Does your city, town or local government want to accelerate the implementation of partnered projects that can attract investment to achieve the Sustainable Development Goals and the New Urban Agenda?

City Partnerships Challenge

Quito, the capital of Ecuador, hosted Habitat III in October 2016. The New Urban Agenda was approved by member states at this historic United Nations conference which happens every 20 years.

This prospectus is an offer to cities, towns and broader partners to participate in this significant sustainable urban development initiative.

The prospectus provides an overview of the partnerships that underpin this initiative and the process, benefits and expectations of participation.

Supported by:

United Nations Global Compact
Realania
RMIT UNIVERSITY

Expression of Interest due date: 5 October 2018
Complete on-line submission form: www.citiesprogramme.org
Overview

The City Partnerships Challenge is a United Nations Global Compact contribution to the Multi-Partner Implementation Facility for Sustainable Urban Development (IFSUD) to catalyse effective, coordinated and results-based implementation of integrated sustainable urban development solutions.

IFSUD was ratified by member states at UN-Habitat’s 26th Governing Council in May 2017 and is to be underpinned by a UN Multi-Partner Trust Fund. In the context of IFSUD, ‘City Partnerships’ is to support city governments, private sector and civil society organisations to accelerate the implementation of high impact projects to achieve the Sustainable Development Goals (SDGs) and the New Urban Agenda (NUA).

The City Partnerships Challenge will mobilize, engage and build capacity of local government to implement integrated and transformative urban development investments through cooperative partnerships with private sector and civil society. Projects developed are designed to attract private sustainability finance.

Benefits

- practitioner capacity building through applied experience to develop projects with non-traditional cross-sectoral partners and financing. Enables them to continually produce partnered projects beyond the program;
- through the UN, national, provincial and local partnerships, the projects will be structured to attract funding and finance to progress implementation of sustainable city actions and initiatives;
- research support by local university partners for review of and synthesis of international solutions to address priority critical issues relevant to local context;
- coordinated support by teams of local business school students to assist formulation of business cases and partnered proposals for partnership opportunities;
- coordination and approach for integrated levels of government and private sector brokering;
- guidance for selecting governance structures for public, private and civil society partnerships, and means of implementation that create innovative projects;
- an internationally aligned program creating tangible connection, knowledge exchange and leveraged impact.

Supporters

The Global Expression of Interest to cities to participate in the City Partnerships Challenge has been generously supported by the following Global Partners as a contribution to IFSUD:

- New York office, its Local Networks and global initiatives
- Urban arm of the UN Global Compact, supporting over 100 cities globally
- Leading urban design university headquartered in Melbourne, Australia.

The City Partnerships Challenge has been funded by Realdania a philanthropic association with around 149,000 members, that seeks to improve quality of life through the built environment, defined as the physical settings for our everyday life. Realdania is focused on both living and future generations and seeks to promote sustainability and generate new knowledge and innovation. Since 2000, Realdania has supported more than 3,200 projects with a total of DKK 17 billion.
IFSUD's investments and interventions will be based on local conditions and needs, supported by advocacy and technical solutions that ensure the viability of projects to deliver transformative change. IFSUD's demand-driven approach will support three key drivers of Sustainable Urban Development:

1. Creation of an enabling environment to attract and sustain investments at local level.
2. Opening and accelerating cities’ access to finance, especially through public-private cooperation.
3. Supporting the means of implementation through advocacy, capacity building and knowledge transfer, dissemination of best practice, multi-stakeholder partnership building, and monitoring and evaluation.

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Multi-Partner Collaboration Framework

The Implementation Facility for Sustainable Urban Development marks the first truly joint initiative since the adoption of the 2030 Agenda that is dedicated to mobilising transformative investments in sustainable urbanisation as means of achieving the SDGs and the NUA.

City Partnerships is a multi-stakeholder partnership platform, in support of IFSUD to build the capacities of cities across 10+ countries, to identify high value opportunities for sustainable urban development. These cities will be assisted to develop identified opportunities into scalable business cases ready for transitioning into implementation via a blend of public funding and private sustainability financing as well as support from the IFSUD Trust Fund.

IFSUD’s proposed structure, formed by several institutional partners from across the UN and the World Bank, is designed to ensure smooth operation of the fund, joint ownership, political support, shared accountability and robust risk management.

Coordination and the delivery process for City Partnerships Challenge will be largely facilitated by the UN Global Compact through its initiatives: the Cities Programme; Local Networks; Principles for Responsible Management Education (PRME); Principles for Responsible Investment (PRI); and the Action Platforms portfolio. This facilitation will be seen as a contribution to IFSUD to mobilize, engage and build capacity of local government and business to implement integrated and transformative urban development investments through cooperative partnerships.
**Global Partners**

**UN Global Compact** is the world’s largest voluntary corporate responsibility initiative and lead implementation partner for UN Habitat in collaboration with a global consortium of UNDP, UNOPS, World Bank Group, UN Women and WFP. For delivery, the UN Global Compact will apply its Action Platforms to advance business activities and outcomes related to the SDGs and the Ten Principles and also the following programs in delivery:

*The Cities Programme* leads a capacity building model for city partnership development to progress sustainable economic development, environmental sustainability, social equity and good governance in the urban environment. This is underpinned by a research and learning partnership with RMIT University. The international secretariat works with over 100 cities, with regional business networks, other UN agencies and civil society partners. The ‘Global Compact City Scan’ diagnostic and ‘the Melbourne Model’ are used to facilitate effective, public-private partnerships and smart sustainable urban development.

**Local Networks** support both local firms and subsidiaries of multinational corporations in implementing the Ten Principles of the UN Global Compact and the UN Sustainable Development Goals (SDGs). The networks (in 85 countries) help companies to identify sustainability challenges and opportunities; provide practical guidance for action; and promote action in support of broader UN goals. Local Network activities are based on local priorities and needs, ranging from corporate sustainability seminars, reporting trainings, issue-specific workshops, country-based consultations and policy dialogue to collective action projects, partnerships, networking events, local newsletters and awards.

**Principles for Responsible Management Education (PRME)** is a UN Global Compact sponsored initiative with the mission to inspire and champion responsible management education, research and thought leadership globally. PRME is inspired by internationally accepted values and provide an engagement structure for academic institutions to advance corporate sustainability by incorporating universal values into curricula and research. Approximately 600 signatory institutions from 80 countries have engaged with the initiative.

**Principles for Responsible Investment (PRI)** is a network of international investors working together to put the six Principles for Responsible Investment into practice, supported by the United Nations. The PRI were devised by the investment community and reflect the view that environmental, social and governance (ESG) issues can affect the performance of investment portfolios and therefore must be given appropriate consideration by investors if they are to fulfill their fiduciary (or equivalent) duty. In implementing the Principles, signatories contribute to the development of a more sustainable global financial system.

**RMIT University** is currently ranked 1st in Australia and 17th in the world for Art and Design as well as 26th in the world for Architecture and Built Environment (QS rankings 2017). RMIT is the leading University in Australia overall across Built Environment and Design disciplines in the current Excellence in Research in Australia ratings (Architecture, Building, Design Practice and Management, Urban and Regional Planning). RMIT has the largest concentration of urban researchers in Australia (Centre for Urban Research) and has recently set up the cross-University Enabling Capability Platform ‘Urban Futures’ under the Directorship of Prof Billie Giles-Corti, a world-leading urban health and liveability expert.

There are several global partners for the IFSUD initiative*:

* These are an example of the many agencies that will be involved in IFSUD as it evolves
Process to Grow Partnered City Projects

The City Partnerships process has been developed to support partnership formation, enabling, project development and financing. It involves engaging support and resources from across sectors, opening collaborative opportunities with non-traditional partners that can address critical issues in innovative ways.

This process uses eight steps to support cities to identify and foster the development of partnered projects. The process draws on 15 years of applying a collaborative system ‘the Melbourne Model’ to create partnered solutions to intractable urban issues.

The Stage 1 steps focus mainly on the capacity building of a local government urban development leader to support them to establish a task force, comprised of champions from private sector, different levels of government and civil society. After an assessment of critical SDG related issues within each participating city, the taskforce are supported in the development of business cases by teams of business and multi-disciplinary teams of students and a researcher relevant to solution.

The Stage 2 steps focus on further refining the development of the solution into a ‘partnered proposal’ for implementation, funding and financing. The business case is refined through an innovation sprint with broader potential partners, students and researchers to address critical barriers, enabling needs and support for implementation. The implementation and evaluation steps ensure continuity of process.

<table>
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<tr>
<th>STEPS</th>
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<tr>
<td>1. CAPACITY BUILDING FOR DEVELOPMENT LEADER</td>
<td>• Development leaders to participate in two weeks of intensive face-to-face applied training on process, skills, tools and templates. Additional capacity building given during each step.</td>
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<td>2. TASKFORCE FORMATION</td>
<td>• Identify and select taskforce members, creating a dynamic multi-sector team to guide and support project development.</td>
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<td>3. SHARED VALUE WORKSHOP</td>
<td>• Explore the initial concept to increase value to multiple stakeholders and identify specific cross-cutting benefits, governance options and opportunities for self-sustaining revenue.</td>
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<td>4. BUSINESS CASE DEVELOPMENT</td>
<td>• Business case design and development with taskforce and inputs from multiple partners including researchers, student teams, government agencies and international agencies/NGOs.</td>
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<td>5. REFINE VALUE PROPOSITION AND ATTRACT FURTHER PARTNERS</td>
<td>• Testing business case with broad audience of potential further partners from government, business and civil society to refine value proposition and advance the scale of support. • Innovation sprint to address key challenges and opportunities</td>
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<td>6. PARTNERED PROPOSAL DEVELOPMENT</td>
<td>• Partners develop (and fund) detailed proposal for implementation with inputs from experts and researchers. Proposal to include implementation plan, cost and benefit (value and impact), governance and financial models.</td>
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<tr>
<td>7. FINALISE FUNDING AND FINANCE</td>
<td>• Execute agreements for all partners and secure funding and financing arrangements.</td>
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<td>8. IMPLEMENTATION, MONITORING AND EVALUATION</td>
<td>• Deliver project with monitoring review and evaluation for performance reporting.</td>
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• Project implemented with measured impact for SDGs and NUA. • With applied skills, the development leader identifies new projects and starts process again. • Development Leader can mentor new participants in region.
There are five key stages to the Expression of Interest process outlined below.

1. **Conduct Expression of Interest process (attract cities and partners)**
   - Cities to submit an application to participate with an initial commitment of in-kind and financial contributions as well as executive support.
   - The EoI includes the opportunity for potential private sector and civil society partners to submit an expression of interest to support the process in particular countries/region with initial commitment of in-kind and financial contribution to the program delivery.
   - EoI submissions reviewed and selected for the initial round based on clustering of cities in nations and regions; quality of personnel initially identified to participate; and potential theme focus. Cities shortlisted are through a selection panel of global partners.

2. **Leveraging national and sub-national government support** (matching city funding)
   - Engage with national and sub-national governments that have short-listed cities in their jurisdiction to raise awareness, seek involvement and provide funding support.
   - Develop proposal for each government to clearly articulate the value of the national and/or sub-national governments matching of the cities (and partners) contributions.
   - Contributions to envelop the delivery process with additional resources to develop local capacity of partners to be able to repeat the project development process and scale up subsequent delivery to be self-sustaining.

3. **Leveraging local business partner support** (growing business support)
   - Engage with private sector networks to seek foundation partners to support local delivery with short-listed cities while putting private sector on notice regarding potential future partnerships for SDGs and New Urban Agenda.
   - Engage through UN Global Compact – Local Networks in each country and via the business associations of each city.

4. **Leveraging UN and international partners** (growing IFSUD impact)
   - Through IFSUD global partners, leverage support and coordination to maximise potential value, benefit and impact of program delivery in each region/nation.
   - Delivery is designed, structured and coordinated for a combination of local and global delivery partners to contribute providing an ecosystem of support, guidance and enabling to groupings of cities.

5. **Selection of cities for delivery** (grouping cities into regional rounds for delivery)
   - Finalise selection of cities for initial and several subsequent rounds, commencing over 2018-2019 period.
   - The cities that are supported by national and/or sub-national government contributions are most likely to be in the final selection of cities for initial rounds in each global region.
   - The remaining cities expressing interest but not supported by domestic government are scheduled to participate in later rounds to provide a longer period to engage broader government contributions.
   - Launch and promote final selection of cities for each delivery round.

**Timeline**

- **Conduct EoI Process**
- **EoI Process – extended until 5 October**
- **Selection of Cities for Delivery**
- **Leveraging national and sub-national government support**
- **Leveraging local business partner support**
- **Leveraging UN and international partners**

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**City Partnerships Challenge**
City Partnership Challenge – Benefits

City and Town Participant Benefits

• Broadens the applied experience of practitioners to move from diagnostic of critical issues to development of projects with non-traditional cross-sectoral partners and financing. The capacity building and local/regional taskforce support creates Sustainable Development Leaders that will be able to continually produce partnered projects beyond the program.

• Better applied understanding of managing the governance and means of implementation that creates innovative projects and partnerships with the private sector.

• Through our UN, national, state and local partnerships, the projects will be structured to attract new finance, development and knowledge to cities.

• Research support by RMIT University and local university partners for: review of diagnostic assessment of critical issues; synthesis of international solutions to address priority critical issues relevant to local context; and research to support development of each business case.

Partner Benefits

• Participation in the application of the two-year capacity building process to develop innovative projects utilising a cross-sectoral collaboration to address a complex or seemingly intractable urban issue or set of issues.

• Participation in a managed and supported multi-sectoral group comprising government, business, civil society and academia to develop high impact/high value projects.

• Better applied understanding of brokering and managing the governance and means of implementation that creates innovative projects and partnerships.

• Establish trusted working relationships within our international and local ecosystem of partners focused on making a tangible positive impact in alignment with the Sustainable Development Goals and the New Urban Agenda.

• Generate successful case studies for reporting against the Sustainable Development Goals and the New Urban Agenda.

Leeuwarden WaterCampus plays a lead coordinating role in its multi-sectoral collaboration to support and drive the Netherland city’s Innovating water projects. Image: Water Alliance
City Partnership Challenge – Structure

Partner Specific Roles

**National and State Government Departments and Agencies** – Provision of in-kind enabling guidance with direct relevance to agency policy objectives to support development of city projects. Participation and support of taskforce, capacity building and events including the Shared Value Workshop and Innovation Sprint.

**National Businesses** – National partners in advising and supporting the development of SDG and NUA projects in-country. Participation and support of taskforce, capacity building and events including the Shared Value Workshop and Innovation Sprint.

**University Departments** – University partners in each city/region are required to support in delivery of capacity building and research. Potential partners in projects developed and in evaluating impact.

**Civil Society Organisations** – Partners in delivery of capacity building and potential partners in projects developed. Potential participation and support of taskforce and events including the Shared Value Workshop and Innovation Sprint.

The City Partnerships program is seeking *additional partners* in each country/region for program delivery, capacity building, research and events. There are also significant opportunities and benefits for National and Sub-National governments, private sector organisations, universities, foundations and civil society organisations. Please check the *How do you get involved* section for detailed information and requirements for cities and other partners.

One of the strengths of City Partnerships is capacity development with a cohort of cities over a two year period working on developing real projects. Image: Workshops at Ethical Cities UTC, Melbourne 2016
Porto Alegre was one of the first cities to become a participant of the United Nations Global Compact (2004). Porto Alegre’s commitment to the Compact was connected to the willingness of the City Council to be one of five initial cities to trial the cross-sectoral model advocated by the UN Global Compact - Cities Programme. This model is based on government working in partnership with the private sector and civil society to tackle entrenched and complex urban issues, termed ‘the Melbourne Model’ which is the basis for the City Partnerships process.

In 2007, the cross-sectoral Vila Chocolatão Sustainability and Citizenship Network was formalised and given dedicated resources from Porto Alegre City Hall (Prefeitura do Porto Alegre). The network comprised representatives from different municipal government departments, federal and state government bodies, civil society, the private sector and the Chocolatão Residents’ Association. The Vila Chocolatão Social Inclusion Project was delivered to prepare the Vila Chocolatão community for resettlement enhancing citizenship, land tenure, livelihood and infrastructure services.

A significant outcome of this Vila Chocolatão Social Inclusion Project is that the principles and approach that emerged from resettlement are now being applied in other vulnerable communities in Porto Alegre. These include Vila Santa Teresinha, Vila Santo André and Região das Ilhas. A number of strategies are drawn from the Chocolatão experience to support the ‘emancipation’ of these communities. They include the legal connection of electricity and water and building of a community centre (Vila Santo André), the development of a recycling cooperative (Vila Santa Teresinha) and the development of a community library (Região das Ilhas). In all network activity places there is the search for empowering people to have livelihoods. The fundamental principle of sustainability and citizenship networks is to free people from legal, social, or political restrictions through training and participation with collaboration.

There is a defined process for developing the networks and their projects: map the place; get to know the community leaders and actors already working with the community; identification of problems and needs; identification of potential government, private sector and civil society partners; encouraging community empowerment and leadership; conducting network meetings locally and with participation of community members; and promoting transversality in local and other governmental level actions. There are also a number of principles that govern the way these networks function and how their projects are developed.

The crew of the Nova Chocolatão Recycling Centre in 2016, six years after the resettlement. It is managed cooperatively by young people who were all born in the original informal settlement. Image: UNGCCP
2. Sustainable Urban Hub Case Study: Milwaukee Water Technology District Precinct

Milwaukee is an USA Innovating city with the UN Global Compact - Cities Programme. From 2008, the city has focused their multi sectoral collaboration on sustainable economic development through an integrated approach to water. In under 10 years, the city has become a global centre for water solutions and showcases a partnered whole-of-lifecycle approach to water management.

Working to overcome the economic downturn of 2008-09 that came from rapid loss in its manufacturing base, partnership between: city government; economic development group, the Spirit of Milwaukee; water technology and services businesses; and academia resulted in Milwaukee forming the multi partner collaboration, The Water Council. This group’s subsequent purchase of a 6 storey warehouse on a former brownfields site and redeveloping it into a Global Water Centre, has resulted in hundreds of new jobs and the regeneration of the inner city.

A mixed use precinct - the ‘Water Technology District’ - developed around the Global Water Centre, facilitated by the Water Council in partnership with city and state government, national agencies, investors and property developers. This district has attracted USD 211.6 million of public and private investment and is a showcase for sustainable urban development. As well as water innovation, property owners invested USD 4.1 million in green infrastructure projects, including green roofs and green streets. This has been supported by the Milwaukee Metropolitan Sewerage District’s public/private green infrastructure cost-sharing programme.

3. City Solutions Case Study: The San Francisco Business Council For Climate Change

Through an Innovating pilot project with the UN Global Compact - Cities Programme in 2005, the San Francisco business community came together with the City of San Francisco to develop a multi-partner task force to address greenhouse gas emissions in the commercial and residential sectors and mitigate climate change. This resulted in the establishment of the not for profit organisation, BC3 - the San Francisco Business Council on Climate Change - a multi-sector force dedicated to forging collaborative, local solutions to climate change.

Twelve years later, BC3 is establishing San Francisco as a global model for local climate solutions, engaging the city’s large corporate sector in best practices and facilitating collaborative projects that address challenges “no single business or economic sector could tackle alone”.

BC3 is accelerating progress towards the ‘0-50-100-Roots’ goals of San Francisco’s Climate Action Strategy. Targets include: to send zero waste to landfills; to achieve a 50 percent “sustainable” trip rate in San Francisco (walking, biking, public transit or other means other than private autos), while electrifying the remaining private auto trips; to achieve 100 percent renewable energy; and to plant trees, improve soils, expand urban green spaces and create native habitat. Current BC3 achievements include:

- The Energy and Carbon Leadership Group (ECLG) – developing collaborative projects to accelerate the decarbonization of San Francisco’s energy system. Facilitated by Arup, with the sustainability directors from 15 major companies, ECLG has developed:
  - Bay Area Sunshares - a group buying program offering discounted residential solar and electric vehicles to residents and employees of 40 Bay Area corporations and city governments. The 2016 program resulted in 783 kW of new residential solar across the Bay Area, and sales of 25 electric and hydrogen fuel cell vehicles. Solar installations to date total nearly 5 MWs.
  - Corporate renewables procurement - helping accelerate renewable energy investments for mid-sized companies by developing an aggregated Virtual Power Purchase Agreement (VPPA) (a model pursued by companies like Apple and Google).
  - Joint corporate grant program - multi-organisation financial support to initiatives such as:
    - the Marin Carbon Project - pilot projects to prove the viability of a soil amendment approach to increasing carbon sequestration potential in Bay Area rangelands.
    - the San Francisco Green Film Festival’s Climate Action Film contest - engaging youth and adults in using film to tell stories about taking action on climate.

- Employee Engagement Working Group – bringing together ‘Green Team’ leaders (volunteers organising grassroots employee campaigns from 10 companies) to share best practices and collaboratively produce programs and products.

- BC3 Ideas Hub – connecting sustainability leaders across different San Francisco companies and economic sectors - a series of deep-dive events and reports focused on COP 21, Reaching Zero Waste and Sustainable Mobility.
How Do You Get Involved in This Initiative?

To be involved in this outstanding opportunity, cities and other partners need to complete an Expression of Interest. Expression of Interest is a brief on-line form at www.citiesprogramme.org.

Expression of Interest for Cities

Completion of the Expression of Interest form indicates a city's interest in participating in the City Partnerships Challenge. For the 2019-2020 round of the program, the Expression of Interest is due 5 October 2018 at 6.00pm Eastern Daylight Time (New York City time). Cities selected will be contacted in November 2018. The national governments of selected cities will be engaged to further support each city's commitment and contribute to the success of the City Partnerships Challenge locally.

It is not a legally binding document. Even if a city's expression of interest is selected to participate, the city may decide to postpone or not proceed into contractual commitment. You are invited to become a signatory to the UN Global Compact but this is not a prerequisite to participating in this United Nations multi-partner initiative. The selection of the cities will be based on:

- population of local or regional government participant (greater than 20,000 population desirable);
- proportional representation desired: 50% regional/rural municipalities; 50% metropolitan municipalities;
- population growth rate indicative of urbanisation pressures/changes;
- regional aggregation or clusters of applicants;
- quality of personnel initially identified to participate;
- potential Sustainable Development Goals and New Urban Agenda theme/focus for projects.

In-kind contribution: a dedicated (project/action) Development Leader to be the focal point for the city. This can be an existing role and involves a minimum of 2 days effort a week (it can be spread between across a few people). This leader requires an executive level champion in the organisation to provide executive level support and guidance throughout the two-year period.

Financial contribution: USD$20,000 per year for two years. This financial contribution can be reduced depending on supporting contributions from regional, national and international partners to support the city participants. This financial contribution is required for capacity building, coordination of partners and support services.

Preference will be given to cities that can indicate initial interest by Regional and National Governments.

Expression of Interest for Other Partners

There are several opportunities for governments, private sector, universities, foundations and civil society organisations to be involved in the City Partnerships Challenge as part of the Implementation Facility for Sustainable Urban Development. There is an Expression of Interest form for Other Partners to indicate interest in partnering in the City Partnerships Challenge.

The City Partnerships Challenge - Expression of Interest by potential partners (non-Local Government) is also due 5 October 2018 at 6.00pm Eastern Daylight Time (New York City time).

Non-city partners selected will be contacted to explore the potential role of their organisation to partner in the delivery of the program by December 2018.