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City Development Strategy: A Conceptual Framework

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The Conceptual Framework for CDS:
The Three Phases Supported by a Cross-cutting Pillar

Abstract:

The Cities Alliance has long supported strategic planning activities to improve the efficiency and impact of urban development in support of city-based, consensus-building processes. These processes enable cities, local authorities and stakeholders to define a common vision for their city and establish city development strategies with clear priorities for action and investment. Given the complexity of strategy development and urban governance, there are many different views on what a city development strategy is and how it should be developed.

In 2009, several Cities Alliance members – United Cities and Local Governments UCLG, UN-HABITAT, UNEP and GIZ, facilitated by the Cities Alliance Secretariat – created a subgroup to discuss the diverse views on City Development Strategies and to share their experiences in implementing CDS. The subgroup devised a harmonized, basic conceptual framework for a CDS that is flexible enough to incorporate diverse experiences and methodologies while ensuring that certain crucial steps have been taken into consideration.

I. Creating a Subgroup to Improve the Quality of CDS

What comes to mind when you think of the term City Development Strategy? Is it a master plan, a vision, a strategy without plans, or a strategy with or without projects to be implemented? The question of how a strategy was developed – by a consultant or by local governments, municipalities or ministries, together with the private sector and civil society – elicits even more complex answers.

There are many different views on what a City Development Strategy is and how it should be developed, depending on a person's region, culture and planning background[1] .

These varied opinions are also apparent when development partners agree to support a strategy; often, each partner builds on a different understanding of the concept according to respective background or experiences.

The diverse views on what constitutes a CDS reflect the complexity of strategy development and urban governance. The issue becomes even more complicated when rising urbanisation rates and growing numbers of poor populations are taken into account; both of these global trends are putting enormous pressure on cities to develop in a more inclusive and participatory manner. Other factors – climate change, international financial crises, and continuous processes of decentralisation – are also exerting greater influence on cities and urban development than in previous decades.

This complex environment means that cities will increasingly bear greater responsibility for urban development, and the design of future strategies will have to be more self-driven and self-managed. While these new frameworks are challenging, they also represent a tremendous opportunity for cities to be the driving forces for development.

1 See for example UNHABITAT (2009): *Planning Sustainable Cities . Global Report on Human Settlements* 2009. Nairobi: UNHABITAT; and London: Earthscan.

The Cities Alliance as a global partnership seeks to improve the efficiency and impact of urban development by supporting city-based, consensus-building processes. These processes enable cities, local authorities and local stakeholders to define a shared vision for their city and establish city development strategies with clear priorities for action and investments.

Over the past decade the Cities Alliance has supported numerous CDS activities in cities, realising the variety of approaches in implementing strategic development. In addition, Cities Alliance members have identified that city governments and local actors involved in CDS are eager for information on processes and methodologies to implement their strategies and enhance the knowledge and capacity to maintain them over the long term.

The *Guide to City Development Strategies* published by the Cities Alliance Secretariat in 2006 underscores the relevance of the CDS as a long-term planning instrument for cities. Building on the Guide, members of Cities Alliance recognised the need to jointly produce a harmonised, basic conceptual framework for a City Development Strategy, one that would reflect experiences of Cities Alliance members in implementing CDSs in a coherent way.

In order to address these issues and improve the quality of CDSs, the CDS subgroup met regularly to discuss the different concepts of CDS and varying regional approaches.

Over the course of the discussions, a number of issues were raised:

- How to ensure that a CDS is truly strategic in scope and function;
- How to effectively articulate and establish priorities within a participatory process;

- How to make the CDS process more explicitly and actively pro-poor;
- How incorporate meaningful environmental concerns into the CDS process more effectively;
- How to incorporate spatial and territorial dimensions within a strategic framework;
- How to mobilise financing for investments from a wide range of public and private sources;
- How a CDS can progress from strategy to action and lead to effective implementation measures;
- How to evaluate the planning processes already undertaken and possible next steps (developing a cycle).

Our lively debates revealed the enormous diversity of experiences and methods in CDS. They culminated in the development of a harmonised version of a CDS process, which has since been validated and adapted by a range of Cities Alliance members.

Harmonising Diverse Views on CDS

From the beginning of the process, members agreed that there was no need for a new CDS guide; there were already many publications, tools and case studies available. Instead, the idea was to gather the existing knowledge on CDS processes and develop a common conceptual framework for CDS that could be used as a foundation for a further refinement and strategic discussion.

The Conceptual Framework does not attempt to create a single uniform CDS. Rather, it aims to provide a structured way of looking at the diversity of CDS, serving as a basic structure that is flexible enough to incorporate various experiences and methodologies while ensuring that certain crucial steps have been taken into consideration. The structure of the framework also allows for the collection and publication of CDS-related information, tools and experiences.

In particular, the framework allows us to incorporate cross-cutting issues into a CDS, such as the environment, climate change, gender and – most importantly – how to ensure that a CDS has a clear pro-poor emphasis. While each CDS may have a different focus, these different cross-cutting issues should be included in every single case.

The subgroup discussions comprised a range of issues, such as how far a strategy should go into implementation or if implementation measures are even part of a CDS strategy. Members discussed different approaches taken by donors and agencies as well as the potential expectations of city administrations. Cities consider a CDS as an opportunity to define projects in a structured, transparent way and to document proceedings and priorities that guide the actions of all stakeholders involved in urban development. The CDS can also be used to better coordinate with donor agencies and international partners by organizing and proposing areas of contribution.

At the same time, the subgroup acknowledged that there is a mismatch between strategy formulation and implementation in urban development. In addition, in many cases there was a lack of ownership, especially with strategies promoted by external actors. Without ownership, the CDS will likely not be implemented and remain merely an exercise.

Throughout the discussions it became clear that the CDS is considered to be a capacity building process, both for city administrations as well as for the other stakeholders (the private sector, civil society, etc). This is especially important for smaller cities and those in the poorest countries, which generally lack the capacity and the financial resources to plan, implement and sustain a participatory CDS process.

The subgroup also agreed that participatory processes and institution building are at the heart of a CDS and should become an integral part of a modern city management – thus leading to successful urban governance. Moreover, it became apparent that information gathering can be a time-consuming and even political task, and it must be clear how far the investment in information assessment will go.

II. A Conceptual Framework for a CDS

The discussions among the Cities Alliance members on the subgroup made clear that the CDS is a cyclical process. Three main phases in the cycle were identified: a) assessment, b) strategy planning and c) strategy implementation. In addition, a process was designed that consolidates the participatory and institutional-building elements considered to be cross-cutting issues. Figure 1 on page 6 shows in more detail the linear relationships between phases A, B and C as well as the continuity of capacity building processes.

The Conceptual Framework is:

1. A generalisation about the CDS process, not a template. The framework is not a standard template that every CDS must follow. Any individual application of the process will have distinct features specific to the local context.

2. A common way of looking at different aspects of the CDS process. It is not a manual, nor does it describe in detail how to implement a CDS. The target audiences for the framework are development experts (from Cities Alliance members and other professional organisations) who play a key role in organising, supervising, and supporting CDS applications.

3. It is not a sequential representation of a CDS application. Actual CDS implementation is not linear; it is iterative and cyclical, with many cross-cutting tasks and activities taking place simultaneously. The full complexity of the process cannot easily be captured in a simple textual summary. Figures 1, 2 and 3 clarify the relationships of the various activities. They show that the three main activity blocks, while partially sequential, overlap in time, with many continuing at different points throughout the process. The graphics also show that the general supporting activities (e.g. communication or institutionalisation) apply to activities in all three blocks.

Three Phases of the CDS Process

Phase A: Assessing City Development Opportunities and Capacities

This phase is fundamental for the team leading the CDS to obtain high quality data that can inform sound decisions. It can be a major challenge, as there is a significant lack of data in many cities. A key step in the process, Phase A involves analysis of the situation and elaboration of the first steps, as well as scoping and focusing. Key components are:

- Identifying the key stakeholders, their roles and responsibilities in the process;
- Assessing the institutional environment where the CDS process will be hosted and sustained;
- Linking the CDS process to existing urban planning systems that consist of special development dimensions – such as social, economic, environment – that are directed at improving the living conditions among the most vulnerable residents of a city. One way to link a CDS to existing planning systems is through data from State of the Cities Reports or other rapid appraisal instruments;

- Conducting an initial financial assessment. This component also involves strengthening the data and information management as well as incorporating a monitoring system and identification of CDS best practice from the region;

- Mobilising both the in-house and external human capital that will support the process. [2]

Phase B: Strategy Planning

Phase B is the core phase of the CDS, with all stakeholders strongly involved in the process to contribute to the city strategy. This strong stakeholder involvement will help the CDS achieve a more holistic and multi-sectoral approach. It involves:

- Building up a participatory strategy development process to decide on the actions that will lead to the common vision outlined by stakeholders;

- Assessing the financing framework together with the strategy and agreed-upon priorities (strategic choices);

- Building strong awareness and consensus among stakeholders around the options to enhance their community, neighborhood and city goals;

- Establishing a continuous strategy development with the correspondent institutions;

- Promoting and communicating the strategy and its link with international donor and technical assistance programs, as well as alignment with national development priorities.[3]

2 See Annex for specific activities that can be included in Phase A

3 See Annex for specific activities that can be included in Phase B

Phase C: Strategy Implementation

During this phase, the CDS team will likely acknowledge that having the right institutional environment is essential for implementing the actions derived from the agreed-upon strategy. Key elements of Phase C are:

- Creating clear and feasible road maps or operational plans to achieve the prioritized actions. These could cover a variety of sectors (economic development, infrastructure, social services, environment, etc.). At this point budgets and other resources should be properly allocated to achieve the desired results.

- Creating the right partnerships to support the adequate and timely implementation of the chosen activities. This is linked with organising institutional reforms as well as legal and regulatory instruments to support the implementation of the strategy.

- Refining the roles of stakeholders in implementation;

- Mobilising financial resources in alignment with national programmes;

- Building up support for implementation, both financially and technically.[4]

Cross-Cutting and Continuous Support Activities: Participation and Institutionalisation

There are elements of the CDS process that either need continuous support or are considered to be cross-cutting issues that support the successful development of the three phases of a CDS. Promoting constant participation and integrating the CDS process into a city's management frameworks are vital.

4 See Annex for specific activities that can be included in Phase C.

There are also complementary activities that contribute to building a robust institutional setting to support the activities outlined in the three phases, such as participation through consultation, coordination with external parties, building coalitions, and frequently reaching out to the multiple city stakeholders. [5]

Also relevant to an ongoing CDS process is the long-term capacity building process, with the enhancement of capacities through the empowerment of stakeholders. The communication of CDS activities and strategies, combined with awareness-building for government and stakeholders, are also a continuous process. Like many other management cycles or processes, a CDS requires measuring progress and results while learning from them. Therefore, the feedback derived from evaluating such progress can benefit the ongoing implementation of activities and the planning of future ones.

Visualising the Structure of the Conceptual Framework

The following three figures illustrate the basic structure of the Conceptual Framework. They show the inter-relationships of the three phases (A, B, C) and the supporting activities, and also illustrate the iterative, cyclical nature of the CDS process.

5 See Annex for specific cross-cutting and continuous support activities that can be included

Figure 1: The continuous, iterative process a City Development Strategy

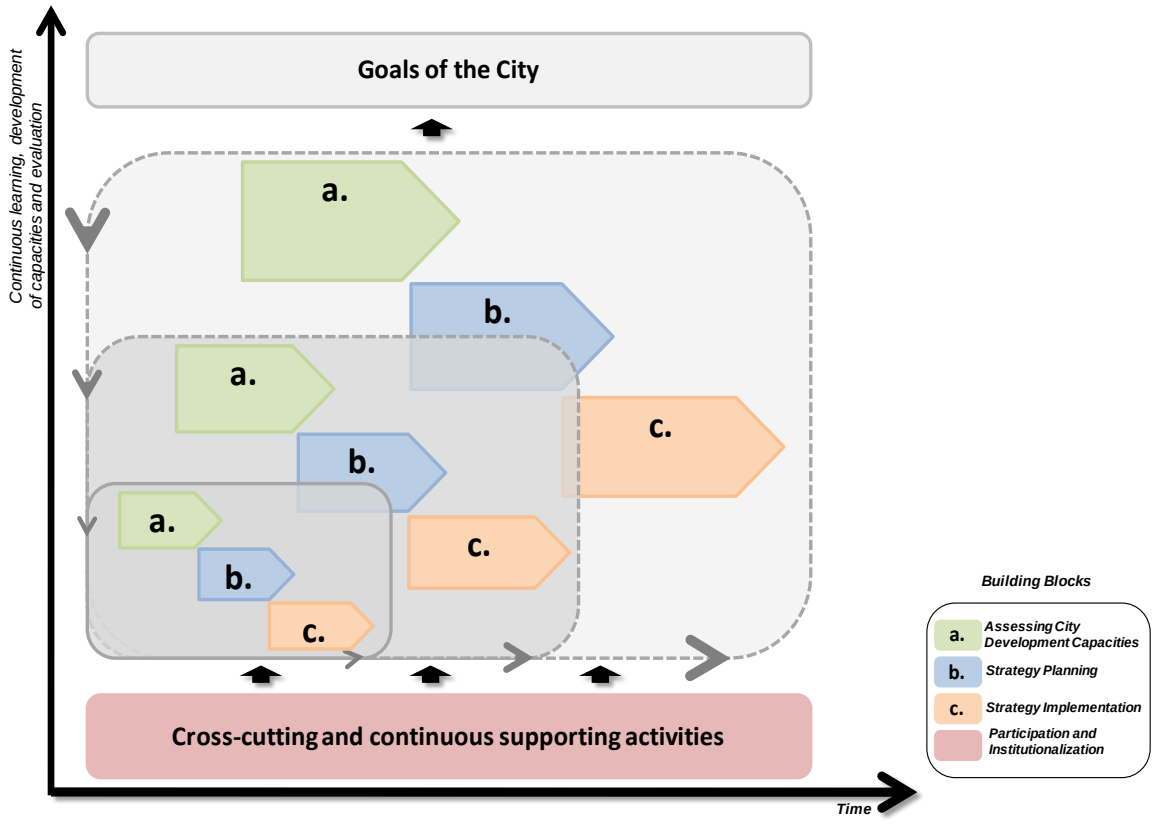
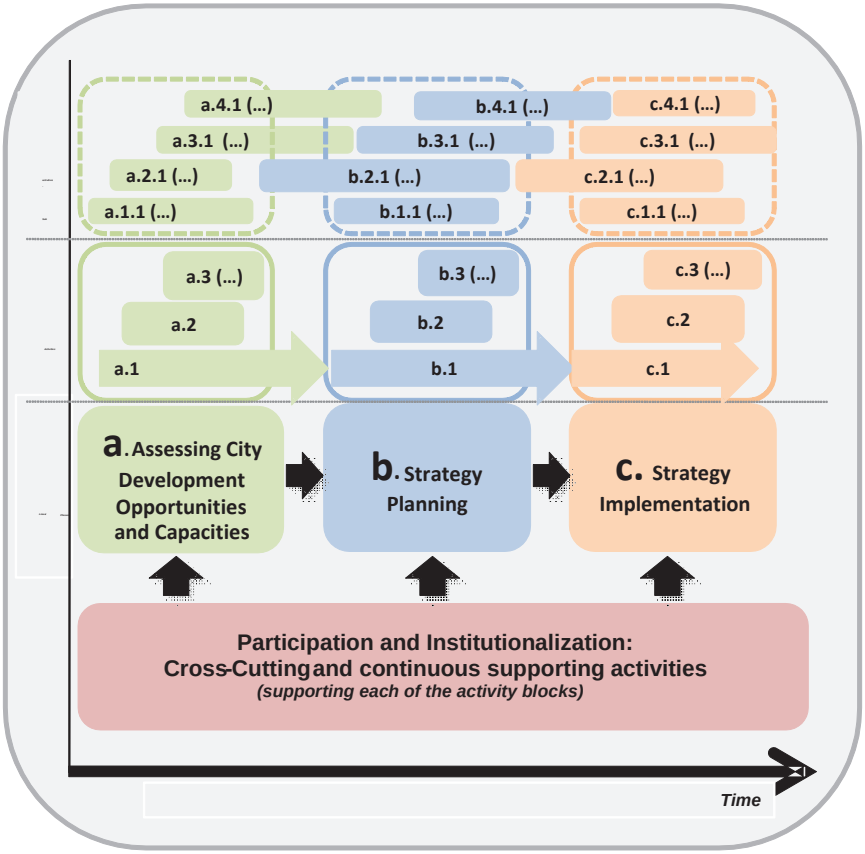


Figure 1 shows an incremental growth of capacities toward achieving the goals of the city. The City Development Strategy typically proceeds in a cyclical manner, with activities both continuing and repeating as the CDS progresses. In this way, the CDS process supports incremental and continuous learning and strengthening of the institutional capacities of a city's governance structure.

The three main phases (A, B and C) are generally sequential, although the activities undertaken during the phases typically proceed in parallel. There is also a set of supporting activities which apply to all three activity blocks and are more or less continuous throughout the process.

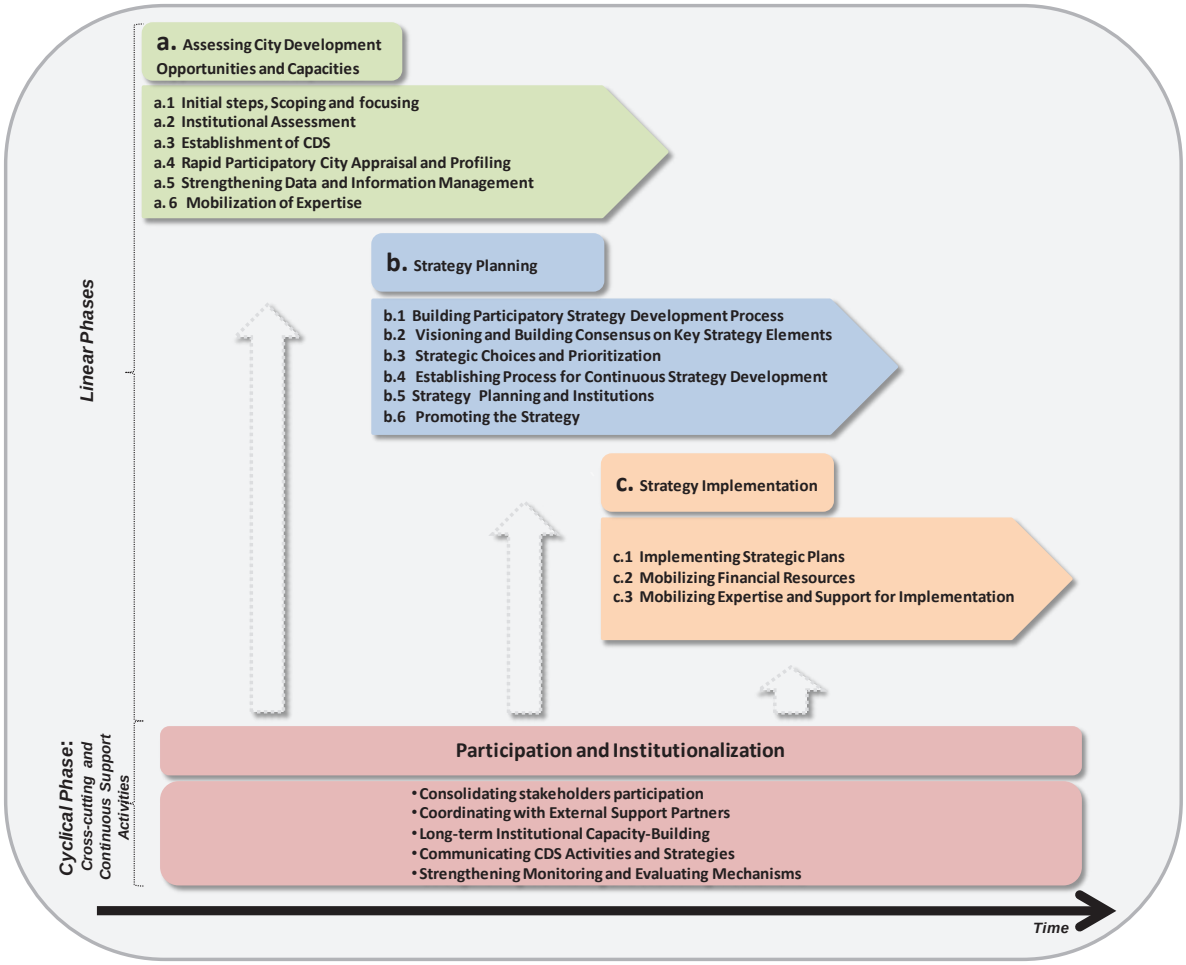
Figure 2: Phases, Activities, Sub-Activities and Support Activities



As shown in Figure 2, each of the three phases (A, B and C) that constitute a phase or cycle of the continuous CDS process is made up of layers of activities and sub-activities. For simplification purposes, the set of support activities has not been broken down into sub-activities. Note also that the various sub-activities are often interrelated and therefore likely to overlap in time, depending on the nature and rationale of their corresponding main activities.

Figure 3: The key sequence of activities to put into practice the phases

Figure 3 provides more details on the main activities corresponding to each of the three phases and cross-cutting pillar that can facilitate a successful CDS process. It illustrates how these activities can be envisioned over time, considering the linear interrelationships between phases A, B, and C as well as the continuity of participatory and institutionalization activities that support the entire process.



III. Moving forward: An opportunity to collect experiences and refine approaches to a CDS

This paper presented a systematic overview of elements, which are usually taken into consideration for implementing a CDS process. It does not suggest an "off-the-shelf" guideline on design principles but a point of departure for further refinement of CDS processes. Reflecting on the conceptual framework proposed here clearly invites us to juxtapose it with actual experiences from the field.

A further collection, analysis and discussion of CDS approaches may be beneficial to the Cities Alliance Partnership in at least two ways.

Firstly, this framework as suggested here could provide a structure for a collection of CDS experiences. It provides the necessary elements for categorising and analyzing CDS approaches. CA members and partners have gathered valuable experiences, whose lessons-learnt could be retrieved. A repository or resource site of CDS experiences could not only foster a further study of experiences, it may also provide a "CDS One-Stop-Shop" for urban practitioners at national, local and international levels to search for specific information, e.g. tools, manuals, handbooks etc. It provides the opportunity to further modify the conceptual framework in order to become a lively process and approach.

Secondly, a systematic collection of CDS experiences can also strengthen and underscore the collaborative foundation of the Cities Alliance partnership. By sharing and visualising the experiences of each member in applying a CDS approach, the richness and specific expertise of each member can be leveraged including information on specialised expertise, training opportunities, ways of capacity building and finance opportunities for investment.

Both arguments show us the benefits and the need of a joint learning instrument for CDS approaches, which would allow practitioners to create their own menu of tools and experiences while allowing for the retrieval of more information about modalities of Cities Alliance members.

ANNEX

The Conceptual Framework of a City Development Strategy:

The Three Phases Supported by a Cross-Cutting Pillar

PHASE A: ASSESSING CITY DEVELOPMENT OPPORTUNITIES & CAPACITIES

A.1 Initial Steps, Scoping and Focusing

i. Work out the focus, scope of issues, geographic area, time frame
ii. Consolidate municipal / local leadership of the CDS process
iii. Identify key stakeholders, both within and outside the local government

A.2 Institutional Assessment

i. Assess capacities of local planning and other relevant governmental institutions
ii. Analyse mandates and competencies of levels and units of government
iii. Analyse government structure, the political economy context of urbanisation policies or processes, and government capabilities in relation to the CDS process
iv. Assess local government reforms and their potential impact
v. Assess capacities in the private sector, NGOs, CBOs, and communities
vi. Assess local resource mobilisation, budgeting mechanisms and funding systems

A.3 Establishment of CDS Process

i. Clarify and organise institutional roles and responsibilities of key actors and agents of change for the CDS process
ii. Identify government budgets and other financing for CDS activities
iii. Link the CDS to existing planning and development systems
iv. Agree on CDS time frames, activity calendars, resources and manpower

A.4 Rapid Participatory City Appraisal and Profiling

i. Map a full range of potential stakeholders and participants
ii. Review local data sources (including maps) and assess availability of information
iii. Initial demographic analysis
iv. Analyse local economic development status and potential
v. Conduct a rapid appraisal of poverty context and situation
vi. Assess natural resources, environmental issues and climate change
vii. Assess other locally chosen priority topics (e.g. gender, housing, land, infrastructure, basic services, cultural assets, etc.)
viii. Assess the public and private sector financial situation

A.5 Strengthening Data and Information Management

i. Analyse local data gathering, information management, and mapping capacities and develop proposals for strengthening them
ii. Assess CDS data acquisition needs and potential
iii. Develop CDS-relevant indicators and measures together with monitoring systems
iv. Build/strengthen GIS data management capacities and resources
v. Integrate data management systems with local planning institutions

A.6 Mobilisation of Expertise

i. Identify local and regional sources of relevant expertise and technical support
ii. Identify CDS "best practice" examples in the same region or country
iii. Organise networking and exchanges through city-to-city cooperation
iv. Mobilise expertise and tools available through Cities Alliance members

PHASE B: STRATEGY PLANNING

B.1 Building a Participatory Strategy Development Process

i. Organise inputs and strategic decisions to be developed with stakeholders
ii. Integrate analytical studies into the process
iii. Incorporate full range of governmental institutions
iv. Develop awareness-building to support the strategy development process

B.2 Visioning and Building Consensus on Key Strategy Elements

i. Conduct iterative visioning exercise and build a common strategic vision
ii. Develop participatory consensus on key focus and topics for the vision
iii. Build consensus on strategic directions and choices
iv. Create a structured, multi-sectoral strategy
v. Prepare a coherent CDS strategy document to communicate the vision

B.3 Strategic Choices and Prioritisation

i. Develop the vision into strategic options and choices
ii. Clarify the legal and political framework
iii. Assess the financing framework (assets, budget sources of investments)
iv. Analyse implementation capacities and instruments
v. Prioritise options and develop associated targets
vi. Reassess and refine strategic choices and targets
vii. Confirm consensus on prioritisation of activities and options

B.4 Establishing Process for Continuous Strategy Development

i. Build institutional arrangements for continuous strategy refinement
ii. Organise institutional responsibilities for implementation
iii. Strengthen mechanisms for monitoring and feedback into the strategy process
iv. Integrate continuing analytical studies and information
v. Formalise procedures for periodic review and reassessment

B.5 Strategy Planning and Institutions

i. Develop strategies into strategic action planning
ii. Establish institutional roles/mechanisms for relevant stakeholders
iii. Develop investment programmes for strategic priorities
iv. Establish timelines, actor responsibilities, targets, and programmes
v. Strengthen measurement, analysis and feedback systems
vi. Establish participatory systems for monitoring strategic action plans

B.6 Promoting the Strategy

i. Establish a systematic information-communication programme to promote the strategy locally and nationally
ii. Link/align the CDS strategy with regional and national development priorities
iii. Link the CDS strategy with international donor programmes

PHASE C: STRATEGY IMPLEMENTATION HASE B: STRATEGY PLANNING

C.1 Implementing Strategic Plans

i. Implement Strategic Action Plans for the chosen sectors/topics (economic development, infrastructure, social services, environment, etc.)
ii. Organise institutional reforms to support strategy implementation
iii. Confirm assignment of responsibilities to government units/institutions
iv. Develop legal and regulatory instruments to support the strategy
v. Refine stakeholder/institutional roles in implementation and in monitoring

C.2 Mobilising Financial Resources

i. Commit public sources of implementation finance
ii. Establish mechanisms for mobilising/coordinating private sector funds (such as a Public-Private Partnership)
iii. Utilise Cities Alliance membership to identify sources of external financial support
iv. Establish mechanisms for negotiation with funding sources
v. Align funding needs with upstream and sectoral plans and policies
vi. Link CDS implementation projects with central (and provincial/regional) government sectoral programmes
vii. Develop financial mechanisms for managing investments

C.3 Mobilising Expertise and Support for Implementation

i. Link with CDS cities in the same region/country
ii. Utilise Cities Alliance members to support project development and implementation
iii. Mobilise local sources of experience and skills in project finance
iv. Build cooperation with relevant national training, educational and professional centres

PARTICIPATION AND INSTITUTIONALISATION: CROSS-CUTTING AND CONTINUOUS SUPPORT ACTIVITIES

I. Consolidating Stakeholder Participants

i. Continuing rounds of consultation with officials, NGOs, the private sector, etc.
ii. Identify and involve additional stakeholders and participants
iii. Create local coalitions and partnerships of shared interests and vision
iv. Develop and utilise full range of appropriate participatory mechanisms

II. Coordinating with External Support Partners

i. Maintain/develop links with Cities Alliance members
ii. Map other external support activities, both current and potential
iii. Establish/extend coordination mechanisms for external linkages

III. Long-term Institutional Capacity Building

i. Enhance capacities through empowerment of stakeholders
ii. Establish mechanisms to strengthen ownership by local officials and politicians
iii. Mobilise local, national and international capacity building and support activities
iv. Align local institutions with the CDS process, strategy, and implementation
v. Develop participatory CDS capacities in local urban planning mechanisms
vi. Strengthen participatory mechanisms and procedures for the whole of society
vii. Develop and strengthen links with local/regional capacity building institutions while considering opportunities for scaling up CDS processes

IV. Communicating CDS Activities and Strategies

i. Utilise a range of information/communication mechanisms and processes
ii. Continuous dissemination of information on CDS progress and achievements

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