

## PART 2

### **INTERNATIONAL TRENDS AND ACTORS AFFECTING SUSTAINABILITY**



# 7

## **Alliances in International Co-operation: A Change of Paradigm in Urban Governance?**

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In the course of the last 10 years, new decision makers and organizations have multiplied on the urban development scene: local authorities, private firms, public agencies, representatives of different state bodies, consultants and local action groups (Le Galès 1995). In developing countries a multiplicity of exogenous institutions such as NGOs and co-operation agencies have also turned their priorities toward cities (Milbert and Peat 2000). International co-operation agencies have tried simultaneously to utilize and encourage this diversity of actors, and to co-ordinate them, whether horizontally, at the local level, or vertically, through establishing links between this local project level and the policy level (national or international). One of the means to achieve this purpose has been to try and build official alliances, including, on the one hand, representatives of the civil society and, on the other hand, other co-operation agencies. We shall first try to describe this consensus, and then analyse the case of the Cities Alliance and the Urban Management Programme, which are the most elaborate attempts at building and structuring partnership in the urban sector.

## **A Better Recognition of the Different Stakeholders in the 1990s**

### **Experiences from the recent past**

Ten years ago, before an urban project would start, a state-to-state agreement would have been sufficient and the regional and municipal level would have been consulted only formally and quite late in the process. In the case of India, for instance, quite a few integrated urban projects, initiated in the 1980s, were negotiated directly between the Prime Minister's Office and the World Bank representatives posted in Washington, DC. The Ministry of Urban Affairs would bring technical support. The most powerful members of parliament and some ministers, the most influential inside the Congress Party, would have their say about the localization of the project. For instance, the Municipal Corporation of Kanpur, with 2 million urban dwellers, was hardly consulted when a \$40 million project was decided on and launched in the early 1980s. At that time, the municipal corporation had been under direct administration by the state for 14 years, and no local elections took place there during the 1980s. The project itself had been hastily prepared, upon request from the city planning authorities, by two professors of the nearby Indian Institute of Technology, who were never again to be consulted after they had completed the draft. Their proposal had actually been used as a "lure" at a moment the Indian government needed a "local" input into the process, and what was eventually developed by the World Bank in Kanpur did not take the local proposal into account, but conformed strictly to the usual pattern of integrated urban development projects (IUDP).

The neglect of municipalities as responsible actors was not only a characteristic feature of external assistance agencies, but also of international non-governmental organizations (NGOs) and foreigners in general: in the North West Frontier Province (NWFP) of Pakistan in the mid-1990s, many foreign NGOs active in big cities like Peshawar or in intermediate towns such as Mingora would not think of establishing any link with local authorities, not even paying a courtesy visit to the town authorities before installing themselves, sometimes in the immediate vicinity of the municipality.

### **New partnerships with city governments in the 1990s**

These cases are unlikely to be seen again in most developing countries where decentralization has taken place. In India, for instance, the refusal of the installation of an Enron multinational power generating

utility by the Maharashtra state authorities came as a shock and has set a limit to what the central government was able to impose on local authorities. Although it appears to be slow, there is a progressive shift of responsibilities between the state, the region and the municipality. Today a co-operation agency is bound to negotiate and establish a close partnership at these three levels before a project can be launched. Quite a few external assistance agencies insist on a prerequisite of participatory / democratic process at the local level. Yet, although municipalities are increasingly recognized as partners, few agencies directly allocate funds to them. One could imagine, in the medium term, that equilibrium will be reached between strengthened municipalities, states and external assistance agencies, and that even civil society and local governments will be able to determine their own objectives and priorities and channel them up toward funding partners.

The turning point of this evolution was certainly the Habitat Summit, where local democratic governments have been recognized as full-fledged partners, the best adapted for action efficiency and for responding to the needs of the population. Since Habitat II, development agencies and programmes of support aligned with them have insisted on partnership between a multiplicity of social groups, which were previously working separately: municipal officers, politicians, business people and community organizations. Examples of these include the Cities Alliance or the City Consultations of the Urban Management Programme. In these, all programmes and projects must be specifically approved by the central government and the municipality, and both must mobilize complementary funding. Other donors, public institutions and the private sector adopt a participatory approach and have to demonstrate potential for large-scale applications through partnership.

We know that there are many such initiatives. The UN-Habitat Best Practices Programme has done a lot to make them better known. In the field of research, quite a few programmes contributed to a better understanding of the negotiation process (Le Galès 1995). Environmental Development Action in the Third World (ENDA) in Senegal, Morocco and Colombia,<sup>1</sup> the Fondation Leopold Mayer pour le Progrès de l'Homme, or the United Nations Research Institute for Social Development (UNRISD) in Geneva,<sup>2</sup> all demonstrated, together

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<sup>1</sup> See Milbert and Peat (2000).

<sup>2</sup> The UNRISD project Urban Governance: Social Integration at the Grassroots; The Urban or "Pavement" Dimension, followed by the project on Volunteer Action and Local Democracy: A Partnership for a Better Urban Future ([www.unrisd.org](http://www.unrisd.org)).

with many other institutions, the crucial role of NGOs, community-based organizations (CBOs) and voluntary groups in working with vulnerable urban population and negotiating with local city managers and politicians. The Urban Management Programme (UMP) City Consultations have translated into action this new type of collaboration, and the Cities Alliance now also aims at doing so (see below).

#### **Decentralized co-operation**

Since 1985 decentralized co-operation has been officially encouraged in several countries, particularly in Canada, France, Germany, Italy, Portugal, Spain, Switzerland and the United Kingdom. Its main characteristics are: long-term partnerships between Northern and Southern local authorities; recognition of local authorities as key players; specific forms of intervention; and an emphasis on technical exchanges and training (Schep Gerrit 1995:23). Yet, although decentralized co-operation has become a strongly promoted mode of intervention in several European countries, particularly when it takes the form of technical co-operation between cities, it still represents a tiny proportion of official development assistance, and it is often restricted to technical assistance and training. In fact, a very small proportion of projects are being implemented directly by Northern local governments and, in many cases, it seems that decentralized co-operation has to be understood as a mutual training process.

Although these financial transfers between sub-national levels involve small sums, their symbolic and developmental importance is larger than it seems. There is an important involvement of civil society, North and South, in this process. Our point of view is that decentralized co-operation opens a positive perspective for a large part of the population to understand the objectives of Southern countries' development. The French example is interesting in this respect. Although the sums involved are tiny (200 million FF in contrast with 45 billion FF of total public aid to development), it has created a dynamic involving a majority of municipalities, departments and regions (Bouloudani 1998:21). The best example is no doubt Spain, where decentralized co-operation has become a high-profile component of bilateral aid. Although a recent phenomenon, decentralized co-operation is now an established activity of most local and regional governments. Since the mid-1990s, civil society (including schools, churches, local associations) acting in a very co-ordinated and unified way, has successfully pressed

Spain to contribute 0.7 per cent of its budget to co-operation with the South. For instance, the municipality of Madrid had a budget of 2.1 billion pesetas for development aid in 1997. Among 86 projects, a dozen of them relate specifically to urban development, and focus on women, youth, micro-enterprises and health management (Ayuntamiento de Madrid 1998). These decentralized initiatives give a lot of responsibilities to local Spanish NGOs. Yet, they are not at all inserted in an overall technical or development co-operation framework which could have been set by the AECI,<sup>3</sup> the Spanish Agency for International Co-operation. The result is a number of very positive micro projects, but little funded and short term, since they hardly ever last more than two years, and quite often overlapping, whether in Southern countries or in Spain itself, where funding comes from so many sub-national institutions that until today nobody has been able to draw a clear and complete picture of it.

The great majority of donor agencies have launched specific programmes to strengthen and empower the very actors they want as partners, which is recognition that they appreciate this level of intervention, but that doubts remain concerning these actors' capacity and competence. Can external assistance agencies recognize fully the maturity of municipal actors as counterparts, while launching programmes aiming at transforming them? For instance, there are now so many programmes offered by them for training municipal administrators, councillors and technicians, that the usefulness of these activities is no longer obvious to the beneficiaries themselves. These seminars have even acquired local nicknames: for instance, in Latin America, as *seminarios de engordo*, or in French-speaking Africa, as *séminaires d'engrossissement*.<sup>4</sup>

It would be naive to believe that this recognition of the presence of local governments on the international scene is purely altruistic. First of all there are the financial components of the deal. Quite a few representatives of international institutions have seen these new partners as a possible source of funding, especially in times of drastic restrictions of their budgets. These new partners could very easily be called in for complementing decreasing national contributions. This explains why it was recalled, during Habitat II, that the acceptance of private and local actors in the international arena would have to be complemented with a rise in their own commitments and responsibilities (see IUED 1998:70).

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<sup>3</sup> Agencia Española de Cooperación Internacional.

<sup>4</sup> Literally "fattening seminars".

Second, the political and ideological aspects of co-operation in the field of decentralization are never absent. For instance, in Indonesia, the Municipal Finance for Environment Infrastructure Programme of the United States Agency for International Development (USAID) has vigorously promoted privatization, and has been instrumental in the development of a group of new financing options for environmental infrastructure. These include Build-Operate-Transfer (BOT) privatization mechanisms, creation of a municipal bond market, and private operator contracts. Another example is the decentralization aid policy led by the French Ministry of Co-operation in quite a few French-speaking African States. Among those most influenced by the French model of public policy, decentralization and local government organization are Senegal, Mali, Benin, Côte d'Ivoire and Central African Republic (French Ministry of Development Co-operation 1997). This strategic and political component of bilateral aid might diminish in coming years, if co-operation alliances continue to take shape and lead to a greater proportion of bilateral funds being channelled toward multilateral co-operation. One cannot tell, at the moment, if this will support or hinder the quality of local partnerships. While these "money baskets" take shape, they undoubtedly contribute to untying aid, but also to dissemination of responsibilities, and they have one unmentioned rationale: pooling assets enables agencies to diminish funding while keeping apparently the same volume of projects.

**A better recognition of the role of NGOs and other intermediaries**

In the past, whether in Canada, France, Japan, Switzerland or other countries, the subcontracting of projects to Northern NGOs appears to have been hampered by the fact that these organizations were showing little interest in urban issues. However, co-operation agencies have increasingly been relying on local NGOs, and action groups within the local community, to carry out projects in the cities.

In the 1990s, NGOs, whether Northern or Southern, were increasingly recognized as full-fledged partners, even by agencies which had been hesitant to delegate to them the management of projects they were financing. Today, NGOs are considered as either disseminators, representatives of civil society in the North and South, or tools capable of bridging the gap between communities, state authorities and donor agencies. The case of France is interesting in this regard. French co-operation rarely called on NGOs, whether French or from the South, either to participate in policy building or



to conceive, implement or manage a project. The type of partner sought at the local level came preferably from the public or parastatal sector. The conception of projects would be entrusted to a body of well-trained consultants and private engineering firms. As far as implementation was concerned, French co-operation relied primarily on a large number of French technical specialists, many of them young (Milbert 1992). This state of affairs is now changing. From 1991 onwards, more funds were allocated to French NGOs. The Group of Research for Technological Exchange (GRET), which monitored the Programme Solidarité Habitat, and the French Association of Volunteers for Progress (AFVP) are two examples of such organizations that were established at that time to manage small projects associating French and Southern NGOs. During the summer of 2000, by means of a tender managed by the GRET, the French Ministry of Foreign Affairs launched a Sustainable Waste Management and Urban Sanitation Programme aimed at mobilizing NGOs and research centres around action-research.

This recognition goes for both Northern and Southern NGOs: the majority of external assistance agencies now channel aid to projects involving these institutions, which are considered to be partners worthy of trust, in touch with urban realities, recognized by the communities and capable of working with neighbourhood action groups. A growing share of total funds is therefore funnelled through them and their presence and partnership has most often become a prerequisite for funding authorization, especially by Scandinavian countries. For instance, in 1997, direct allocations to NGOs accounted for nearly 10 per cent of Finnish official development assistance, while 47 per cent was channelled through multilateral agencies. But this concerned mainly minor funding for small-scale projects carried out by indigenous NGOs. All the same, in 1997 total Danish spending on bilateral NGO assistance amounted to \$130.1 million, which is equivalent to about 12.9 per cent of total Danish bilateral assistance. Only a small proportion of these sums, however, is directed toward urban interventions, contrary to the case of UK NGOs, for instance.

Although nobody can deny the importance of the work carried out by NGOs and local action groups, some criticisms have been formulated. According to a number of interviews carried out in international agencies as well as in NGOs, agencies and national authorities are now faced with the difficult task of selecting NGOs. One counts them by hundreds in some regions of India or Brazil, for example, not to mention in war-torn regions such as Kosovo. For

instance, the Swiss Agency for Development and Cooperation (SDC), at the local level in New Delhi, works directly or indirectly with more than 200 NGOs.<sup>5</sup> Voluntary agencies themselves admit now that the best and worst of them, “facilitators and predators”, may be competing for the privilege of managing funds and projects. Empowering local action groups is a long-term task, which may give rise to the same trend undergone by NGOs—one tinged with high hopes, excellent achievements and, sometimes, disillusion.

Yet, one should not forget that even in large cities where officials are elected democratically, like New Delhi or Mumbai, where NGOs have been flourishing, the large majority of the slum population has to live with no aid or NGO support, and without access to any network except that of the slumlords.

#### **Involving the private sector**

The private sector has always been involved at all levels of urban co-operation. For the majority of external assistance agencies, financing instruments, including local financial mechanisms, are developed in order to engage the private sector in the urban investment process. This is unavoidable if one intends to address the scale of problems met in Third World cities. The fact that private actors remain so weak in many developing countries, or uninterested by a number of urban sectors, such as low-cost housing, certainly remains at the core of the urban crisis.

A few bilateral agencies in Australia, Italy and Japan have explicitly chosen to favour private partners to link their urban projects with the promotion of the private sector, and work with private enterprises in both the donor and beneficiary countries. In the past few years, some countries such as Italy and the United States have attached great importance to privatization goals and private partnerships, whereas others (France) have preferred to negotiate and join forces with public or semi-public partners. For instance, USAID officially seeks to involve the private sector more substantially, and facilitates loans from the US private sector for middle-class housing and urban facilities in low- or middle-income countries, such as Egypt, Indonesia, Jordan, Morocco, South Africa or Zimbabwe. It works to create the policy and market conditions that will facilitate private sector engagement in environmental and shelter improvement programmes overseas, particularly for water, wastewater, solid waste, transportation and shelter programmes.

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<sup>5</sup> Interview carried out in April 1997, New Delhi.

Over the past few years, in quite a few projects, NGOs have lost leadership or have been complemented by consultants and/or engineering companies, for the management and monitoring of projects (see the urban sector projects of the SDC in Viet Nam, for example). Yet, in the same period, there has also been growing ambiguity, with a number of consulting firms presenting themselves as NGOs, as in Pakistan, for instance. Regarding consultancies, one notes a growing tendency toward internationalisation, through calls for tenders in the international market. Today, as a result, several years of systematic subcontracting from co-operation agencies, the number of consultants has multiplied. Competition among them is already fierce, and growing more so as the market grows and becomes more internationalized.

#### **Co-ordination between the co-operation agencies**

While the number of projects in Southern cities multiplied, co-ordination between external assistance agencies on urban issues has greatly improved in recent years. Let us recall that very few donors had the opportunity to meet on a regular basis and to discuss urban issues before the end of the 1980s. Today several informal and formal meeting arenas do enable a large group of agencies to regularly debate their internal strategies and possible difficulties, and to discuss achievements. This leads to mutual recognition, better interaction and higher quality of work. These meetings take place under the auspices of the Development Assistance Committee (DAC)/OECD, the European Union, the Programme Review Committee of the Urban Management Programme, UN-Habitat, the UNDP and the World Bank. The latest initiatives are the Cities Alliance and the World Association of Cities and Local Authorities Coordination (WACLAC), which organized three meetings in 2000. Networking and co-ordination opportunities were projected to be even more numerous in 2001, during the preparation phase of Istanbul+5. Networking between donors has thus become an essential component of urban co-ordinators' work inside each agency.

What started out as an effort to better understand the strategies at a policy level is now slowly becoming more of a collaboration on the conception of projects and on their implementation in the field. The urban sector representatives of each agency have certainly gained a better knowledge of each other's work, a sense of solidarity and new working methods. Also they speak a common language and share common goals and ideas, while their field of competence,

that is, the urban sector, is often quite marginal inside their own agency. Yet, whose agenda is going to be pushed forward through co-ordination remains an open question. So far, the World Bank and UN-Habitat may have been the main beneficiaries, since they are obviously placed at the centre of the financial and information network.

The willingness of agencies to pool their assets has grown over the years. Many joint projects currently under way are much more than just co-funding arrangements: they also use a wide range of complementary tools and methods. There are also cases where good communication on projects enables smaller agencies to test technical or managerial innovations in the field, and later on to collaborate with one or several donors with large investment capacities, when the moment comes for scaling the projects up. These interagency collaborations are certainly time-consuming, and they have a cost since they make project management heavier. However, in these projects, agencies hold common objectives; they make it possible to combine large investment and social innovation, and governance is at the forefront of project implementation. Future assessments will confirm if this has led to a greater achievement of the objectives and to the satisfaction of the “beneficiary” communities. What is clear, however, is that urban projects that have improved the cityscape and urban livelihoods have been managed on the one hand by a well-structured, dedicated and competent team at the national level, and, on the other hand, financed by co-ordinated aid.

A very good example of this is the environmental rehabilitation of Indonesian *kampungs*. The World Bank funded the first project, in Jakarta, in the late 1970s. The Kampung Improvement Programme (KIP) aimed at introducing low-cost environment infrastructure improvements into these informal, unplanned and underserved neighbourhoods called *kampungs*. The whole process was closely co-ordinated and monitored by the powerful Indonesian officials who imposed a clear and competent vision of Indonesian urban development and designed the strategy of the Ministry of Works and Housing. In the early 1980s, the project was extended to 100 cities and towns of Indonesia, with the support of the Asian Development Bank. This programme has had significant impact on low-income urban households and it has been very positively assessed (it received the first Aga Khan Award). A multiplicity of bilateral agencies have been involved in the process during the last 15 years, including Japan on infrastructure and middle-class housing, the

Netherlands on urban environment, France on engineering and decentralization, and Switzerland in Jojakarta and Surabaya. USAID has also been involved through its Municipal Finance for Environmental Infrastructure (MFEI), which aims to strengthen the municipal finance system and to bring in innovative funding methods in order to finance environmental infrastructure.

The willingness of agencies to pool their assets together has grown over the years, and has resulted in a better co-ordination. This is perfectly understandable on the grounds of efficiency and transparency, but this move has not always been devoid of hidden agendas, internal fights, fierce competition and afterthoughts. And it is certain that quite a few opportunities for promising collaboration are still missed. Many agencies fear that working in alliance is not always a “win-win” process, but that there might be some losers on the way. They consider that this co-ordination effort delays the already slow project pipeline, and that in the meantime action is not taken in the cities themselves. In some cases, some of the “beneficiary” authorities may wish to maintain competition between donors and/or a bilateral relationship with each individual foreign agency. In the South, projects conceived in isolation, overlap, lack of mutual information and misunderstanding of possible synergies are still very common, even when representatives of the concerned bilateral agencies work hand in hand at the highest level. This may be explained by the weight of vertical hierarchy inside the co-operation agencies, and by individualistic strategies.

A good example of this became evident when the Bolivian ministry in charge of decentralization policies held a meeting with all external assistance agencies involved in decentralization policies and projects. He noted that it was extremely difficult to co-ordinate the scattered actions of 10 agencies working on identical decentralization components, and four of them in the same municipalities. It seems that the agency representatives were rather unhappy, not with the fact that their projects were overlapping but with the fact that the ministry was pointing to this as a practice to be avoided. The attempt made at the ministerial level to better link actions together, geographically and thematically, was not considered very welcome. In such a context, only a very confrontational, steady and strong-minded national institution can manage and impose co-ordination between foreign agencies. Even among European agency representatives, there exist numerous examples where a project, which had been jointly defined and carefully elaborated in common, is eventually publicized, published

or implemented as a single agency's action, if this serves individual or institutional purposes.

### **Institutionalizing Alliances**

Many joint projects now under way are much more than just co-funding arrangements and employ a wide range of methods and tools in a complementary fashion. A good example of this is the Programme Review Committee of the Urban Management Programme: while the meetings are limited to the critical donor agencies and managers of the UMP, they provide effective guidance and monitoring to the programme and enable direct involvement and participation of the co-operation agencies, thus facilitating further interactions and joint projects.

#### **The Cities Alliance**

The Cities Alliance, which was launched in May 1999 on the initiative of the World Bank and UN-Habitat, might also exemplify this approach. It was launched at the conclusion of the International Mayors Summit, and it aims at raising development capital and committing its resources to two strategic priorities: facilitating city initiatives to undertake development strategies based on a wide consensus, and raising the upgrading of low-income settlements to city-wide and even nation-wide scope. This action is intended as a coalition of donors and their partners in development. Among potential donors are not only the World Bank and UN-Habitat, but also regional development banks, United Nations agencies and bilateral bodies. Associations of cities and mayors (such as the International Union of Local Authorities-IULA and Metropolis), NGOs (such as the Society for the Promotion of Area Resource Centres-SPARC from India, or Homeless International) and representatives of the main economic and social stakeholders have a special place among development partners.

The role of the Cities Alliance is not to finance urban projects or to take the place of donors: its funding could be considered weak by many standards, since it aims at mobilizing \$40 million over a three-year period.<sup>6</sup> Its main purpose is to foster a collective assistance

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<sup>6</sup> In June 2000, the Cities Alliance had mobilized 11.4 million dollars, 7 million of which came from nine bilateral donors: Canada, France, Germany, Italy, Japan, the Netherlands, Norway, Sweden and the United Kingdom. The remainder was from the World Bank (3 million) and UN-Habitat (1.4 million) (Amiot 2000:2).

strategy at the request of cities in the South, and to capitalize on the experience of its partners. This regrouping process has other objectives. The first objective of the Cities Alliance is to aid in devising urban development strategies for local development stakeholders, i.e., official bodies (representatives of local governments, local authorities, etc.) and civil society. The main idea is to help partners in the South to define an overall development framework for the city (and its hinterland) through a participatory, operational approach. The anticipated result is a government supported action programme which is financed by the municipality, supported by the government and proposed to donors where necessary (Amiot 2000:2). The second objective is to strengthen World Bank/United Nations collaboration, as well as bilateral/multilateral partnership, as appears in the report of the meeting of the Consultative Group in Montreal in June 2000.<sup>7</sup>

### **The Urban Management Programme**

The Urban Management Programme is a global programme set up and funded by a consortium of development assistance agencies. During its different phases, its donors have included UNDP, UN-Habitat and the World Bank on the multilateral side, and Germany, the Netherlands, Switzerland, Sweden, and the United Kingdom on the bilateral side. The UMP is managed by a Programme Review Committee (PRC), consisting of representatives of UNDP and UN-Habitat, the four regional co-ordinators, the global programme co-ordinator and the bilateral donors who are major contributors to the programme. The PRC plays a key role in reviewing the progress of programme activities and discussing results that the programme has achieved with respect to its objectives and performance criteria.

The major purpose of the programme is to advise local and national governments on ways to improve their management of urban development. In the third phase, this is done, mainly, by helping countries and cities organize consultations involving those who have a stake in implementing new urban management approaches, and by introducing new urban management policies and techniques into the consultation process.

The programme is built around the concept of applied experience. Urban management knowledge and expertise accumulated during the first two phases of the programme were drawn from experience and made available to local actors. During

<sup>7</sup> See [www.cities-alliance.org](http://www.cities-alliance.org).

phase one, the primary impact of UMP was at the global level. UMP worked to synthesize lessons learned, disseminate research outputs and design technical co-operation programmes that support national and regional capacity-building activities. In this phase the linkage between researchers, agencies and national actors was well established through the very wide dissemination of a number of high quality publications. During phase two, UMP was decentralized, in order to build capacity “at both the country and regional levels and facilitate national and municipal dialogue on policy and programmes options based on a participatory structure that draws on that strengths of developing country experts and expedites the dissemination of that expertise at the local, national, regional and global levels” (Ludwig and Milbert 1999).

During phase three, an extensive work plan of activities was developed in each of the four “programme regions” (Latin America, Africa, Middle East and Asia). During this phase, a variety of primarily local programme activities were identified and brought into the process. Phase three emphasizes activities at the city level rather than at the regional and country levels (as in phase two). It revolves around the expressed interest of a city. City-level activities require substantive back-up from locally based institutions (NGOs, research, training or management institutions). In this phase, more than 100 city consultations have been initiated, and most of these will continue through the action plan and implementation stages.

The UMP focuses on the three most difficult issues that local authorities have to face in a totally integrated manner: urban poverty, urban environment and urban governance. While tackling them, the UMP benefits from the fact that knowledge and recognition of the importance of these issues is increasing.

The principal instruments to carry out the present mandate of the UMP are city consultations, regional networks of urban management experts and regional centres of excellence.

The city consultation process in the UMP is quite different from the traditional process of delivering technical assistance through expert consultancies. In most urban management environments in developing countries, there is a need to re-orient or redesign the existing institutional structure and organizational relationships in order to create and utilize new policies and urban management tools. The city consultation process seeks to develop and express principles and achieve stated goals, involving individuals and organizations in the redesign of the system and their roles in it. The funding is



usually very small, below \$100,000, sometimes accompanied (or more often followed) by co-funding. One essential aspect of the city consultations is that the key stakeholders and the municipality own the process and the proposals. The proposed plan of action, such as, for example, a participatory budget, emerges from a process that has involved all the people and institutions needed to carry out the plan of action. They have been party to the discussions and should feel that their concerns and suggestions have been taken into account.

UMP supports regional networks of experts to assist with city consultations and ensure effective technical co-operation, sharing of experience and ideas between different levels of government, exchange of information between the country, regional and global levels and the development of region-specific research. Because of the broad definition of the network and the fact that much of the urban management expertise may be quite specialized, subgroups within the networks are sometimes formed along the lines of specific topics, such as urban safety, solid waste management or bio-medical solid waste management.

During phase three, regional co-ordinators moved into a host institution in each region, each of them being considered as a potential or existing regional centre of excellence in urban management. This arrangement aims at providing more effective development, transfer and exchange of substantive knowledge, and at preparing for the next phase, where the host institution would effectively take charge of the programme.

Each regional programme has developed in the context of the varied traditions of NGOs and research involvement, and, most important, with very different levels of decentralization and urban governance.

In the Arab States, for instance, the UMP brought to the region an entirely new conception of governance and participation at the local level, a series of questions to be openly discussed, innovative methods and a trans-boundary attitude that had seldom (or never) existed in cities of the region. Such is the case, for example, with the issues of gender in institutional management in the Palestinian territories, upgrading of informal settlements in Damascus, decentralization in Yemen or municipal poverty alleviation action plans in Tunisia.

In Latin America and in Asia, the UMP helps cities develop a synergetic approach to city development by encouraging and combining energies that had long been dispersed. All activities undertaken benefit local governments and reinforce their institutional

position and local democracy, and have an impact, at least in the mid-term, on the living conditions of the urban poor.

In Africa, the regional office and its partners work very closely with municipal governments. The city consultations in Africa attract a broad range of participants from the community, and a number of activities directed toward the poor have been funded from the action plans: microcredit, lending books to primary school students, training programmes for environmental health officers, training programmes for city officials to improve their planning skills, and a municipal information system.

The UMP has introduced a flexible and demand-driven approach in cities. It has proven, despite being internationally managed, to be quite respectful of cultural diversity (for example, consultations in Ecuador on cities with large indigenous populations). It also manages to fit inside the local demands for partnership, participation and local democracy. At the end of 2000, 90 city consultations were under way in 90 countries; 45 action plans were being implemented. Partnerships had been established with 19 regional institutions, not including those stemming from integration in many urban networks (research, local authorities, NGOs, gender issues). The UMP has made achievements by bringing together actors at the international and local level to apply a common set of methods (participatory governance) and tools in a network fashion.

## **Conclusion**

By examining the documents on urban development assistance, one can see that building partnerships has become a fundamental component of the strategies adopted in the 1990s by external assistance agencies. Every one of them proclaims that local governments, NGOs and private groups should be partners in urban development and work hand in hand with all stakeholders. This unanimity is so wide that it blurs priorities and original approaches, while one could have imagined that the fragmentation of urban actors would on the contrary polarize a diversity of strategies inside these institutions.

Yet, at the local level one can question the centrality of governmental actors in the future. One can imagine that local politics, policies and polity will depend more and more, on the one hand, on the way decision making is fragmented locally and, on the other hand, on the way local actors are linked to international networks.

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This change of paradigm in local governance might create a great diversity in political life, in urban dynamics and in the way services and decision channels are organized.

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