

# Promoting innovative and sustainable cities

In recent years, there has been an emerging consensus about the potential benefits of urbanization. However, such benefits can only be realized if cities are managed well. The role of cities is evolving with increasing responsibilities, which today means going beyond basic service delivery to address local economic development, investment and job creation, and climate change.

While cities worldwide continue to grow fast, majority of the countries in South-East Europe have already reached relatively high urbanization levels, with more than half of their populations living in cities. However, they face multiple challenges, which many attribute to their transition from centrally planned to market-based economies.

Local government officials typically are ill-equipped to fulfill their expanded responsibilities under decentralization frameworks and find it difficult to meet performance standards for utility services and investment projects, aligned with European Union (EU) pre-accession requirements, which they are striving for.

## Our approach

These challenges are directly linked to capacity constraints. Sharing a common belief that developing capacities is a key element in fostering prosperity, innovation and sustainability in cities, the World Bank Institute (WBI), in partnership with the Europe and Central Asia Sustainable Development Department (ECSSD), and the Austrian government have developed a comprehensive capacity building program on urban management for Albania,



Bosnia and Herzegovina, Croatia, Kosovo, FYR Macedonia, Montenegro, and Serbia.

The program's various components are anchored on specific issues and interests these countries have raised, including decentralization, municipal finance and governance, urban and spatial planning, service provision, EU accession process, cultural heritage and urban regeneration, and local government professionalization and leadership.

## Our program

*Knowledge Exchange and Connectivity.* Municipalities and public utilities in South-East European cities are keen to integrate new solutions and learn from relevant experiences elsewhere, such as good utility management practices and financial sustainability of Vienna Water Works. WBI Urban practice is supporting a series of city-to-city, regional and inter-regional activities that bring together policymakers

and practitioners to exchange best practices and ideas on implementing urban development projects.

These events will start with the “Innovative and Sustainable Cities Global Dialogue” on May 25–27, 2011. It will highlight global experience on urban policy and regulation, integrated planning, municipal finance, energy efficiency, and urban governance.

These activities will be supported by a web portal where stakeholders can communicate and collaborate after the formal events. They will have access to learning materials, video clips, and discussion outcomes.

**Structured Learning.** This program aims to equip stakeholders with the technical skills, tools, and knowledge on “how-to” identify, develop, and implement sustainable urban development programs. It will build on existing WBI courses, adapted to the regional context; as required, modules specific to the region, such as EU accession, will be developed. Courses will be available in both face-to-face and e-learning modes, followed by mentoring or coaching activities for implementation on the ground.

**Leadership and Coalition Building.** This program for mayors, utility directors, and their teams will combine training sessions on leadership with intensive skills building to improve technical competencies in key areas, including water and sanitation utility reform, private sector provision of services, and infrastructure development and finance. A first module on leadership for reform will be

offered as part of a solid waste management workshop to be held in May 2011.

### *City Level Engagement on the Sustainable Cities Agenda.*

This component builds on the World Bank Europe and Central Asia Sustainable Development Department’s Sustainable Cities Initiative which focuses on sharing lessons and experiences between European cities and countries in areas of particular relevance to the Eastern Europe and Central Asian Region. WBI Urban practice will be assisting Albania, Bosnia and Herzegovina, Croatia, Kosovo, FYR Macedonia, Montenegro, and Serbia in preparing sustainable city investment programs, focusing on improving financial sustainability and organizational effectiveness of service provision, and social inclusion in local government decision-making.

### **Our partners**

World Bank Europe and Central Asia Sustainable Development Department, Government of Austria, Joint Vienna Institute

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*WBI is a global facilitator of capacity development for poverty reduction. We connect practitioners, networks and institutions and help them to find their own solutions to address development challenges. With a focus on the ‘how’ of reform, we link knowledge from around the world and scale up innovations. We work with and through global, regional and country-based institutions and practitioner networks and help them develop customized programs that respond to specific needs. WBI connects globally and delivers locally.*



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