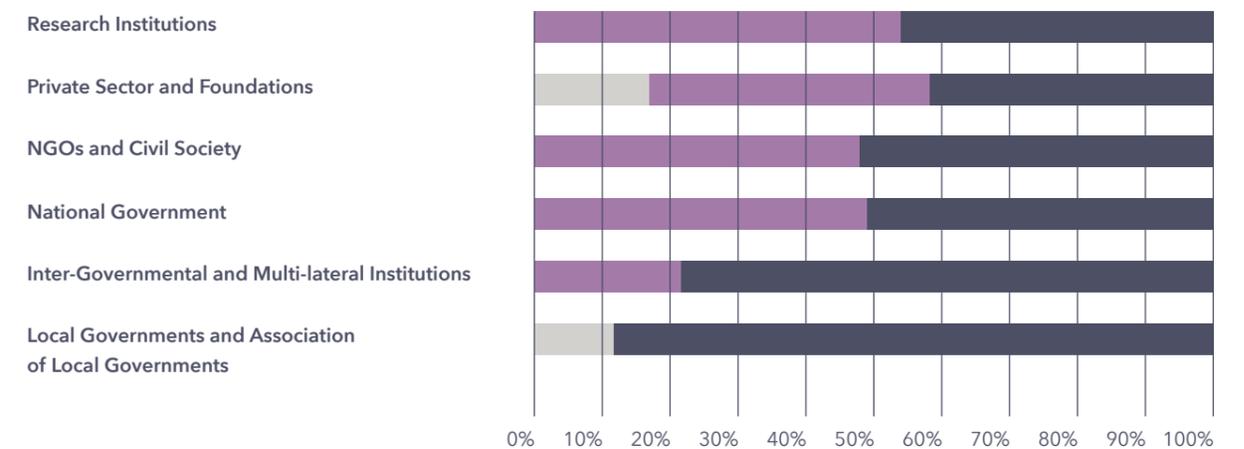
How would you rate the quality of discussions and dialogues of the meeting?



How would you rate the relevance/applicability of the meeting content to your current work and professional interests?



How would you rate the effectiveness of the preparations and support provided prior to and during the meeting?



Cities Alliance

Cities Without Slums

About Cities Alliance

Cities Alliance is the global partnership for reducing poverty and promoting the role of cities in sustainable development.

Partnerships are critical to achieving the 2030 Agenda for Sustainable Development. At Cities Alliance, we bring together organisations with different perspectives and expertise on city issues around common goals: well-run, productive cities that provide opportunities for all residents. Our members include multilateral organisations, national governments, local government associations, international nongovernmental organisations, private sector, foundations and academia.

The United Nations Office for Project Services (UNOPS) hosts the Cities Alliance Secretariat, which is based in Brussels.

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