

Towards Sustainable Funding for Urban Development in Africa: Challenges, Barriers & Opportunities

Session co-organised by FMDV – Global Fund for Cities' Development Metropolis & United Cities and Local Governments (UCLG)

> REsolutions to Fund Cities Programme -17th July 2013 – 2:00pm-5:30pm Johannesburg – South Africa

SESSION PROGRAMME

<u>Session President</u>: **Parks Mpho Tau**, Executive Mayor of Johannesburg <u>Moderator</u>: **Jean-François Habeau**, FMDV Deputy Director

1. <u>Background and challenges faced by local authorities searching for sustainable funding solutions for</u> <u>urban development</u> (20 min)

Based on a review of urban transformations, as well as the economic and social challenges faced by African cities, both presentations will try to reposition local authorities at the heart of the diverse development strategies for the continent.

**** Edgar PIETERSE**, Director of the African Centre for Cities (ACC) (10min) African urbanisation trends and the opportunity that cities represent in developing the African economy. Review of African cities' economic assets and constraints.

** Jean-Pierre ELONG MBASSI, UCLG Africa Secretary General (10min)

Stakes and challenges faced by local authorities to achieve the sustainable funding of the development of their territories.

Range of potential solutions, with a focus on endogenous funding.



2. <u>Case study presentations depicting a range of innovative and/or efficient strategies and processes</u> towards funding the development of African cities (1h10)

** Local tax and street addressing system project in Niamey (10min)

This support programme for the local tax system of the urban community and the five towns of Niamey plans to significantly increase the local authorities' tax income as well as improve the management of the available public services. The management process of the project will be presented and will especially address the creation of a database for financial analyses of homes.

** Dakar Municipal Finance Project (DMFP) (10min)

Through a public offering on the WAEMU market, the DMFP plans to help develop the City of Dakar via an alternative tool to fund large-scale projects, on the fringe of traditional financing sources. By making proper use of the proceeds of the loan, the project will contribute both to improving the quality of life of the populations and to increasing the city's financial autonomy. This pioneering experience could lead to increasing demand from investors and the lowering of interest rates for other local authorities wishing to issue bonds on the international market.

** Evensen Dodge International Incorporated (EDII) (10 min)

As an expert in counselling and supporting local authorities in terms of access to funding, EDII will present tools such as *municipal bonds* from a technical point of view, with illustrations from previous or on-going projects. EDII will also review both the conditions required in order to properly implement such solutions and the prospects they offer for cities.

** Participatory budget in Yaoundé 6 and South-South cooperation (10min)

The use of participatory budgeting brings many positive externalities for local authorities, such as improving the collection of local taxes (more socially conscious attitude towards taxes) and increasing the efficiency in the use of resources. In the case of the city of Yaoundé, participatory budgets were made possible in various districts of the city thanks to South-South cooperation with the city of Porto Alegre, Brazil.

** Delegation of public services (case currently being selected) (10 min)

** FEICOM's plan of action (10min)

As a Specialised Financial Institution (SFI), the FEICOM will share its experience in terms of funding local authorities in Cameroon, especially through the regular rallying of the cities' counterparts in order to access international funding: barriers, failures, opportunities.

** Representative from Slum Dwellers International (10 min)

The NGO will present the actions it leads as part of its global way forward to achieve the concept of "the inclusive city". SDI will share experience of savings groups and community city planning as a way of properly adjusting available resources so as to align them with actual needs.



3. <u>"REsolutions to Fund Cities" : A global programme for Cities, by Cities (15min)</u>

Overall presentation of the *REsolutions to Fund Cities* programme, as well as the main lines of action that have been designed and the four activities aiming to rally local dynamics to hybridise innovative, efficient and tested funding solutions.

This introduction will highlight the role of the *REsolutions* programme, which is to encourage cities to build up – as part of the broader debate regarding development – their own agenda, to be presented during the 2016 Cities Summit, paving the way for the United Nations Habitat III Conference.

The programme will be fuelled by discussions from this session, which will set the directions, themes and strategy for the African version of *REsolutions to Fund Cities*.

** Alain Le SAUX, Metropolis Secretary General, FMDV Executive Director (5 min)

** UN-Habitat Representative (5 min) to be confirmed

** Josep ROIG, UCLG Secretary General (5 min)

4. <u>Round table meeting with African elected representatives:</u> <u>Relevance and prerequisites to mirror experiences tested in other areas (25min)</u>

Moderator: Alain Le Saux, FMDV Executive Director

This round table meeting will allow mayors of large African cities to give an account of their strategic view of the territory. It will also help to pinpoint the funding needs they have experienced for the development of their local government.

This discussion time will be the opportunity to outline strategic themes to be addressed through *REsolutions to Fund Cities* in order for it to be an efficient trigger for knowledge sharing and operational support of projects for African local authorities.

- ** David Simango, Mayor of Maputo
- ** Kuma Demeksa Tokon, Mayor of Addis Ababa
- ** Robert Beugré Mambé, Governor of the District of Abidjan
- ****Ahmed Ould Hamza**, President of the Nouakchott Urban Community
- ** Fatallah Oualalou, Mayor of Rabat, President of the UCLG Committee on Local Finance & Development

Debate session with the audience and guests (Metropolis and FMDV members) (30 min)

Session overview and recommendations by Khalifa Sall, Mayor of Dakar and President of UCLG Africa (10 min)