

## TECHNICAL COOPERATION ABSTRACT

### I. BASIC PROJECT DATA

Country/Region	Regional
TC Name:	Capacity Building Network in the urban sector – learning from Best Practices and Innovation in LAC and China
TC Number:	RG-T2594
Team Members:	Carolina Piedrafita (IFD/FMM), Team Leader; Javier León; Ophelie Chevalier (IFD/FMM); Team Members; and Dianela Avila (IFD/FMM); Project Assistant.
Taxonomy:	Research and Dissemination (R&D)
Date of TC Abstract:	April, 2015
Beneficiaries:	Local Municipalities of LAC and China
Executing Agency and contact:	Inter-American Development Bank through the Fiscal and Municipal Management Division (IFD/FMM)
IDB funding requested:	US\$ 300,000
Disbursement period:	24 months
Required start date:	May, 2015
Type of consultants:	Firms and Individual consultants
Prepared by unit:	IFD/FMM
Unit of disbursement responsibility:	Institutions for Development (IFD)
TC included in country strategy:	Yes
TC included in CPD:	No
GCI-9 Sector Priority:	Institutions for Growth and Social Welfare

### II. OBJECTIVE AND JUSTIFICATION

- 2.1 This Technical Cooperation (TC) aims to facilitate the sharing of information, good practices and lessons learned on sustainable and innovative urban practices and policies between Latin America and the Caribbean (LAC) cities and Chinese cities. It will contribute to the learning process of city policy-makers, practitioners and managers. This goal is aligned with the Bank's Urban Development and Housing Sector Framework Document (GN-2732-2) and the Institutions for Growth and Social Welfare Sector Strategy (GN-2587-2).
- 2.2 Most Latin American and Chinese cities share a similar development: they urbanized rapidly with little planning, albeit in different periods and scale. In both China and LAC migration toward urban centers brought social and economic improvement, mostly in access to basic services, health and education. Such growth also put high pressure on the provision of urban services, with unintended consequences such as: high informality (160 million residents in LAC and 234 million in China live in informal settlements) and a rapid and significant increase in the value of urban land, which limited housing accessibility for most. Furthermore, this rapid urban expansion generated disequilibrium on the environment and the occupation of rural land. In the last decade, the growth rate of urban areas in Chinese and Latin American cities quadrupled.

- 2.3 Both Chinese and LAC cities share the challenge of providing improved access to housing and urban services, while minimizing the urban footprint. For such, there is great potential on establishing a knowledge exchange network between them. This fruitful cooperation began with the Bank's participation in the Guangzhou Award Technical Committee and Jury in 2014,<sup>1</sup> and continued in the first Latin America-China Policy and Knowledge Summit related to the impacts of rapid urbanization, of 2014.<sup>2</sup> The activities of this TC will build on these experiences, in collaboration with the Guangzhou Institute for Urban Innovation (GIUI) and the Chinese People Association for Friendship with Foreign Countries (CPAFFC) -which manages the Chinese Sister Cities program.

### III. DESCRIPTION OF ACTIVITIES AND OUTPUTS

- 3.1 The TC includes three components:
- 3.2 **Component 1. Knowledge Exchange and Peer to peer Learning: "Addressing city governance challenges with urban innovation" (US\$135,000).** To improve city performance focused in identifying key challenges and taking action to address them by promoting innovation and sustainability. It will be structured by peer learning activities, which include: participation of high-level local public officials in international forums where relevant urban issues are discussed,<sup>3</sup> and at least 3 one-week workshops and structured visits to discuss common challenges and identify collaboration opportunities. IDB will make a call for proposals to identify at least four LAC cities interested in participating in such initiative and which could host a Chinese delegation during the course of the TC. The GIUI, in agreement with the CPAFFC, will identify interested cities in China. A number of topics will be included in such call for proposals, to ensure that participants share a similar range of interests.
- 3.3 **Component 2. Mayors' round table on urban innovation. (US\$90,000).** Will include one high-level roundtable to discuss innovative ways to address the urban challenges facing LAC and Chinese cities. The round table will be held at the Bank's Headquarters, where Mayors from the participating LAC and Chinese cities will showcase their work together. Other Mayors of cities from the 26 borrowing countries of the Bank will be invited to participate. The event will include: (i) presentations of the exchange carried on by the cities in LAC and China under Component 1; (ii) presentations of urban innovation and urban governance best practices from other cities from LAC and China, and (ii) experts' presentations, including Bank's officials, on recent research and technical knowledge.
- 3.4 **Component 3. Learning from Urban Innovation Initiatives in LAC and China (US\$55,000).** This exercise will culminate in an analysis of urban innovation worldwide, and more specifically in LAC and China. The report will build on knowledge gained on initiatives from the two editions of the Guangzhou Award<sup>4</sup> and the results from the

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<sup>1</sup> Presented biennially starting in 2012, the award aims to reward innovative projects and practices in the public sector which aim to improve the socio-economic environments in cities and regions all around the world and promote urban sustainability. It is co-hosted by UCLG, Metropolis, and the Guangzhou Municipal Government.

<sup>2</sup> The event was held in Lima, Peru, on July 15-16, 2014.

<sup>3</sup> An URBELAC event to be held in the second semester of 2015 could kick start the international conference series.

<sup>4</sup> 14 LAC cities participated in the two editions of the Guangzhou International Award for Urban Innovation <http://www.guangzhouaward.org/en/index.html>

execution of the two previous components of this TC. It will: (i) establish major themes addressed and main challenges identified; (ii) compile existing information according to the challenges faced and how they are being addressed; and (iii) establish further areas and mechanisms for sustainable collaboration among participating cities on innovative practices and the potential for replicability of lessons learned.

- 3.5 **Component 4. Dissemination activities (US\$20,000).** To support the development of communication products for each component of the TC in order to consolidate and disseminate the results achieved and knowledge produced. (Presentations, blog posts, one minute stories, infographics, etc.)

#### IV. BUDGET

- 4.1 The total budget is US\$300,000 as detailed in Table 1.

**Table 1. Budget (in US\$ dollars)**

Activities	IDB Fund	US\$ Total
<b>Component 1. Analysis &amp; Knowledge generation and Peer to Peer learning</b>		<b>135,000</b>
Call of proposals. Identifying key challenges	5,000	
3 international workshops	90,000	
Participation of 4 LAC city officials in at least(3) one week workshops	40,000	
<b>Component 2. Mayors round table on urban innovation</b>		<b>90,000</b>
Mayors Roundtable	90,000	
<b>Component 3. Learning from Urban Innovation Initiatives in LAC and China</b>		<b>55,000</b>
Report on Urban Innovation in LAC and China	35,000	
Peer reviewing, editing and design	20,000	
<b>Component 4. Dissemination activities</b>		<b>20,000</b>
<b>Total</b>		<b>300,000</b>

#### V. EXECUTING AGENCY AND EXECUTION STRUCTURE

- 5.1 The Bank will execute the TC through IFD/FMM.

#### VI. PROJECT RISKS AND ISSUES

- 6.1 A possible risk is the lack of engagement of cities in being part of this knowledge exchange process. This risk is minimal because both the IDB and the GIUI have conducted previous knowledge exchanges involving LAC and Chinese cities, and they will ensure that the participating cities share challenges and interests in developing innovative solutions and that are committed to the activities planned. To guarantee the sustainability of the multiple exchanges promoted by this TC, participating cities will be selected on a demand base and will take on a percentage of the expenses. A clearly defined application process will be designed.

#### VII. ENVIRONMENTAL AND SOCIAL CLASSIFICATION

- 7.1 No adverse environmental impact is expected from this TC. This operation is Category C.