Multi-Donor Trust Fund for Sustainable Urban Development
TF071544

Independent Evaluation
Revised Final Report

Pablo Vaggione
19 September 2016
Photo Credits

Cover
Nighttime lights. A Global Nighttime Lights Product for Urban & Spatial Growth Analysis. Presentation by Mark Roberts (World Bank), Benjamin Stewart (ITSOP)
Land classification from satellite imagery. Global Urban Data – Measuring Living Standards Within Cities. Presentation by Nancy Lozano (World Bank)
Dar es Salaam Housing Estate. Patricia Jones (University of Oxford)

About this Evaluation
The evaluation is based on MDTF documentation and output review, interviews, and a closer analysis of six sample countries. It is pertinent to note that this is an evaluation of work in progress as some MDTF activities are continuing until end of 2018.

The evaluation would like to thank Kevin Milroy and Xiaofeng Li for their support throughout the process.
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Abbreviations and acronyms

BRT Bus rapid transit
C4D Collaboration for Development
CDIA City Development Initiative For Asia
CEA Central Environment Authority, Sri Lanka
CMA Colombo Metropolitan Area
CONAVI National Commission for Housing, Mexico
CPF Country Partnership Framework
CPSCL Caisse des Prêts et de Soutien des Collectivités Locales, Tunisia
DGCL Direction Générale des Collectivités Locales, Tunisia
DFID Department for International Development, United Kingdom
GIS Geographical Information System
GPSURR Social, Urban, Rural and Resilience Global Practice, World Bank
HCMC Ho Chi Minh City
HDI Human Development Index
INFONAVIT Federal Institute for Workers’ Housing, Mexico
IPO Initial public offering
LG Local Government
MCUDP Metro Colombo Urban Development Project
MDG Millennium Development Goals
MDTF Multi-Donor Trust Fund for Sustainable Urban Development
MFA Ministry of Foreign Affairs, Norway
MPI Ministry of Planning and Investment, Vietnam
NLTAA Non-Lending Technical Assistance Activity
NTL Night-time lights
OUR Operationalizing Urbanization Reviews
PAD Project Appraisal Document
PCN Project Concept Note
PCRU Programa de Consolidación de Reservas Urbanas, Mexico
PforR Program for Results
PHRD Policy and Human Resources Development Fund
PID Project Information Document
PO-RALG Prime Minister’s Office Regional Administration and Local Government, Tanzania
PPP Public-private partnership
RAS Reimbursable Advisory Service
SC Steering Committee
SCD Systematic Country Diagnostic
SDG Sustainable Development Goals
SECO State Secretariat for Economic Affairs, Switzerland
SEDATU Secretariat for Agrarian, Territorial and Urban Development, Mexico
SSLR&DC Sri Lanka Land Reclamation and Development Corporation
TA Technical Assistance
TOR Terms of Reference
TTL Task Team Leader
UDA Urban Development Authority
UN United Nations
UR Urbanization Review
USD United States Dollar
WMS Wetland Management Strategy, Colombo
WRMPP Ministry of Megapolis and Western Development, Sri Lanka
1 Executive summary

Much has been written about the magnitude, complexity and opportunity associated with urbanization. Its importance as a foremost development issue of the hour has been recognized in the Sustainable Development Goals, which, for the first time, include an explicit urban goal. Timely, the analytical work under the MDTF is providing evidence in support of a shift in the approach to cities, to making them a key part of the growth agenda. The fundamental value proposition of the MDTF-filling data, knowledge and diagnostics gaps to redefine urban form as a driver of productivity- could not be more relevant.

In its short existence, the MDTF can report significant achievements. The amount of work completed is superlative. Activities related to diagnostics have to a large extent met performance targets, while the activities relevant to data and applied research that are measurable at this point show positive results.

Thirteen Urbanization Reviews, 7 urban policy outputs and 17 Operationalizing Urbanization Review products have been produced for countries from all regions, which represent over half of the world's total urban population. Every dollar allocated to these activities has contributed to lever USD 409 in lending projects. Applied research outputs, developed in partnership with two of the world's leading academic institutions, the London School of Economics and the University of Oxford, include 25 working papers on spatial development across three regions, policy narratives on six African cities, and one upcoming flagship report on spatial development in Africa. Participation in 23 international events in 30 months shows the magnitude to the exposure of research outputs. The MDTF has produced a robust body of data including satellite imagery, night-time lights analysis, land classification layers for GIS, databases that integrate digitized maps, and specially commissioned geo-referenced household surveys. The integration of these data sources would allow policy makers to visualize evolving patterns of urbanization both from a 10,000 feet perspective and at street level.

This evaluation has looked at six sample countries in closer detail to understand the relevance and impact of MDTF activities in downstream policy and lending projects. In all cases the influence has been substantial. The MDTF has contributed decisively to placing urbanization at the heart of the national development agenda in Ethiopia; supported the implementation of decentralization in Tunisia; generated evidence in support of innovative location-based housing subsidies in Mexico; demonstrated the economic value of preserving wetlands in Sri Lanka; strengthened the design of a lending operation in Tanzania thus contributing to mobilizing additional funding; and influenced the Housing Law in Vietnam with a new focus on affordability. Interviewed counterparts at national government agencies have shown their highest appreciation for the dialogue and analytical work made possible by the MDTF.

Terminology inconsistency, pillar interaction and communication and outreach have been identified as areas of opportunity. The inconsistencies in the naming of pillars and output indicators in the results framework might not facilitate institutional memory and performance metrics. As a result of the sequential nature of the MDTF, pillars were designed to reflect donor’s distinct agendas and reporting processes; interaction was not a built-in feature. Timing and substantive coordination is essential for an output of one pillar to be an input to another, thus overcoming a possible silo situation. This signals the need to strengthen the programmatic approach to achieve the full benefits of a multi-donor effort beyond a series of independent endeavours carried out under an umbrella name.
The need to strengthen dissemination of outputs and results outside the Bank was discussed at the 2015 Steering Committee meeting. While it might be understandable that the adjustment period following the 2014 reorganization has had a role in communications being an area of opportunity, it can be expected that a renewed focus would support the fund in moving to a next level. This may include strengthening a content-based approach to communication with donors, making public goods known to broader in-country policy and professionals circles and facilitating easy access and availability from a single source, as well as building on the analytic capability of the online repository to enable tracking the usage of MDTF content and tools.

Way forward. Resources from founding donors, agencies from the governments of Norway, Switzerland and the United Kingdom, all in the top ten of countries most committed to development aid,\(^1\) have made possible the MDTF’s relevant and significant contribution to urbanization. As the fund enters into its final years of activity under the current format, it is time to think about what next. Two out of three founding donors have expressed to this evaluation interest in doing more. Given the right modality, they see value in the opportunity of remaining engaged in a successor MDTF, capitalizing on a thought leadership position, at a time when urbanization is at the center stage of development.

Throughout every interview conducted under this evaluation, the Word Bank has underscored the significance of the analytical work that the MDTF has supported as well as the value of taking what has been done to the next level. The partnership seems fit for purpose as there are not many organizations that can bring together advanced analytical capabilities to inform policy and project design with a USD 23.5 billion per year lending ability.\(^2\)

This evaluation has considered three options for a successor MDTF – termination, continuation or scaling up. To use a business analogy, the MDTF venture might well be in the pivotal moment where its decision makers decide to continue operating in start-up mode or scale up to IPO. The reasons for discarding termination can be found on section 4.

Arguments for both options can be constructed.

Continuation would require less process adjustments, which, in theory, would facilitate a continuum of activities. It would enable each pillar to go along its existing path, which facilitates windows of particular interest with independent logframes. Retaining the fund’s sequential nature would enable new donors to bring their own agendas and time their commitments which might facilitate their decision to enter. From a content perspective, continuation is not necessarily more of the same, as activity definition could focus on taking what has been done to a more detailed level, to the extent permitted by a budget similar to the existing.

Scaling up would require defining a program to which entrant donors would be contributing to. While this might require an additional upfront effort, given the larger scale of operations, an established program is indispensable, as it would be inefficient to revise it every time a donor materializes interest. The experience amassed by the MDTF in shaping a common picture during years of operation would indicate that this is possible. A scaled-up fund would fill data, knowledge and diagnostics gaps in an unprecedented manner. Additional means would enable the collection of hyperlocal data, which combined with sources such as night-time lights,

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\(^1\) Official development assistance as percentage of gross national income. Source: OECD

would provide an expanded perspective and further evidence for taking the methodology of Urbanization Reviews to cities, thus going deeper into the drivers of urbanization and strengthening their role as a hinge between high level analytics and lending operations.

Given the unparalleled combined attributes of though leadership, lending ability and commitment to international development that the MDTF partnership brings, this evaluation recommends considering scaling up as first option.

This option would mirror the exceptional potential contribution of the successor MDTF to a fundamental shift in the urban agenda. Linking upstream knowledge to downstream policy and lending operations is essential in fulfilling this potential and the design of alternatives that embed it into fund functionality should be considered when setting up the new MDTF. For example, making the urban project value chain explicit as an organizing element would strengthen the focus on cities and specific interventions to transform them; and contribute to a clearer understanding of how various activities relate, increasing interaction between pillars and helping to mitigate the risk of creating silos of knowledge.

Another design feature that fund designers might consider is “going granular”. Generating hyperlocal data is the next frontier in urbanization knowledge. Hyperlocal data, obtained from surveys at neighborhood, block or household level would allow acquiring a realistic understanding of how infrastructure investment may change conditions. In a scaled-up MDTF, granular data would provide a strong foundation of evidence for applying the methodology developed in the Urbanization Reviews to a city scale.

Building on the positive experience of the presentations day to SECO held at the World Bank in early 2016, establishing an “MDTF Day” could trigger a more efficient, effective and content-based communication format. In addition to creating a space for the Steering Committee to meet on a yearly basis, inviting country clients to share their experience would make the value chain more explicit and allow donors to learn first-hand about the impact of their contribution on the ground. Importantly, the MDTF Day could be a cost-effective way of magnifying outreach.
2 The MDTF

The Multi-Donor Trust Fund for Sustainable Urban Development (MDTF) is a partnership of the Ministry of Foreign Affairs, Government of Norway (MFA); the State Secretariat for Economic Affairs, Government of Switzerland (SECO); the Department for International Development, Government of the United Kingdom (DFID); and the World Bank. Within the Bank, the Social, Urban, Rural and Resilience Global Practice (GPSURR) is responsible for administration.

“The MDTF has allowed us to develop an analytical framework for looking at urbanization and gain a systemic understanding of what is happening in cities. I feel really strong that the MDTF has been fundamental to us” Anna Wellenstein, World Bank

The MDTF aims to elevate urbanization and city development to a key national development priority, and for urban policy formulation to be better informed by evidence. The fund was first established by a financial contribution of approximately USD 3 million from the Government of Norway in late 2010. The fund became operative in 2012. SECO and DFID joined in 2013 pledging contributions of USD 9.8 million and USD 10.4 million respectively. The MDTF was originally expected to run until the end of 2016, but due to a slow uptake it will close in December 2018.

The MDTF’s pillar structure. Pillars were established as donors joined the MDTF. The changing structure and terminology echoes the sequential nature of the fund and its evolution from what can be considered a supply-driven research initiative of USD 3 million, to a broader intent with a budget several times larger.

Exhibit 1- MDTF pillars and grants

<table>
<thead>
<tr>
<th>Pillars</th>
<th>Grants</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Urbanization Reviews</td>
<td>2,514,197</td>
<td>11%</td>
</tr>
<tr>
<td>2. Operationalizing Urbanization Reviews</td>
<td>4,575,000</td>
<td>20%</td>
</tr>
<tr>
<td>3. Global Partnerships and Data</td>
<td>2,200,000</td>
<td>10%</td>
</tr>
<tr>
<td>4. Spatial Development of Cities</td>
<td>7,100,000</td>
<td>32%</td>
</tr>
<tr>
<td>5. Enhancing Economic Performance of African Cities</td>
<td>3,000,000</td>
<td>13%</td>
</tr>
<tr>
<td>6. Other Analytic and Thematic Work</td>
<td>3,011,196</td>
<td>13%</td>
</tr>
<tr>
<td>Total</td>
<td>22,400,393</td>
<td></td>
</tr>
</tbody>
</table>

The portfolio in the initial stage, funded by MFA, consisted on a variety of analytical work grouped opportunistically around seven topics that were identified by World Bank staff as emerging. When SECO and DFID joined, and thus the fund became multi-donor, the structure changed from topics to pillars. Activities funded by Norway were grouped in Pillar 6 -Other Analytical Work. Diagnostics activities were grouped in Pillar 1-Urbanization Reviews, which is the core diagnosis activity and output, and Pillar 2-Operationalization Urbanization Reviews, which consists of follow-up activities towards implementation. These were funded by SECO. Data collection and applied research activities fall into Pillar 3-Global Partnerships and Data, and Pillar 4-Spatial Development of Cities. Although there are thematic similarities and perhaps overlaps especially between pillars 3, funded by SECO, and 4, by DFID, donors

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3 Independent Evaluation TOR
4 See Annex A for a breakdown of contributions
preferred their resources to be allocated to separate pillars as this would facilitate administration and reporting. Pillar 5, Enhancing Economic Performance of African Cities, funded by DFID, is a recent addition. This structure was documented in the 2015 Progress Report.

In addition to administrative reasons, pillar separation reflects donors’ particular approaches to bolstering evidence-based policy-making. SECO’s approach focuses on scaling up diagnostics and especially how it informs policy reform and downstream investment. DFID’s stated interest is in pushing the frontier of spatial development research, making use of data that is just starting to become available, and with a particular geographical focus on Africa.

The MDTF’s website, launched in April 2016, shows a further variation in terminology. This responds to the intent of the World Bank to simplify how information is presented to the visitor. Steps taken in this direction include grouping pillars 1 and 2 under the same root menu. This variation is for presentation purposes and does not carry associated a change into how grants and activities are managed by pillars. In any case, it would be opportune to consider a stable structure and terminology when considering a possible next stage for MDTF.

### Exhibit 2- Pillar terminology variations

<table>
<thead>
<tr>
<th>Pillars in PR FY 2014</th>
<th>Pillars in PR FY 2015</th>
<th>Pillars in Web Site 2016⁵</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Climate change adaptation and resilience of the urban poor</td>
<td>1. Urbanization Reviews</td>
<td>1. Urbanization Reviews</td>
</tr>
<tr>
<td>2. Roll-out of urban risk assessment methodology</td>
<td>2. Operationalizing Urbanization Reviews</td>
<td>2. Global Urban Data</td>
</tr>
<tr>
<td>3. Urban poverty, with particular focus in the Africa, South Asia and East Asia regions</td>
<td>3. Global Partnerships and Data</td>
<td>3. Spatial Development of Cities</td>
</tr>
<tr>
<td>5. Knowledge partnership activities (with external researchers and NGOs)</td>
<td>5. Other Analytic and Thematic Work</td>
<td>5. Other Analytic and Thematic Work</td>
</tr>
<tr>
<td>6. Analysis and policy recommendation options on food security in urban areas and urban land development planning</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Support to cities and national government for achieving sustainable, inclusive and pro-poor urbanization and growth</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

⁵ [https://collaboration.worldbank.org/groups/research-partnership-for-sustainable-urban-development](https://collaboration.worldbank.org/groups/research-partnership-for-sustainable-urban-development)
3 Methodology

The evaluation was structured into two phases, aiming to funnel from a macro understanding of MDTF purpose and set-up towards a micro level of detailed activity analysis.

3.1 Phase 1

The objective of the first phase was to provide the evaluation with a general understanding of the intent of the MDTF, its pillars and activities, and the type of work produced. This was carried out through a review of background documentation provided by the World Bank on the program set-up and structure, including progress reports and a table of grants and outputs. A list of documents can be found in annex B.

This was followed by a first round of 11 interviews (full list is in annex C) with the principal donors and World Bank officials responsible for the MDTF. The script for the interviews was structured around four main sections, i) background and expectations of MDTF; ii) communication and coordination topics; iii) substantive matters; and iv) thoughts on possible next steps. The script used for these interviews can be found on annex D.

3.2 Phase 2

The Inception Report, produced at the end of Phase 1, identified six sample countries on which the evaluation proposed to focus in order to enable documenting in closer detail the influence of MDTF-funded work at country level on national policies and programs and its connection with World Bank’s lending projects. The selection of sample countries was based on mapping the portfolio of MDTF activities in each country while considering regional balance. The MDTF activity per country table is in annex F.

This allowed identifying Mexico, Sri Lanka, Tunisia, and Vietnam as countries that have been subject of the broadest set of MDTF activities including the production of Urbanization Reviews; various activities within the Operationalizing Urbanization Reviews pillar; and activities grouped in the Other Analytical Work pillar. In the case of Tanzania, there is an ongoing Urbanization Review, the country has been subject of Operationalizing Urbanization Reviews activities; activities under the Spatial Development of Cities pillar; and its largest city, Dar es Salaam, has been studied by the Measuring Living Standards within Cities, an activity of the Global Partnerships and Data pillar.

The approach received no objection from the Steering Committee except a suggestion by DFID to add a second African country. Ethiopia was proposed given that it had been subject of MDTF activities in the Spatial Development of Cities and Economic Performance of Cities in addition to an Urbanization Review. The independent evaluation analyzed the following countries to document MDTF activities in detail:

<table>
<thead>
<tr>
<th>Country</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethiopia</td>
<td>Africa</td>
</tr>
<tr>
<td>Mexico</td>
<td>Latin America</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>South Asia</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Africa</td>
</tr>
<tr>
<td>Tunisia</td>
<td>Middle East North Africa</td>
</tr>
<tr>
<td>Vietnam</td>
<td>Asia</td>
</tr>
</tbody>
</table>
A second set of 21 interviews was conducted with Task Team Leaders (TTLs) managing MDTF activities in sample countries. TTLs were asked a similar set of questions designed to gather specific information to understand the possible influence of the work funded by the MDTF in national and local urban policy, as well as its linkage to the implementation of lending projects. The script used for these interviews can be found on annex E.

TTLs helped identify and facilitated contact with a country client official in each sample country. Interviews with country representatives allowed obtaining the view from the demand side as well as understanding how the body of work produced under MDTF has contributed to adjust national urban policies and city regulations.
4 Relevance and effectiveness

4.1 Relevance

4.1.1 To what extent are the objectives and activities of the MDTF consistent with the needs, priorities, and strategies of developing countries and with global trends in urbanization and urban development?

Urbanization has been recognized by the Sustainable Development Goals as the foremost development issue of our time. Every day, 180,000 persons move to cities. The magnitude of what is required to accommodate the global urban growth to 2050 is equivalent to building a city the size of London, from scratch, every month, for four decades. Infrastructure decisions fix a spatial pattern for many generations and investment lock-ins can last 150 years. We have learnt that the transition from rural to urban happens only once, and that it might be possible to go through urbanization without being able to harness its full potential.

There is a shared awareness of the essential role of informed decisions in making the most out of the transition. Haphazard decision-making leads to ad hoc development, which is costly and constraints the potential of urbanization. In Latin America, a region that urbanized early, reports indicate that the cost of improvement programs in areas that have been urbanized in an unplanned manner is between 3 and 5 times more expensive than what it would cost to urbanize unoccupied land. Rapidly developing cities have no time to waste to get urbanization to work for them in the right way, and the availability of evidence and meaningful diagnostics could not be more relevant. In view of this, it can be said that the MDTF is in the right place, at the right time.

"Linking knowledge to finance is critical to directing investment flows to quality and sustainability." Ede Ijjasz-Vasquez, World Bank

Providing evidence for policy making and strengthening lending projects. Many spatial and economic development policies have intended to influence urban development in their own terms but rarely have they worked as a holistic intent. Spatial decisions, almost always made based on maps, have been subject to insufficient analytics on their economic implications and trade-offs; and spreadsheets, the tool of the economic development analyst, are often detached from the spatial dimension. This anecdotal narrative portrays the everyday struggles of municipalities in many cities in the developing world. The MDTF explores the interdependence of urban form and productivity in a unique way, and the principles of “Planning-Connecting-Financing”, spearheaded by analytical work in MDTF activities, are a valuable framework to integrate sectoral thinking towards delivering impactful interventions. An example of this is the Ho Chi Minh City Green Transport Development, which pioneers the integration of a land use component in a transport infrastructure operation.

8 World Bank, Multi Donor Trust Fund for Sustainable Urbanization. Presentation dated November 3rd 2015
9 Urbanization rate reached 50% in the 1960s
The analytical work under the MDTF is supporting a transformational shift in the urban agenda, from a focus on more or less remedial interventions to comprehending cities as a key part of the growth agenda. Making the shift requires ample stakeholder buy-in, and MDTF activities create a space for dialogue. In Tunisia, the development of the new local government performance evaluation system, supported by MDTF, has involved for the first time the active collaboration between five different state structures.\textsuperscript{11} Through innovative data collection, advanced analytics and authoritative opinion, MDTF activities are filling knowledge gaps and contributing to an important extent to redefining the role of urban form as a driver of productivity. Interviewees for this evaluation have shared that a growing number of country client counterparts are starting to have the pieces they need to see the compelling value of urbanization. “It has opened our eyes” was a frequent statement emerging in interviews.

“Many of the MDTF products have ownership at the highest level of government; this has elevated the urban agenda with policy makers on the ground and has attracted the attention of country directors” Sameh Wahba, World Bank

As the lending program is agreed in the Country Partnership Framework (CPF) 3 years in advance, there are cases in which MDTF activities will be required to provide value to ongoing operations. Such ability has been demonstrated in the sample countries analyzed. If lending projects are in place, as in Tanzania, MDTF activities can be used to strengthen project design. If the vehicle is not yet there, as in the case of Sri Lanka, MDTF activities can call the attention of decision makers to the consequences of environmental neglect as a way to later influence project design.

**Urbanization-relevant lending projects and MDTF uptake.** According to the World Bank’s project database,\textsuperscript{12} 30 urbanization-relevant projects\textsuperscript{13} have been implemented or are being implemented since June 2012, the closing date of the earliest MDTF activity, in countries where the fund has been active.\textsuperscript{14} The committed amount for these operations is in the region of USD 5.5 bn. Although the question of attribution – to what extent an activity can claim to be actually responsible for development impacts – would be intricate to answer, it is possible to quantify that design documents\textsuperscript{15} for projects that totalize 40% of the committed amount make an explicit reference to MDTF activities.

<table>
<thead>
<tr>
<th>Exhibit 4 – Urbanization-relevant projects and MDTF uptake</th>
</tr>
</thead>
<tbody>
<tr>
<td>Of which explicit reference to MDTF is made</td>
</tr>
</tbody>
</table>

It is possible to observe that the number of projects that make explicit reference to MDTF is significantly on the rise. The slow uptake during the early years of MDTF is evident as no

\textsuperscript{11} Caisse des Prêts et de Soutien des Collectivités Locales (CPSCL), Direction Générale des Collectivités Locales (DGCL), Centre de formation et d’appui à la décentralisation (CFAD), Cour des Comptes (CdC), Contrôle Général des Services Publics (CGSP)


\textsuperscript{13} For the purpose of this assessment, “urbanization-relevant” projects include the following Word Bank database project categories: (Historic) Urban management, (Historic) Other urban development, (Historic) Urban housing, (Historic) Urban water supply, General water, sanitation and flood protection sector, Housing construction, Roads and highways, Solid waste management, Sub-national government administration, Urban Transport, and Water supply.

\textsuperscript{14} See Annex E for a list of countries with MDTF activity

\textsuperscript{15} Project Appraisal Documents (PAD) or Project Information Documents (PID)
projects made reference to MDTF activities in 2012, whereas in 2016, 3 out of 5 of projects made an explicit mention to work supported by the fund, principally Urbanization Reviews. Exhibit 5 provides a detailed overview of urbanization-relevant projects and MDTF activities since 2012.

**Exhibit 5 - Thematic alignment of World Bank lending projects with MDTF activities\(^\text{16}\)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Project</th>
<th>USD m(^\text{17})</th>
<th>Year (^\text{18})</th>
<th>Objective</th>
<th>Thematic alignment with MDTF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vietnam</td>
<td>Can Tho Urban Development and Resilience</td>
<td>250</td>
<td>2016</td>
<td>Reduce flood risk, improve connectivity between the city center and the new low risk urban growth areas, and enhance the capacity of city authorities to manage disaster risk in Can Tho</td>
<td>Thematic alignment although MDTF activities are not mentioned in PID</td>
</tr>
<tr>
<td>Cote d'Ivoire</td>
<td>Infrastructure Renewal and Urban Management</td>
<td>60</td>
<td>2016</td>
<td>Improve access to basic infrastructure in targeted urban and rural areas in the country</td>
<td>PID references Urbanization Review as a diagnostics source</td>
</tr>
<tr>
<td>China</td>
<td>Ningbo Sustainable Urbanization Project</td>
<td>150</td>
<td>2016</td>
<td>Improve the use of urban public space, improve urban mobility and reduce flood risk in selected counties in Ningbo Municipality</td>
<td>PAD states that project is aligned to the New Type Urbanization Plan, which MDTF activities have informed</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Zanzibar Urban Services Project</td>
<td>55</td>
<td>2016</td>
<td>Improve access to urban services in Zanzibar and conserve the physical cultural heritage at one public location within Stone Town.</td>
<td>PAD cites that the “process to arrive at a consensus could be funded through the MDTF - Operationalizing Urbanization Reviews”</td>
</tr>
<tr>
<td>Rwanda</td>
<td>Rwanda Urban Development Project</td>
<td>95</td>
<td>2016</td>
<td>Provide access to basic infrastructure and enhance urban management in selected urban centers</td>
<td>Thematic alignment although MDTF activities are not mentioned in PAD</td>
</tr>
<tr>
<td>Vietnam</td>
<td>Ho Chi Minh City Green Transport Development Project</td>
<td>124</td>
<td>2015</td>
<td>Improve the performance and efficiency of public transport along a high priority corridor in Ho Chi Minh City</td>
<td>Thematic alignment although MDTF activities are not mentioned in PAD</td>
</tr>
<tr>
<td>Turkey</td>
<td>Land Registration and Cadastre Modernization Project</td>
<td>90</td>
<td>2015</td>
<td>Improve quality and effectiveness of public services through spreading and making effective e-government applications</td>
<td>Thematic alignment although MDTF activities are not mentioned in PAD</td>
</tr>
<tr>
<td>Kenya</td>
<td>Informal</td>
<td>8</td>
<td>2015</td>
<td>Improve living conditions</td>
<td>Thematic alignment</td>
</tr>
</tbody>
</table>

\(^\text{16}\) Thematic alignment is demonstrated by direct mention of “MDTF”, “Urbanization Review”, “Operationalizing Urbanization Review” and/or “Spatial Development of Cities” in PID or PADs, or when project objective has a direct connection with urbanization

\(^\text{17}\) Committed amount

\(^\text{18}\) Approval date
<table>
<thead>
<tr>
<th>Settlements Improvement Projects(AF)</th>
<th>in informal settlements in selected municipalities in Kenya</th>
<th>although MDTF activities are not mentioned in PID</th>
</tr>
</thead>
<tbody>
<tr>
<td>India Tamil Nadu Sustainable Urban Development Program</td>
<td>400 2015 Improve urban services delivery in participating ULBs in a financially sustainable manner and to pilot improved urban management practices in selected cities</td>
<td>PAD makes reference to the South Asia Urbanization Flagship Report which in turn acknowledges MDTF analytical work support</td>
</tr>
<tr>
<td>Tanzania Dar es Salaam Metropolitan Development Project</td>
<td>300 2015 Improve urban services and institutional capacity in the Dar es Salaam Metropolitan Area, and to facilitate potential emergency response</td>
<td>PAD mentions that analytic activities are identified through the Tanzania Urbanization Review and the Spatial Development of African Cities</td>
</tr>
<tr>
<td>Colombia Second Programmatic Productive &amp; Sustainable Cities Development Policy Loan</td>
<td>700 2014 Support the strengthening of the Government of Colombia’s policy framework on productive, sustainable, and inclusive cities</td>
<td>PAD explicitly acknowledges the Urbanization Review as the trigger of a high level initiative to define a national urban policy</td>
</tr>
<tr>
<td>India Efficient &amp; Sustainable City Bus Services</td>
<td>9 2014 Improve the efficiency and attractiveness of city bus transport and reduce greenhouse gas emissions in the demonstration cities</td>
<td>Thematic alignment although MDTF activities are not mentioned in PAD</td>
</tr>
<tr>
<td>Philippines Cebu Bus Rapid Transit (BRT) Project</td>
<td>116 2014 Improve the over-all performance of the urban passenger transport system in the Project Corridor in Cebu City</td>
<td>Thematic alignment although MDTF activities are not mentioned in PAD</td>
</tr>
<tr>
<td>China Shaanxi Small Towns Infrastructure Project</td>
<td>150 2014 Improve infrastructure and service delivery in selected small and medium towns in Shaanxi Province</td>
<td>PAD states that project is aligned to the New Type Urbanization Plan, which MDTF activities have informed</td>
</tr>
<tr>
<td>Tunisia Urban Dev. and Local Governance</td>
<td>300 2014 To strengthen Local Governments’ performance to deliver municipal infrastructure, and to improve access to services in targeted disadvantaged neighborhoods</td>
<td>Thematic alignment although MDTF activities are not mentioned in PAD</td>
</tr>
<tr>
<td>Vietnam Result-Based Northern Mountains Urban Program Project</td>
<td>250 2014 Strengthen the capacity of participating Northern Mountains cities to plan, implement, and sustain urban infrastructure</td>
<td>Urbanization Review explicitly acknowledged in PAD</td>
</tr>
<tr>
<td>Tanzania Tanzania Strategic Cities Project</td>
<td>50 2014 Improve the quality of and access to basic urban services in Participating</td>
<td>Thematic alignment although MDTF activities are not</td>
</tr>
<tr>
<td>Country</td>
<td>Project Description</td>
<td>LF (US$)</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Ukraine</td>
<td>Improve the quality and efficiency of water, wastewater, and solid waste services in selected cities in Ukraine</td>
<td>300</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>Enhancing the institutional performance of participating urban local governments in developing and sustaining urban infrastructure and services</td>
<td>380</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>Increase access to basic municipal services in selected residential areas of Kabul city; redesign KM’s financial management systems to support better service delivery and enable early emergency response in the event of an eligible emergency.</td>
<td>110</td>
</tr>
<tr>
<td>Uganda</td>
<td>Enhanced infrastructure and institutional capacity of KCCA to improve urban mobility in Kampala.</td>
<td>175</td>
</tr>
<tr>
<td>Morocco</td>
<td>Set up a lasting program to provide Local Governments in the Project Area with access to decentralized support services and assistance to institutionalize inter municipal cooperation.</td>
<td>5.80</td>
</tr>
<tr>
<td>Ghana</td>
<td>Increase access to improved sanitation and improved water supply in the Greater Accra Metropolitan Area, with emphasis on low income communities and to strengthen management of environmental sanitation</td>
<td>150</td>
</tr>
<tr>
<td>Congo, Democratic Republic of</td>
<td>Improve access to basic services and strengthen urban and municipal management of the targeted cities</td>
<td>100</td>
</tr>
<tr>
<td>Vietnam</td>
<td>Expand access of city residents to improved</td>
<td>272</td>
</tr>
<tr>
<td>Country</td>
<td>Project Title</td>
<td>Year</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Uganda</td>
<td>Support to Municipal Infrastructure Development Program</td>
<td>2013</td>
</tr>
<tr>
<td>Colombia</td>
<td>Productive and Sustainable Cities Development Policy Loan</td>
<td>2012</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Urban Local Government Strengthening Program Project</td>
<td>2012</td>
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<tr>
<td>Kenya</td>
<td>National Urban Transport Improvement Project</td>
<td>2012</td>
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<tr>
<td>Uganda</td>
<td>Water Management and Development Project</td>
<td>2012</td>
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</tbody>
</table>

**Supporting the urban agenda at the World Bank.** Within the World Bank, MDTF activities have helped to build the awareness of country directors, who are key value chain stakeholders, regarding the potential of urbanization to be a driving force for the transformation of the economy in many developing countries. This awareness would be likely to push an increased number of lending in urban projects in CPFs. At home at the bank’s headquarters, the MDTF is in alignment with two key directions:
In Forward look, a presentation to the board of the World Bank delivered on the first quarter of 2016, urbanization was, for the first time identified as one of the six key global trends affecting the 2030 agenda. The Global Platform for Sustainable Cities (GPSC, see box) recognizes the value of linking knowledge to finance, and introduces a value chain approach to achieve it.

**Global Platform for Sustainable Cities**

Led by the World Bank, the Global Platform for Sustainable Cities (GPSC) is a forum for knowledge sharing and partnership to achieve urban sustainability. The GPSC promotes an integrated approach to urban development, focusing on urban sustainability indicators, planning and financing. It aims to provide a more holistic approach to urban development rather than through a sectorial or “project-by-project” approach. The GPSC supports the following activities:

- Use of geospatial data/ integrated urban planning tools;
- Establishing or enhancing a set of indicators for urban sustainability, including the core indicators for achieving the UN Sustainable Development Goal 11;
- An assessment on urban sustainability;
- Preparation of action plan to improve urban sustainability; and
- Activities to enhance municipal financing and identifying priorities for investment.


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**“The impact of MDTF goes beyond bank projects to influence national policy and the design of government’s own projects”**  
*Ming Zhang, World Bank*

**Supporting Sustainable Development Goal 11.** At the heart of the Post-2015 Development Agenda, the Sustainable Development Goals (SDGs) provide a new framework to guide global efforts for the next 15 years. For the first time ever, an urban goal is included explicitly. This confirms that urbanization is now being formally seen as a powerful tool for achieving anti-poverty and sustainability objectives. This is a departure from Millennium Development Goals (MDGs), which had only one urban-specific objective — to see a “significant improvement” in the lives of at least 100 million slum dwellers.

Goal 11 signals a shift in strategy, as well as a bolstering of the opportunities, with which MDTF activities are aligned and in support of. MDTF activities can provide specific support to the World Bank’s SDG engagement framework, which comprises four pillars – data, financing, implementation and reporting. In particular, the MDTF can adopt the role of “supplier” of data and knowledge to the Bank’s framework, thus maximizing the applicability of funded activities and enhancing their visibility.

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19 The other trends are demography; evolution of globalization; pressure on resources and climate change; and cycles, disruptions and fragility.
Targets for Sustainable Development Goal 11 - Make cities inclusive, safe, resilient and sustainable

- By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums
- By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
- By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries
- Strengthen efforts to protect and safeguard the world’s cultural and natural heritage
- By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations
- By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
- By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities
- Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning
- By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels
- Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials


4.1.2 How might that relevance be enhanced in the design of a new MDTF?

The following thoughts may be considered to further enhance the relevance of the MDTF.

The ability to take diagnostics and applied research into an operational phase has been identified by donors as being one of the most important factors for involvement in the MDTF. It has been shown that uptake of MDTF activities into lending projects is on the rise. However, increased relevance may be expected by moving from ad-hoc linkages (reliant on the initiative of TTLs who apply for grants) to a systematic approach.

A key factor for donors to work with the World Bank is its ability to engage in the **full value chain of urban development** in a way no other organization can – from creating knowledge to generating impact on the ground through its lending capacity. Embedding the value chain in the design of MDTF’s programmatic activity would contribute to making the linkage more systematic, from data and applied research (Global Partnerships and Data, Spatial Development of Cities), dialogue and diagnostics (URs) to funneling into operational
recommendations (OURs) and then to pre-feasibility studies which are part of the preparation phase of a lending project.

“Playing up” this point of difference would see the project value chain (as illustrated in GPSC’s structure) as the spine of the program to which activities would connect to. Mapping activities on the GPSC value chain helps clarifying their purpose and visualizing how they fit into each other. This will contribute to the synchronization between pillars and the opportunities to capitalize on synergies. Activities under the MDTF could generate a data, knowledge and diagnostics continuum from upstream to midstream stages, making explicit that they are means to a larger end - improved policy formulation and project design to multiply impact downstream. This activity would also facilitate the development of linkages between MDTF and GPSC.

Adopting a value chain approach and making it explicit would require that activities incorporate this in their design, from proposal preparation to expected outputs and indicators of performance.

Exhibit 3 – GPSC Structure and MDTF Scope

A second thought refers to augmenting the detail of the analytic lenses. While the 2012-16 MDTF has looked at systems of cities at regional (supra-national) and national scales, the assessment of sample countries has shown that looking at cities in closer detail benefits the relevance of MDTF activities and downstream influence. Increasing the granularity of data to an intra-city level will enable more accurate diagnostics to inform spatial planning and investment location strategies. A key consideration for data collection efforts in pillar 3 and 4 includes how they are put to use.

The application of the Urbanization Review framework to cities can capitalize on upstream activities such as georeferenced household surveys which can provide unprecedented hyperlocal detail. Applied research outputs such as policy narratives would explain why cities have grown the way they have, while working papers can contribute to expand conventional policy approaches with options backed by evidence-based diagnostics.

These lines are further elaborated in section 4 as recommendations for a successor MDTF.
4.2 Effectiveness

4.2.1 How and to what extent have activities financed by MDTF helped fill knowledge gaps and contributed to better designed programs and policies?

Diagnostics

Urbanization Reviews (URs) and Operationalizing Urbanization Reviews (OURs) have contributed to fill knowledge gaps to a significant extent. Although there are existing portfolios of studies on the implications of national policies in urbanization20, the key MDTF value proposition, the interdependence of urban form and productivity, and the Planning-Connecting-Financing framework, are unique. URs open new opportunities for both diagnostics of the national binding constraints to urbanization and the recommendations to overcome them. The reviews draw on frameworks in the World Development Report 2009, as well as from the World Bank’s Urban and Local Government Strategy.21

“For Urbanization Reviews allow us to have a policy dialogue with the government in a way we would normally not be able to do.” Ellen Hamilton, World Bank

A key point that sets these activities apart is that they are both a product and a process. The extraordinary amount of analytical work conducted in pillars 1 and 2 of the MDTF, yielding 13 URs, 7 urban policy outputs, and 17 OURs, has allowed 38 countries22 to be presented with key insights that simply had not been looked at before. Report launch events, in occasions hosted at Prime Minister level, have received top attention including prime time media coverage. The methodology of the UR, and the engagement it creates during its preparation period, has enabled a high-level dialogue that unfolds opportunities to influence policy. The space for conversation with country clients that URs generate is especially useful to the World Bank when no lending projects have yet been formalized. OURs allow both continuing the dialogue in route to the mechanics of implementation and providing a just-in-time window to complement the design of a lending operation, strengthening the response to clients’ needs. URs roll-out standardized diagnostics establish a point of reference with the performance of others that is much appreciated by country clients.

Data and applied research

MDTF activities are creating a whole new generation of data sources. Very little was available, especially in developing countries, about the spatial and economic drivers of urbanization and the connection between productivity and urban form. Data collection and generation activities are within the scope of two different pillars, 3. Global Partnerships and Data, funded by SECO; and 4. Spatial Development of Cities, funded by DFID. This separation remains rather to donor administrative requirements than thematic incompatibility. Quite on the

20 For example, Territorial Reviews conducted by the OECD
21 World Bank, System of Cities: Harnessing Urbanization for Growth and Poverty Reduction. As indicated in the MDTF Project Information Document (undated)
22 URS and urban policy work in Afghanistan, Argentina, Brazil, Burundi, China, Colombia, Cote d’Ivoire, Ethiopia, Georgia, Ghana, India, Indonesia, Jordan, Kenya, Malawi, Mexico, Morocco, Nigeria, Philippines, Rwanda, Senegal, South Korea, Sri Lanka, Tanzania, Tunisia, Turkey, Uganda, Ukraine, Vietnam, and six countries in the Central America review: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama; plus Democratic Republic of Congo and Bolivia in OURs
contrary, coordination among data efforts was indicated in the interviews as crucial and being in its early days.

Particularly innovative in data collection is the ongoing effort to build a picture of urbanization simultaneously from the top down and from the ground up by way of methods that combine satellite imagery and night-time lights analysis with specially commissioned geo-referenced household surveys, thus allowing policy makers to see the evolving pattern of urbanization both from a 10,000 feet perspective and at street level. This is a public good of extraordinary potential.

“Cities are much more heterogeneous that what generic data tells us. We need patterns on the ground to know where the right place to make investments for services is” Judy Baker, World Bank

Generating data at sub-municipal level is the next frontier in urbanization knowledge. *The Measure Living Standards in Cities* activity, within pillar 3, Global Partnerships and Data, was piloted in Dar es Salaam and Durban, and is planned for Antananarivo and Maputo. The activity provides information on urban living standards, location of jobs and residencies and mobility conditions at an “unprecedented level of granularity.”

Household surveys provide information that is spatially representative of each area of the city, which allows understanding sub-municipal dynamics. These are central to the effective design of policies and projects, as possible effects can be completely different across areas within the same city. Combining face-to-face interviews, GPS-enabled smartphones, and satellite imagery, surveys have revealed extraordinary new insights. For example, for Dar es Salaam, we now know that, contrary to frequent assumption that rapid urbanization in the periphery drives service deficits, the rates of access to improved sanitation are lowest in the core and consolidated areas and actually improve towards the city fringes.

Also within pillar 3, and the activity and Global Urban Extents, the sub-activity *Platform for Urban Management and Analysis* (PUMA) provides publicly accessible, downloadable GIS maps of land cover and density of road network in 2000 and 2010 for pilot cities Cebu, Colombo, Chittagong, Jalalabad, Haiphong, Ho Chi Minh City, Karachi, Surabaya, and Ulaanbaatar, in addition to national-level maps of 27 countries in the Asia Pacific region. This activity is halfway completed as of May 2016. This is information of great value for both municipal planners and practitioners working in these cities.

Another sub-activity is the *Global definition of urban areas*. Standardizing statistical units in a globally consistent definition for urban areas is a very complex task, yet a fundamentally important contribution that will enable researchers and spatial planners conducting meaningful comparatives. Each country defines ‘urban’ areas and population differently, which makes comparisons of statistics and trends on urbanization problematic. Thus, the activity would fill an important data gap.

The activity *Geo-spatial data and satellite imagery* was completed as of May 2015, producing different layers of spatial information and land classification data for Dar es Salaam, Nairobi,

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Addis Ababa, and Kigali by combining high resolution images and an algorithm25 that allows semi-automatic classification into land cover classes, helping to identify where commercial or industrial areas are growing, or where areas that look like shanty towns from above are spreading.

Spatial Development of Cities, pillar 4, includes activities that fill both data and thought gaps. Developing a suite of global data sets and tools to enhance urban analytics is the intent of the activity Building spatial databases. This includes night-time lights data and high resolution satellite images among others. Key to the effort is the ability of the research team to put the data pieces together to identify trends in the changes in urban extents, the implications of urban form on infrastructure, land use trends in cores and peripheries, the implications of density, among other key factors that have an effect on how cities grow.

Night-time lights (NTL) are recognized as being a proxy for economic activity and growth. NTL datasets are increasingly used for spatial analysis as data is cost effective and a practical option in areas where it is difficult to gather it on the ground. Since a consistent time series is available for 1992 – 2013, the observation of night-time lights offers great insight on trends in the occupation of previously non-artificial land. This is very relevant as many countries lack historical datasets necessary to establish trends. On contrast, it is difficult to observe variations in light-saturated areas such as urban cores. It is also opportune to mention that NTL is a “coarse” instrument, indicated to observe changing conditions of a system of cities at the national scale, but not recommended for precise quantitative conclusions at fine spatial scales. It is not fit for measuring change in cities smaller than 20 sq km.26 Knowledge obtained by NTL can be complemented at urban scale by the classification of land cover which is part of activity of pillar 3 Geo-spatial data and satellite imagery.

Research activities within the activity Spatial Development of African Cities are intending to fill thought gaps through a suite of working papers prepared by a research consortium comprising two of the world’s leading universities, the London School of Economics and the University of Oxford. The applied research activities have elevated policy issues to the sphere of attention of key ministries, such as finance, and further to take central stage at presidential level. The consortium has so far elaborated 25 working papers, and it has indicated that a further 15 could be expected.

The work fills important though gaps in key issues such as, among others:

- Household and spatial drivers of migration patterns with evidence from Ethiopia, Malawi, Nigeria, and Tanzania. When exposed to conflict fatalities over the medium run, rural Ethiopians target urban areas and Tanzanians target rural destinations;
- Understanding pros and cons between site and services and upgrading approaches with evidence from seven cities in Tanzania that indicates that sites and services have high land values per sq m compared to rest of Dar es Salaam;
- The capabilities of GIS and in exploring the urban form of Addis Ababa, Nairobi, Kigali, Dar es Salaam, and Dakar;

25 The FY2015 MDTF progress report indicated that the algorithm “was tested and released in open source, a global public good now available to researchers around the world.” While testing the algorithm is beyond the scope of this evaluation, it can be said that access to it could be easier. Making it available for downloading from the MDTF site could be considered as well as tracking the number of downloads.

The relation between the land tenure system and a variation in productivity and density across space in Kampala;

- Explaining the variation in employment density across tracts in Kampala.

The activity Building the evidence for cities in Africa provides a description of characteristics in select cities based on data collected, such as the evolution of urban form, population and households, infrastructure, economic activity and residential developments, among others. Six policy narratives have been produced for Addis Ababa, Dar es Salaam, Kampala, Kigali, Nairobi, and Lusaka. These fill important gaps as to understanding how cities have developed to be what they are.

The activity that brings together data collection, descriptive analysis and research pieces is the preparation of the Opening Doors to the World flagship report on the Spatial Development of Cities in Africa. The report, currently in its final draft, identifies challenges that need to be addressed to strengthen the links between urbanization and economic transformation in African cities, to prevent them from being locked into development paths where the agglomeration benefits will not be realized.

**Opening Doors to the World - Main messages of the flagship report on Spatial Development of African Cities**

1. African cities are (physically and economically) fragmented and costly; they need to become affordable for workers and their families
2. Making African cities affordable will deliver a double dividend for livability and economic competitiveness
3. Making African cities affordable will require “Urban Development at Scale” with coordinated investment across three structures – residential, industrial, and commercial.
4. Investment coordination requires developing common knowledge, enabling land markets, refining urban regulations, and managing vested interests

The Capacity building activity within this pillar includes include regional consultation workshops, dissemination workshops, and participation in academic and policy conferences. In two and a half years of pillar activity\(^{27}\), research consortium team members have presented activity work in 23 instances – almost one presentation per month.

Activities in pillar 5, Economic Performance of African Cities, intends to provide localized insights for four pilot cities, of which Addis Ababa and Kampala are the initial two, to support them in planning policy reforms and investments needed to alleviate the market failures currently inhibiting job creation and per capita income growth prospects. Such activity would contribute to fill a knowledge gap for African cities as urbanization has not always been accompanied by economic growth or significant job creation. Major supply constraints and market failures, which hinder the economic growth potential of important sectors, are cited to be at the root cause of the lack of competitiveness and absence of structural transformation.\(^{28}\)

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\(^{27}\) Grant disbursement date is 29 January 2014

\(^{28}\) World Bank. Enhancing the Economic Performance of African Cities. Project Concept Note
Interaction between pillars

With a few exceptions, the extent of the interaction between the family of Urbanization Reviews products and data and research activities undertaken within the pillar Spatial Development of Cities can be characterized as limited. In the opinion of the research consortium leading pillar 4 activities, timing is a central factor in pillar interaction being an area of improvement. It was specifically mentioned in an interview that data and research activities cannot be an input to other activities until they have been an output. Setting up datasets takes time and until this is completed, research cannot be an input to other pillar activities such as Urbanization Reviews.

For example, the use in research activities of pillar 3’s Measuring Living Standards in Cities, which features household surveys in African cities, can be assumed to improve as access to Dar es Salaam data was recently made available to the research consortium. This would reinforce the idea that greater synergies could be expected as time goes on, a notion that this evaluation concurs with.

However, the fact that Durban, where a household survey has also been completed, is not a city being studied by pillar 4 activities, could be read as an example of limited cross-pillar interaction and hints that, in addition to timing, substantive alignment is an area of improvement. It has been mentioned in section 2 that the pillar structure reflects the sequential nature of the fund and that, along administrative and reporting reasons, adding pillars was believed to be a vehicle to efficiently insert the particular agenda interests of donors. It seems reasonable to conclude that interaction between pillars was not a built-in feature in the design of the MDTF and that it is a salient point that remains to be addressed in a possible next stage. The section on Lesson learned on page 36 elaborates on this point.
4.2.2 What have been the overall transformational results of the MDTF, including on policy dialogue and the effects on the implementation of concrete projects?

Diagnostics

In the short period since they were launched, Urbanization Reviews have become a recognizable product and an influential process. MDTF diagnostics activity has contributed on a policy level in the following manner:

- URs have had a cardinal role in creating a space for policy dialogue which has triggered a high level national urban policy initiative, as in Colombia, and expanded the perspective of country clients to urbanization and some of its critical issues, as in Cote d’Ivoire where the UR flagged the need for a sequential approach to land titling and housing;

- Activities have contributed to elevate the urban agenda from Ministries of Housing and/or Planning to Ministries of Finance and the highest level of government, as in Ethiopia, where the President has become highly involved, or in Afghanistan, where the President became personally engaged in the urban agenda;

- Analytics have been taken up by key urban policies in some of the world’s most populated countries, such as China’s New-Type Urbanization Plan 2014-2020, and urban development programs at state level in India;

- The URs standardized methodology has provided useful reference points for country clients, while showing adaptability to local needs;

The list of transformational results is remarkable. To name a few examples,

- In Afghanistan, the Urbanization Review team and the South Asia Region urban team presented to President Ashraf Ghani, at his request, an urban discussion note that builds on the main findings of the ongoing UR;

- In China, many of the key messages in the study Urban China are recognizable in the New-Type Urbanization Plan 2014-2020 for which the government has announced USD 6.8 trillion for implementation over the next 7 years;

- In Colombia, the Department of National Planning is using the findings of the UR to define Misión Ciudades, a high level committee to strengthen the system of cities towards 2035. The UR has contributed to shape two downstream Development Policy Lending (DPL) operations for a combined value of USD 850 million;\(^\text{29}\)

- India’s 12th 5-year plan and overall national urban proposal to a large extent reflect the diagnostics of the Urbanization Review and a 2-year high level dialogue with the Minister of Urban Development and the Chairman of the Planning Commission;

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\(^{29}\) The first URs were produced in 2011, through ad hoc funding provided by SECO, Cities Alliance and others, and then mainstreamed into the MDTF in 2013.

\(^{30}\) DPLs for USD 150 and 700 million. World Bank: MDTF Presentation, 3 November 2015
The Indonesia UR was a preliminary report to support the National Urban Development Project (NUDP). As requested by the government, the NUDP has been modified into the Indonesia Sustainable Urbanization Program, a USD 200 million31 technical assistance to develop a suite of policy, advisory, financing and program solutions;

In Malawi, the UR prompted the inclusion of urban development in the upcoming Malawi Growth and Development Strategy III for 2017-2020. Previous strategies did not include cities, as development has largely focused on rural areas;

In Mexico, findings stemming from UR and OUR were instrumental in defining a USD 100 million lending operation in the housing sector;

In Sri Lanka, UR and OUR have made a compelling case for wetland preservation and have influenced the USD 213 million Metro Colombo Urban Development Project to broaden its scope to include a softer, more natural approach to the management of these natural assets;

In Tanzania, the OUR has enabled just-in-time analytical work to support ongoing lending operations and the mobilization of USD 100 million in additional funding for the Tanzania Strategic Cities Project; this has prompted the government to request a USD 225 million loan to scale up activities to 18 tertiary cities;

In Tunisia, URs and OURs have worked as a package, both influencing and helping to implement the decentralization policy. MDTF funds allowed the government to develop the first electronic portal for local authorities32, an effective tool for communication and transparency between Tunisian citizens and their municipalities;

The Government of Turkey created a National Housing Commission which had been advocated by the Urbanization Review. The UR influenced the design of the USD 300 million Sustainable Cities Program which is now in its approval phase;

In Vietnam, analytical work on Affordable Housing has provided significant input to the 2015 Housing Law; a further OUR has supported the early stages of a pilot project to accelerate the realization of the National Urban Development Program in lagging regions, a USD 250 million lending operation.

Data and applied research

While the Urbanization Review dialogue framework is a consolidated process, and its suite of products well-established, the activities under the pillars Global Data, Spatial Development of Cities and Economic Performance of African Cities are at an earlier stage of development. As they are conceived as research projects, it would take longer to assess what the attribution of data collection and applied research activities could be to transformational results in downstream policy and lending projects. Furthermore, the Spatial Development of Cities is planned in two phases, the generation of evidence in years 1 and 2 the translation of evidence into policy in years 3 and 4. However, the body of data sets and applied research outputs generated over the past 3 years is remarkable. For example,

“MDTF analytics help identify location strategies for infrastructure investment which is very valuable for operations”
Mark Roberts, World Bank

31 Estimated figure obtained in an interview with World Bank official
• There are conversations about using the Measuring Living Standards in Cities survey to improve the understanding of mobility conditions for Dar es Salaam residents before and after the introduction of a USD 190 million lending operation33 (2008) for a Bus Rapid Transit (BRT). Although the survey was not designed to be a baseline for an impact evaluation, information can be used to construct a narrative of how conditions may have changed at household scale due to the new transport system;

• Night-time lights analytics were instrumental in the preparation of a South East Asia flagship publication and have been put to use in the Urbanization Reviews of Philippines, Ukraine and Argentina; in the latter, metrics revealed that the urbanization rate is lower than the 91% estimated by official national statistics. Night-time lights have also been used in support of SCDs in Bangladesh, Mozambique, Panama and Sri Lanka;

“MDTF has been a game changer in Africa” Nancy Lozano, World Bank

• The South Asia Spatial Database fills an important knowledge gap in the region, which is undergoing an extraordinary spatial transformation as its cities are expected to add 315 million new residents by 2030. The database brings together, in a single platform, analogue and digital data from censuses, surveys, administrative records, digitized paper maps and satellite imagery. This process of aggregation of data would be very valuable for many municipalities;

• Researchers applied a Spatial Computable General Equilibrium Model to the case of Kampala to explain variations in productivity and amenity parameters using citywide variation in land tenure systems; such analytics would be useful for the preparation of the 2050 Kampala 2050 plan;

Possible policy center. It was shared with this evaluation that alternative options for the creation of an urban and spatial development policy center are being considered with DFID. Such center, which would provide advice to cities, and be perhaps linked to a technical assistance facility, is expected to be developed in two steps:

• A data center, which will curate spatial data making it available through the internet, in what was described to this evaluation as an “upped version of current web”
• A policy center, whose design is expected to be an outcome of the current MDTF closing on 2018

The World Bank indicated that the resources for implementation would be outside the current agreement. What could be shared with this evaluation at this point is that the Bank is considering a coordinating role in a center which would be located outside its structure. This is believed to facilitate the raising of critical issues without having to take a particular position.

While the consolidation of data generated through MDTF activities seems a positive initiative, this evaluation does not have enough information to express a view on the center in the scope of a possible MDTF continuation.

4.2.3 To what extent have the output and outcome indicators established for the MDTF been achieved to date?

Diagnostics

The output of Urbanization Reviews and Operationalizing Urbanization Reviews has largely achieved targets. Three out of four targets have been achieved or are very likely to be achieved before MDTF closing date. This evaluation considers that the fourth indicator, which is associated to the number of World Bank projects that incorporate the Plan-Connect-Finance conceptual framework, is beyond the control and time span of the MDTF. This is because lending projects are defined by CPFs 3 years in advance; and the extent to which the conceptual framework may be included in project design and retained during execution can be verified only years after the project’s inception.

The target of Urbanization Reviews completion has been achieved. The SECO logframe indicates a target of 4 URs to be completed per year. Considering that the logframe was instituted in the Project Information Document (PID) prepared when SECO joined the MDTF, in mid-2013, there have been three years of operation under the logframe up to the time of this evaluation, or 12 targeted URs.

The target has been achieved as 13 URs that have received funding from MDTF have been completed or are being completed, as in the cases of Afghanistan and Philippines. Also in pillar 1, seven other analytical work and support activities on national urban policy have been conducted.

Outside MDTF funding, 17 URs have been produced, of which 4 have been funded by SECO (Colombia, Georgia, India and Uganda) and the rest by other sources including Bank budget, AUSAID, KRIHS, SIDA and Cities Alliance.

“The MDTF has generated results that will be improving policy for years to come” Stephen Karam, World Bank

The logframe also indicates a target of one related policy guidance note per UR. Policy guidance notes have not been tracked separately, and were not mentioned as an output in the FY2015 Progress Report. This evaluation finds that there are strong similarities between the purpose of Policy Notes and Operationalizing Urbanization Reviews. According to the PID, policy notes “assist policymakers in addressing the identified challenges and opportunities by distilling the analytics and findings from the Urbanization Reviews into actionable, step-by-step guidance informed by best practice.” The purpose of Operationalizing Urbanization Reviews is to put the analytical findings of URs to action, extending the policy dialogue and providing guidance towards implementation. OURs have been identified in the interview process as a key MDTF output; however, there was no target set for them when the PID was produced. In view of this, this evaluation suggests rewording the Policy Guidance Note target towards Operationalizing Operation Reviews. If the 1:1 target was to be retained, and the period up to this evaluation considered, this indicator would be achieved as 17 OURs have been completed or are in the process of completion.
### Exhibit 4 - Status of Urbanization Reviews and other urban policy work

#### Funded by MDTF

<table>
<thead>
<tr>
<th>Country</th>
<th>Type of output</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Afghanistan</td>
<td>Urbanization Review</td>
<td>Ongoing</td>
</tr>
<tr>
<td>2 Burundi</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>3 Central America</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>4 China</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>5 Cote d’Ivoire</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>6 Ethiopia</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>7 Ghana</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>8 Malawi</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>9 Mexico</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>10 Philippines</td>
<td>Urbanization Review</td>
<td>Ongoing</td>
</tr>
<tr>
<td>11 Senegal</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>12 Turkey</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>13 Ukraine</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>1 Argentina</td>
<td>Other urban policy work</td>
<td>Ongoing</td>
</tr>
<tr>
<td>2 Colombia</td>
<td>Other urban policy work</td>
<td>Completed</td>
</tr>
<tr>
<td>3 Morocco</td>
<td>Other urban policy work</td>
<td>Ongoing</td>
</tr>
<tr>
<td>4 Sri Lanka</td>
<td>Other urban policy work</td>
<td>Completed</td>
</tr>
<tr>
<td>5 Tunisia</td>
<td>Other urban policy work</td>
<td>Ongoing</td>
</tr>
<tr>
<td>6 Vietnam</td>
<td>Other urban policy work</td>
<td>Completed</td>
</tr>
<tr>
<td>7 Vietnam</td>
<td>Other urban policy work</td>
<td>Completed</td>
</tr>
</tbody>
</table>

#### Funded by other sources

<table>
<thead>
<tr>
<th>Country</th>
<th>Type of output</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Argentina</td>
<td>Urbanization Review</td>
<td>On-going</td>
</tr>
<tr>
<td>2 Brazil</td>
<td>Urbanization review</td>
<td>Completed (unpublished)</td>
</tr>
<tr>
<td>3 Colombia</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>4 Georgia</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>5 India</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>6 Indonesia</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>7 Jordan</td>
<td>Urbanization Review (assumed)</td>
<td>Completed (assumed)</td>
</tr>
<tr>
<td>8 Kenya</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>9 Morocco</td>
<td>Urbanization Review (assumed)</td>
<td>Completed (assumed)</td>
</tr>
<tr>
<td>10 Nigeria</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>11 Rwanda</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>12 South Korea</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>13 Sri Lanka</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>14 Tanzania</td>
<td>Urbanization Review</td>
<td>Ongoing</td>
</tr>
<tr>
<td>15 Tunisia</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>16 Uganda</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
<tr>
<td>17 Vietnam</td>
<td>Urbanization Review</td>
<td>Completed</td>
</tr>
</tbody>
</table>

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34 Note: the outputs of Jordan and Morocco are not available. It is assumed that they are Urbanization Reviews and have been completed based on the map included in the World Bank presentation to MDTF Steering Committee, November 2015
Urbanization Reviews cover more than half of the world’s urban population. URs have been produced for 29 countries in all regions which combined represent 53% of the world’s total urban population.35

Exhibit 5 – Location of Urbanization Reviews as of November 2015

Source: World Bank, Presentation to Steering Committee, November 2015

Exhibit 6- Urbanization Review activities by funding source as of August 2016

Source: Author from World Bank data

35 World Bank. Presentation to MDTF Steering Committee, Brussels, November 2015
Urbanization Reviews and Territorial Reviews

The Urbanization Review introduces a unique methodology to examine the linkages between urban space and economics at national level. A comparable, yet not identical product is OECD’s Territorial Review. Territorial Reviews primarily look at issues of policy and governance at country, regional and metropolitan or functional area level. While both are regarded as cutting edge research, quality analytical products, there are revealing differences in terms of yield (production capacity) and outreach (dissemination capacity):

- The OCED has produced 22 National Territorial Reviews; 18 Regional Reviews, and 26 Metropolitan Reviews, for a total of 66 products since 2001, and an average of 4.4 products per year. Considering three years of activity of the MDTF (2013-2016), the World Bank has produced, within the scope of the fund, 13 Urbanization Reviews and 7 urban policy activities, at an average of 6.6 products per year.
- OCED’s territorial reviews take 12-16 months to be completed (including final Peer Review meetings). The budget on average has been in the range of EUR 350,000-400,000. On average, MDTF’s URs and urban policy activities take 20 months to complete and the average contribution of MDTF to an UR is USD 125,000.
- While an internet search for Territorial Reviews shows about 17,000 results, a search for Urbanization Reviews produces 627 results.

Every dollar allocated to URs has contributed to lever USD 409 in lending projects. The World Bank has indicated that lending projects for USD 2.9 billion can be linked to a certain extent to Urbanization Reviews. The combined MDTF budget allocated to Urbanization Reviews and Operationalizing Urbanization Reviews is USD 7,089,197. Questions of attribution aside, an estimation of a ratio of Urbanization Reviews budget to lending projects would indicate that every dollar spent in these MDTF activities has been able to lever USD 409 in investment from the World Bank Group. As reference, City Development Initiative for Asia (CDIA) has calculated that each US dollar invested in the program has leveraged about USD 61 in infrastructure value successfully linked to financing.

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36 “This series offers analysis and policy guidance to national and sub-national governments seeking to strengthen territorial development policies and governance. These reviews are part of a larger body of OECD work on regional development that addresses the territorial dimension of a range of policy challenges, including governance, innovation, urban development and rural policy. This work includes both thematic reports and reports on specific countries or region”. OECD, http://www.oecd-ilibrary.org/urban-rural-and-regional-development/oecd-territorial-reviews_19900759, accessed July 2016
37 Grant disbursement and closing dates have been used as a proxy to estimate activity completion time
38 Search term: “urbanization review world bank”. The search term “urbanization reviews world bank” produced 6 results. The option with most results was chosen for the comparative. Search performed in July 2016 using google.com
39 Search term: “territorial reviews OECD”. The search term “territorial review OECD” produced 385 results. The option with most results was chosen for the comparative. Search performed in July 2016 using google.com
40 World Bank. Presentation to MDTF Steering Committee, Brussels, November 2015
41 CDIA Mid-Term Review, January 2015. Total CDIA contributions/infrastructure value linked (Dec. 2013): USD 75.46 m./4,608.3 m. (data obtained from CDIA Self-Assessment Report 2014)
## Exhibit 7 - MDTF Results Framework – SECO

<table>
<thead>
<tr>
<th>Outputs</th>
<th>Output Indicator</th>
<th>Achieved</th>
<th>Comments</th>
</tr>
</thead>
</table>
| Additional Urbanization Reviews (UR) and in-depth policy briefs on economic competitiveness, housing improvements, and social integration | 4 additional Urbanization Reviews per year\(^{42}\) | 29 URs completed or in the process of completion, of which:  
   • 13 received funding from MDTF  
   • 17 have been funded by other sources (of which 4 by SECO prior to MDTF)  
   • Additionally, 7 urban policy activities have been funded by MDTF | Indicator achieved  
   Suggest discarding the word “additional” |
| World Bank projects with coordinated framework of Plan-Connect-Finance | 3 WB projects designed with a coordinated framework per year | 17 Operationalization Urban Reviews completed or in the process of completion | The evaluation recommends rewording the indicator, redirecting it towards Operationalizing Urbanization Reviews. Indicator achieved |
| Standardized geo referenced household surveys made available to city leaders | Data from 3 geo referenced household surveys |  
   • Dar es Salaam and Durban surveys completed  
   • Antananarivo and Maputo in preparation | Indicator likely to be achieved |

### Data and applied research

This evaluation comes at a time that work is still in progress as activities in pillars 3, 4 and 5 are expected to continue to until the end of 2018. For this reason, it is suggested to conduct an assessment of the indicators in DFID’s logframe at MDTF closing date. The following is an assessment of progress up to the time of the present report.

In terms of outcome indicators relative to the data collection effort, the majority of the targets have been achieved. Three out of five Output 1 targets indicated in DFID’s logframe, related to Reliable datasets produced on spatial structure of economic activity at urban and national level.

\(^{42}\) 4 URS per year during three years (2013-2016)
have already been met. The remaining targets, although not fully achieved yet, have within
their own extents reached completion beyond each task’s mid-point.

- Output Indicators 1.2, 1.4 and 1.5 have been achieved;
- The completion of Output Indicator 1.1, the collection of night-time lights data, is 55% of the minimum set target;
- In terms of Output Indicator 1.3, the number of African cities for which geo-referenced household surveys are available, will reach a completion of 57% of the minimum target once a further 2 surveys, to be conducted in Antananarivo and Maputo, are completed.

It is too early to make a conclusive assessment of many of the output indicators relevant to **applied research**. However, in the instances that performance can be measured, **targets have been achieved**.

- Regarding indicators in Output 2- **High-quality, policy-relevant research produced on urbanization in low-income countries**, the research consortium has informed this evaluation that papers are in draft form and have not been submitted for publication yet. Work in progress has a paper forthcoming in the Journal of Urban Economics; one is under revision in the Quarterly Journal of Economics; several papers are under review rounds at various journals, including Journal of Development Economics, Remote Sensing Letters, IEEE Transactions on Geoscience and Remote Sensing, Journal of Human Resources, Economic Journal, Journal of the European Economic Association and Journal of Political Economy. As 25 papers have been prepared and around 15 more are expected, it is not unreasonable to assume that the targets of indicators 2.1 and 2.2 will be achieved in due course.

- In terms of Output 3—**Policymakers guide choice of research topics and make use of research findings (uptake)**,
  - The target of indicator 3.1 **has been met** through the preparation of six policy narratives Addis Ababa, Kigali, Kampala, Nairobi, Lusaka, Dar es Salaam and the flagship report *Opening Doors to the World* on African cities;
  - The target of indicator 3.2 **can be considered to be met in terms of the number of events**, more than 20, in which papers prepared under MDTF have been presented. Given that the period of activity since disbursement date is 30 months, the number of events is significant. There is however no information available on attendance and attendees’ evaluation;
  - The target of indicator 3.3 **can be considered to be met** as the research consortium estimates that there were over 100 stakeholders in attendance during the session on MDTF work at the 2016 World Bank Conference on Land and Poverty;
  - There is no survey of stakeholders information available to make an assessment on indicator 3.4

As a further evaluation instance, it is pertinent to note that the most recent DFID Annual Review of the research program gave it an “A” grade. The review made a special mention of the estimated cost per research paper published, which at £100,000, is “below even the most optimistic scenario anticipated in DFID’s Business Case.”

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43 MDTF FY2015 Progress Report
### Output 1: Reliable datasets produced on spatial structure of economic activity at urban and national level

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target</th>
<th>Achieved</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output Indicator 1.1 - Number of countries of the world for which geo-reference information on economic activity (nights light data) and other environmental characteristics is available</td>
<td>100 (H) 80 (M) 70 (L)</td>
<td>39</td>
<td>Indicator not yet achieved</td>
</tr>
<tr>
<td>Output Indicator 1.2 - Number of developing country cities for which 2-3 years of high-resolution satellite data on land use is available</td>
<td>10 (H) 8 (M) 7 (L)</td>
<td>20</td>
<td>Indicator achieved</td>
</tr>
<tr>
<td>Output Indicator 1.3 - Number of African cities for which new, geo-referenced household or firm-level surveys are available</td>
<td>10 (H) 8 (M) 7 (L)</td>
<td>2</td>
<td>Indicator not yet achieved</td>
</tr>
<tr>
<td>Output Indicator 1.4 - Number of Chinese provinces for which geo-referenced economic, demographic and climatic data is available</td>
<td>24 (H) 20 (M) 10 (L)</td>
<td>21</td>
<td>Indicator achieved</td>
</tr>
<tr>
<td>Output Indicator 1.5 - No. of African countries for which sub-national level (district/province), on rural and urban populations, detailed climate, road access, soil quality is available</td>
<td>16 (H) 13 (M) 10 (L)</td>
<td>32</td>
<td>Indicator achieved</td>
</tr>
</tbody>
</table>

### Output 2: High-quality, policy-relevant research produced on urbanization in low-income countries

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target</th>
<th>Achieved</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output Indicator 2.1 - Number of working papers published</td>
<td>35 (H) 30 (M) 25 (L)</td>
<td></td>
<td>Too early to assess</td>
</tr>
<tr>
<td>Output Indicator 2.2 - Number of peer-reviewed journal articles accepted for publication</td>
<td>25 (H) 15 (M) 10 (L)</td>
<td></td>
<td>Too early to assess</td>
</tr>
<tr>
<td>Output Indicator 2.3 - Number of reports on the evolution of urban form and economic activity in African cities</td>
<td>10 (H) 8 (M) 7 (L)</td>
<td></td>
<td>Too early to assess</td>
</tr>
</tbody>
</table>
Output 3: Policymakers guide choice of research topics and make use of research findings (uptake)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target</th>
<th>Achieved</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output Indicator 3.1 - Number of policy briefs produced, including one flagship report</td>
<td>10 (H)</td>
<td></td>
<td>Indicator achieved</td>
</tr>
<tr>
<td></td>
<td>8 (M)</td>
<td>7 (L)</td>
<td></td>
</tr>
<tr>
<td>Output Indicator 3.2 - Number of consultation and dissemination events attended by at least 20 senior stakeholders and rated &quot;successful&quot; or better by at least 50% of attendees</td>
<td>15 (H)</td>
<td></td>
<td>Indicator achieved in terms of number of events</td>
</tr>
<tr>
<td></td>
<td>12 (M)</td>
<td></td>
<td>No information is available on attendance and attendees' evaluation</td>
</tr>
<tr>
<td></td>
<td>9 (L)</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Output Indicator 3.3 - Number of participants at third-party research conferences that attend discussions of the programme's findings</td>
<td>150 (H)</td>
<td></td>
<td>Indicator achieved</td>
</tr>
<tr>
<td></td>
<td>100 (L)</td>
<td>Over 100</td>
<td></td>
</tr>
<tr>
<td>Output Indicator 3.4 - Proportion of research papers (indicator 2.1) rated &quot;relevant to policy&quot; or better in a survey of stakeholders</td>
<td>80%</td>
<td></td>
<td>No survey information available</td>
</tr>
</tbody>
</table>

Lessons learned

This evaluation has found inconsistencies between the terminology given to the activities that follow-up Urbanization Reviews in the original SECO results framework, and the work and outputs that were actually produced. The logframe indicated that one Policy Guidance note was to be produced per UR. Strictly speaking, only one Policy Note was completed. However, there is a significant amount of follow-up work to URs produced under a different designation. In fact, 17 Operationalizing Urbanization Review outputs have been completed or are in the process of being completed. As the logframe did not take into account OURs, fulfilling this indicator is therefore a matter of terminology consistency rather than productivity.

Increasing the interaction between pillars has been identified as an area of opportunity. However, it would be unrealistic to assume that interaction between pillar activities is going to happen automatically. Interaction needs to be driven and managed so that timing and substantive alignment between data collection, applied research and diagnostics allows outputs to be inputs for other activities.

Both terminology inconsistencies and interaction challenges could be traced back to the sequential nature of the MDTF. It has been noted that the first can create some degree of confusion which does not simplify results metrics and institutional memory. In terms of interaction, pillars were designed to reflect donor’s distinct reporting processes and their

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44 A Policy Note was produced in Tunisia, which actually consisted of a package of stand-alone orientations notes on Labor Market, Regional Disparities, Municipal Finance and Decentralization
particular approach to strengthening evidence-based policy making. The Project Information Document\(^{45}\) indicated

“The specific objectives of the partnership are to scale up and strengthen the WBG’s urban portfolio by leveraging resources from Switzerland and the UK for the World Bank Group’s client countries. This includes assisting developing countries to achieve sustainable urbanization through diagnostic tools on policy and investment constraints, the development of a knowledge base and capacity to implement urbanization investments, and collaboration on the most pressing urban challenges and opportunities across geographic, sector, and organizational boundaries.”

It would seem that the concept of “collaboration” may not carry the same meaning for all parties involved. This is an important point that needs to be jointly clarified by the World Bank and donors. For example, if “collaboration” means that activities carried out under the various pillars share a common objective, then it is achieved. If “collaboration” means that activities and pillars should feed into each other, then the achievement at this point can be characterised as limited. As mentioned, this is to a large extent because interaction was not a built-in feature in the design of pillars.

While timing may allow activities to better relate to each other and thus contribute to overcome a sense of activity silo, achieving the full benefits of a multi-donor effort over a series of independent initiatives carried out under an umbrella name would require a clear definition of what “collaboration” actually entitles so that it is built-in in a programmatic approach. Such approach could use the value chain as a tool to drive activity interaction from high level analytics to implementation. This will be further discussed in the Way Forward section.

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\(^{45}\) World Bank (undated) Project Information Document. Work Plan - World Bank (Urban and Disaster Risk Management Department) – Government of Switzerland (SECO) partnership on Sustainable Urbanization – UK (DFID), page 4
5 Way forward

This section explores options for the MDTF after the current format comes to an end. It is pertinent to clarify that while DFID and SECO have expressed in interviews to be open to considering different modalities to remain engaged, MFA has indicated to this evaluation that it is unlikely that Norway will continue to be part of the MDTF.46

5.1 Options

This evaluation has considered the following options:

- Termination
- Continuation
- Scaling up

5.1.1 Termination

Termination refers to a complete cease of activities after December 2018, when the current MDTF will close. This would normally imply that grants have been completely disbursed by then. SECO has disbursed its committed amount fully at the time of preparing this report. For DFID, there are disbursements that are expected to be still executed for USD 3,159,249, out of which USD 2,127,319 are for the recent Economic Performance of Cities pillar.

There was a consensus among interviewees in considering termination as a missed opportunity. This evaluation concurs with this broadly shared view because:

- It would be a missed opportunity for donors to disengage themselves from thought leadership in urban issues at this crucial moment. Given the context of increased attention which can be expected with the introduction of SDG 11, and other initiatives that confirm the association of urbanization with the growth agenda, it is reasonable to assume that high-level analytics will be more important than ever; and it is also reasonable to assume that, in the event that current donors decide to discontinue the current MDTF, other donors might be interested in taking what has been done to a next level.
- It would be a missed opportunity for the World Bank to discontinue an engagement in forefront data collection and analytical work that is generating unprecedented knowledge of the drivers of urbanization. The MDTF is making it possible to conduct analytical work which would normally otherwise not be covered by project funds; creating a space of policy dialogue with country clients before a lending operation is defined; and supporting the design of projects through new evidence which can reduce risk and facilitate implementation.
- It would be a missed opportunity for country clients, especially those rapidly urbanizing, to interrupt a policy dialogue which has been referred to as “eye opening”
- The review of performance indicators does not suggest termination.

46. Via email, dated 12 June 2016.
Based on the relevance of the MDTF thematic agenda, its substantive output, and the achievement of indicators, this evaluation recommends discarding the termination option.

5.1.2 Continuation

For continuation, this evaluation refers to a situation in which both or one of the current donors express interest in carrying over the current format, with some degree of variation in the scope of the pillars, but generally under a similar modus operandi. Carry-over activities could be complemented by new ones, further providing evidence and knowledge on the issues outlined by the current MDTF. Preliminary budget estimations would contemplate a level of effort at least similar to the present MDTF over a comparable period.

This evaluation has learnt that in light of the successful technical appraisal of DFID of the Spatial Development pillar, there are already bilateral discussions on the modalities for continuation on the pillar’s scope. However, details could not be shared at this point.

The following considerations for continuation have emerged:

- Continuation would enable each pillar to go along its existing path, which facilitates bilateral interests to be reflected in activities;
- Carrying over MDTF’s sequential origin would enable new contributors to bring their own agendas which might facilitate their decision to enter;
- Continuation is workable if the priorities and geographical focus of donors require windows of particular interest;
- It is practicable if synchronization of resource mobilization proves to be a challenge, giving more flexibility to donors to time their commitment;
- It is a viable option if establishing shared basic logframes is deemed to be unworkable;
- Continuation would require less process adjustments, which, in theory, would allow an activities to go uninterrupted, or to resume activity within a shorter period than scaling up;
- From a content perspective, continuation is not necessarily more of the same, as activity definition could focus on taking what has been done to a deeper more detailed level of evidence and knowledge, to the extent permitted by a budget similar to the existing one.

To this evaluation, this option is a practical way to continue activities without interruption, and although scope and detail could be increased to an extent, it implies a shared acceptance that the transformational potential might not be the same as in a scaled up MDTF.

5.1.3 Scaling up

Scaling up refers to a multiplied number of coordinated activities which would allow taking the detail of data to a hyperlocal level, focusing diagnostics and applied research on a number of cities, and supplying advanced spatial analytics to the design of lending projects to support the overall aim of achieving transformational urban policy. This would be an exceptional contribution to the urban agenda.
It is obvious that any budget estimation for such activity leapfrog will need to be based on a detailed design of the fund. However, one proxy that could be considered to illustrate a possible ballpark at this point can be found within the MDTF’s own experience. The fund roughly went from USD 3 million in its early phase to USD 22 million when SECO and DFID joined, thus multiplying the fund’s size by 7. MDTF’s ability to succeed through this embryonic version of scaling up resulted in a substantive framework in place and a soaring number of activities.

The following are considerations for a scaled-up MDTF:

- A scaled-up MDTF would be in a position to become the leading evidence and knowledge provider, reinforcing thought leadership of donors and the World Bank, and delivering a major effort towards SDG11;

- Through granular data combined with other sources, a scaled up MDTF could take the successful Urbanization Reviews methodology to develop a comprehensive portfolio of reviews centered on cities, thus addressing the drivers of urbanization through an unprecedented level of detail;

- MDTF activities could strengthen their role as a hinge between high level analytics and lending operations. This role would need to be systematized to maximize synergies and avoid overlaps with pre-feasibility studies;

- Scaling up would require to move on from a sequential approach to the substantive agenda to defining a program to which entrant donors would be contributing to. While this might require an additional upfront effort, the experience amassed in MDTF in shaping a common picture during its operation would be indicative that it is possible. Given the larger scale of operations, it would be cumbersome to shake up the agenda every time a donor materializes interest;

- A defined program would however need to be constructed in a way that does not hinder responsiveness to emerging demands from country clients;

- Current donors might want to take advantage of their position to start sharing ideas with the World Bank for the design of the agenda before broadening up;

This evaluation considers that the MDTF is in the right place, at the right time to make a transformational contribution to urbanization, and scaling up is the option that would enable this unique opportunity.

### 5.2 Preliminary considerations for the design of a new MDTF

This evaluation has recommended donors and the World Bank to consider as primary option a scaled up version of the MDTF. This would require starting the detailed design of the new MDTF as soon as possible, so that design and approval processes allow activities to start before or at the time the current MDTF comes to a close. Three elements for the design of a new MDTF emerge from the analysis of activities and outputs in sample countries:
• Improving the interaction between pillars through making the value chain explicit
• “Going granular” to a city and a sub-municipal scale of data and analytics
• Developing a communications, outreach and reporting strategy

5.2.1 Improving the interaction between pillars through the value chain approach

Figuring out how analytical work does not stay on the shelf and cascades into projects has been mentioned as a success factor in donor interviews. As a matter of fact, they have expressed that the ability to establish a linkage between research and change on the ground is a key reason to partner with the Bank. For this to happen, increasing the interaction between pillars is essential.

An early hypothesis for the design of a scaled-up successor of the MDTF is to apply the value chain that structures the activities of the Global Platform for Sustainable Cities (GPSC). As shown in section 3, MDTF activities do share a space within the upstream and midstream activities envisioned in the GPSC structure. Mapping MDTF outputs in six sample countries (Exhibit 8) enables to visualize that the scope of the value chain covered by the fund is comprehensive regarding upstream activities identified by GPSC\(^47\), such as cutting edge research, data and evidence based studies, knowledge sharing, and sector specific or policy related TAs. Outputs have also contributed to strengthen the design of projects which is a midstream activity related to project preparation. MDTF’s many entry points to the value chain reinforce the notion of responsiveness to specific country and project cycle needs.

In a scaled up scenario, making the value chain approach explicit can improve the interaction between upstream and downstream activities, which would create additional value for the program as a whole. In addition, it would contribute to:

• Strengthen the MDTF focus on cities and specific interventions to transform them;
• Increase the interaction and coordination between activities, taking advantage of the inputs that they generate for each other, which would be facilitated by the common point of reference provided by the value chain;
• Enable visualization of how MDTF activities cascade from upstream data generation and analytical work to contributing to shape mid-stream policy reform and lending operations;
• Provide just-in-time support to SCDs and help synchronize with CFPs;
• Help identify other resources (i.e. project preparation) which could potentially fill a gap between the analytical work and a lending project.

The value chain would not only be compatible with a thematic categorization of MDTF activities (i.e. competitiveness and productivity, climate resilience, etc.) but it would also help integrate them, and thus contributing to mitigate the risk of categories becoming silos of knowledge.

A further positive aspect is how a value chain approach can contribute to generate inputs for more explicit narratives towards a content-based communication approach. Donors would find value in knowing that, for example, a 100 million loan for affordable housing in Mexico could not have happened without upstream MDTF-funded analytical work.

\(^{47}\) Please see Exhibit 3 on Section 3.1.2
Implementing the value chain would require to embed it systematically in all steps of an MDTF activity, such as proposal preparation; selection and grant allocation; activity development; and reporting and evaluation. This would mean that the value chain approach would require some follow-up work after the MDTF activity is completed to understand its contribution as a hinge between analytics and feasibility.

Exhibit 9 – MDTF activities in sample countries mapped on GPSC value chain
5.2.2 “Going granular”

There is a remarkable lack of data at municipal and sub-municipal level, especially in rapidly urbanizing countries. Information obtained from national censuses, although valuable, does not provide a detailed and frequent enough input for targeted urban policy. As the possible effects of policies and projects can be completely different across areas within the same city, in order to have a realistic understanding of how conditions may change it is necessary to adjust the granularity of the data to a hyperlocal level. For example, the implications on productivity of the functional location of activities, and the commuting that they generate, is critical knowledge for designing policies and projects. Hyperlocal data, obtained from surveys at neighborhood, block or household level would allow, for example, understanding of how the investment on public transport infrastructure increases the access of people to jobs, schools and other services.

Given the success of Urbanization Reviews, the next generation of analytical products could be concentrated on cities. In a scaled-up MDTF, granular data coming from the ground could complement a city-based analytical scope. The additional resources would enable pushing the data frontier to a hyperlocal level for which surveys conducted under current MDTF, such as the Measuring Living Standards In Cities, are a very useful precedent. Rolling out these and synchronizing them with, for example, night-time lights data will enable overlapping economic productivity at a city scale with household information.

Articulating the city focus could build on the integrated methodology developed in the Urbanization Reviews for systems of functional areas at national scale taking it to a metropolitan scale – that is, going broader than administrative areas to provide diagnostics on functional areas. The city focus could take the shape of, for example, Shanghai 2050, echoing the success of Vietnam 2035\(^\text{48}\) at an urban scale.

5.2.3 Communications, outreach and reporting

Communication was identified in interviews as an area of opportunity. It has emerged that at some point, donors had the perception that they had not been completely kept up to date with how the activities had been progressing. World Bank staff shared that there might have been some communication issues that had prevented results to be fully communicated. The interviews revealed that there is common ground in the idea that ensuring that donors and stakeholders outside the Bank are informed about the activities that are being carried out is as important as carrying out the activities.

This evaluation can appreciate that progress is being made after a period of difficult communication, which coincided with the major reorganization at the World Bank that started in the summer of 2014. Additionally, reporting expectations were different after DFID and SECO had recently joined the fund. To top it all, changes in donor focal points also took place around that time.

While it might be understandable that the adjustment period following the reorganization has had a role in communications being an area of improvement, it can be expected that a renewed focus can support the fund to move to a next level. In the most recent MDTF

\(^{48}\) Vietnam 2035 is a multi-sector World Bank study that identifies key transformations that will help achieving national development objectives by a defined time horizon.
Steering Committee meeting, in Brussels, November 2015, donors expressed appreciation for the quality of the work and offered suggestions for reporting improvement. There was also “considerable discussion about the need to strengthen dissemination of outputs and results outside of the Bank, both at country and global levels.” 49 The perception that producing progress reports does not necessarily generate communication has become evident to this evaluation, as well as the donors’ desire for a more consistent and content-based approach to communicating. Since the Brussels meeting, it appears that improvements are on their way.

A day of substantive interaction organized for SECO in Washington in early 2016 was perceived as a positive step forward. The direct contact with of TTLs and Practice Managers through presentations and discussions was important to understand the magnitude and relevance of the work being done. A key lesson from this meeting is the value that donors attach to having access to resident intellectual power and technical expertise when interfacing with the World Bank.

A further example of the progress being made is the launch in April 2016 of a repository of MDTF outputs which is publicly available online.50 This evaluation has been a regular user and can comment that the web site, which is hosted by the Bank’s Collaboration for Development (C4D) platform, is easy to navigate and remarkably rich in downloadable content. The site contains documents from all pillars, except pillar 5, for which a note announces the research focus of the activities to come. The site has received 10,061 visits since its launch. The C4D platform’s incompatibility with web traffic analytics impede knowing how many of these where from outside the World Bank. The number of visits per month can be described as stable rather than escalating, which might suggest an opportunity to further promote it, as announced, through external networks.

A scaled up MDTF would require an explicit communications strategy that supports the renewed focus on a content-based approach to communicating. This in turn would signal the need for additional clarity in the MDTF communications and reporting framework and the core team that delivers it. Interviewees have indicated the suitability of incorporating a knowledge communications role tasked with creating a narrative of MDTF results for donors and outside the Bank. This role would complement the MDTF core contact team comprising a program administration and information management sub-team and a designated technical focal point that would be able to provide a content overview of all MDTF activities.

Building on the positive experience of the day of presentations to SECO in early 2016, an instrument to consider for a more efficient, effective and content-based reporting would be establishing an “MDTF Day”. Such format would allow reinforcing the communication focus on content, creating a space for the Steering Committee to meet on a yearly basis to discuss and decide on substantive issues, and think about the future. Inviting country clients to share their experience in the MDTF Day would contribute to make the value chain more explicit and allow donors to learn first-hand about the impact of their contribution on the ground. Video messages from those who benefit from MDTF activities and related projects - from leading researchers to people that can that enjoy a wetlands park - could add a human angle to the story being told. Donors would gain visibility in front of country clients and the World Bank. Livestreaming the MDTF Day would multiply exposure and recognition for all. In the scenario of scaling up, the MDTF Day could be a cost-effective way of magnifying outreach. Donors and the bank could think of the day as a “live reporting” which would reduce the weight on report production.

49 World Bank, Minutes of MDTF FY15 SC Meeting
50 https://collaboration.worldbank.org/groups/research-partnership-for-sustainable-urban-development
Although MDTF reporting has been described as “easier” by TTLs than other trust funds, it is also pertinent to say that reporting does take its time. In a continuation or scaling up scenario, reporting would need to be structured in a way that it does not involve escalating bureaucracy. Periodic conference calls followed by meeting minutes can be a practical way to respond to the expressed need for more frequent communication, as yearly progress reports are too spread out in time which can contribute to generate a perception of disconnect.
6 Ethiopia

In Ethiopia, the MDTF is supporting the following activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>MDTF Pillar</th>
<th>Closing date</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethiopia Urbanization Review</td>
<td>Urbanization Reviews</td>
<td>12/31/2015</td>
<td>150,000.00</td>
</tr>
<tr>
<td>Spatial Development of African Cities</td>
<td>Spatial Development of Cities</td>
<td>6/27/2016</td>
<td>Activity budget is 3,500,000.00</td>
</tr>
<tr>
<td>Economic Performance of Cities</td>
<td>Economic Performance of Cities</td>
<td></td>
<td>Activity budget is 3,000,000.00</td>
</tr>
</tbody>
</table>

Urbanization, which currently stands at 19% in Ethiopia, is set to increase dramatically. The urban population is projected to nearly triple from 15.2 million in 2012 to 42.3 million in 2037, growing at 3.8 percent a year. Urbanization has been identified as a priority agenda to accelerate progress towards achieving middle-income status by 2025, a stated national objective. The Ethiopia Urbanization Review came at the right time to provide a space for dialogue and a solid base of evidence to elevate the urban agenda to such center stage. The UR identifies three core priorities for Ethiopian cities: job creation, infrastructure and services, and housing. To tackle these three priorities, the report recommends critical reforms to urban policy and institutions in the areas of urban financing and land management.

“The MDTF activity in Ethiopia can be associated to a strong government buy-in at the highest level. It has successfully placed urbanization and how to address it at the heart of an inter-ministerial dialogue. The extensive consultation process that took place in parallel to the preparation of the UR is highly valued by the county client. An Urbanization Review workshop in March 2015 was chaired by the Prime Minister and attended by members of the Cabinet and other government agencies at the federal, regional and local levels. Media coverage was extensive, including the evening news on Ethiopian National TV. The UR was formally endorsed by the Ethiopian government and is being published as a joint World Bank-Government of Ethiopia report.”

The UR launch workshop was held in October 2015, chaired by the Minister of Urban Development, Housing and Construction. With its findings and messages formally endorsed, the UR has been acknowledged as one of the background documents that provide input to the second Growth and Transformation Program for 2015/16 – 2019/20 (GTP II), a national five-year sectoral plan. GTP II now includes urbanization as one of its 9 strategic pillars. Specifically, pillar e) reads “Proactively manage the on-going rapid urbanization to unlock its potential for sustained rapid growth and structural transformation of the economy”. This is a significant departure from the first GTP (2010/11 – 2014/15) which had not identified urbanization as a strategic pillar. The UR enabled a one-year dialogue process during the preparation of GTP II. The draft was released in the fall of 2015 which coincides in time with the launch of the UR document.
The UR highlighted that more than 25% of companies in Ethiopia reported that access to land represents a major or severe constraint to doing business. The government acts as the sole supplier of urban land for formal development, with a complex system of land-leasing. The issue of access to affordable, serviced land is exacerbated by regulations dictating minimum lot sizes and limits on land plot coverage and building heights, which discourage high-density development that could accommodate all income groups in closer proximity to jobs and services.

The growing demand for urban land and affordable housing in the context of rapid urbanization is one of the topics for which the government has requested additional diagnostics as follow-up to the UR. An independent technical assessment of the Integrated Housing Development Program, in place since 2006, is currently being procured. Up until 2012, the IHDP had delivered over 200,000 units in 56 towns. The technical assessment is expected to include a detailed analysis of the urban land supply and delivery system and generate proposals to improve the efficiency of urban land supply, as well as assess the overall performance of the housing sector regarding its ability to meet challenges associated with rapid urbanization.

"Well-managed urbanization is key for economic development and inclusiveness” Ato Abuye, Ministry of Urban Development, Housing and Construction

In addition to housing, other key topics of ongoing engagement include institutional strengthening and capacity building, urban municipal finance and optimizing land-based revenues, land and the development of a public registry.

A policy narrative for Addis Ababa was produced as part of the research program Spatial Development of African Cities. The paper highlights that Ethiopia’s recent urban development has been guided by a ‘big-push’ approach initiated through the GTP, with sizeable public investment in infrastructure. However, it warns of procedural constraints such as the lengthy procedures required for legalizing a master plan, sometimes making plans irrelevant by the time they have been approved for implementation, especially in the case of rapidly growing Addis Ababa.

This evaluation concludes that in Ethiopia, the influence of MDTF activities has been superlative in elevating urbanization to a national priority.

- The UR activity has generated a strong government buy-in at the highest level, with Prime Minister involvement;
- As an outcome of the UR dialogue, urbanization has for the first time been identified as a strategic pillar in the National Growth and Transformation Program to 2020;
- The government has requested additional diagnostics as follow-up to the UR including a technical assessment in the key urban land supply and affordable housing sector;
- Addis Ababa is one of the focus cities of the pillar Economic Performance of Cities and subject of working papers of the Spatial Development of African Cities which are expected to bring further insight to the ongoing engagement.
7 Mexico

In Mexico, the MDTF has supported the following activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>MDTF Pillar</th>
<th>Closing date</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico Urbanization Review</td>
<td>Urbanization Reviews</td>
<td>6/30/2016</td>
<td>150,000.00</td>
</tr>
<tr>
<td>Support to Inner-City Affordable Housing Program</td>
<td>Operationalizing Urbanization Reviews</td>
<td>8/30/2016</td>
<td>300,000.00</td>
</tr>
<tr>
<td>Sustainable Urban Development in Mexican Cities: a hands-on approach</td>
<td>Other Analytical Work</td>
<td>11/30/2012</td>
<td>74,167.64</td>
</tr>
</tbody>
</table>

The Mexico Urbanization Review, currently in its final stage for publication, has contributed to establishing a high level policy dialogue between the Ministry for Rural, Territorial, and Urban Development (SEDATU), the National Commission for Housing (CONAVI) and the Federal Institute for Workers’ Housing (INFONAVIT) and the World Bank. The UR, which covered 54 out of 59 metropolitan areas in Mexico, concluded that the construction boom and availability of housing finance coupled with the absence of effective urban planning has contributed to urban sprawl. The report characterized urban footprints as distant, dispersed and disconnected. This undermines the productivity, inclusiveness and quality of life of Mexico’s cities, which concentrate 79% of the total population.

“MDTF has provided tools that inform and support Mexico’s urban policy reform so that is based on evidence.” Pablo Fernandez Marmissolle Daguerre, SEDATU

Although government officials are aware that Mexico’s sophisticated mortgage system has been disengaged from spatial planning, MDTF activities contributed to confirm this shortcoming through rigorous analytics. The body of evidence generated is being used by policy makers in support of a wide urban policy reform program known as La gran reforma urbana, which advocates a conceptual shift from “making houses” to “making cities”. Questions of attribution aside, it can be said that the analytical work undertaken under MDTF has supported this shift in policy which is evident in a number of initiatives.

CONAVI, previously an independent entity, was made an administrative unit of SEDATU, which can be expected to lead to improved sector coordination. Housing subsidies to improve affordability for low income households have been reoriented from single use developments in the outskirts that had limited or no location constraints to new criteria that incentivize buyers’ interest in multi-family housing in designated development zones within consolidated urban areas. Subsidies are given in 384 cities with population of over 15,000.

Under this new policy approach, CONAVI has granted, between 2015 and 2016, over 150,000 subsidies worth USD 477 million. Since 2015, SEDATU’s Programa de Consolidación de Reservas Urbanas (PCRU) provides subsidies worth USD 6.5 million to low-income population for access to housing in designated locations. SEDATU estimates

“URs are extremely useful in demonstrating the importance of urbanization to decision makers and stakeholders.” Catalina Marulanda, World Bank
that 80% of new homes are now built near workplaces51 and that the shift in urban policy in terms of subsidy allocation has reached 3.9 million dwellings.

The urban reform will be embodied in the new Law for Human Settlements, currently in draft stage. To generate buy-in, the reform is being socialized through forums in all 32 states of Mexico. The analytical work has assisted SEDATU in articulating a compelling narrative based on evidence. If the approval process moves forward, the draft law will be presented by the Government of Mexico to Habitat III in October 2016; its full enactment is foreseen in the next legislative term.

MDTF activities can be associated with the World Bank’s Programmatic Approach for Urban and Housing Policy, which intends to support the Government of Mexico in improving affordability and diversification of the housing markets. The key recommendation of the analytical work, the need for improved coordination between housing and urban planning, is recognizably in the program’s activities. In the housing sector a Reimbursable Advisory Service (RAS), budgeted at USD 500,000, was conducted with the goal of strengthening housing policy. The programmatic approach included an activity on metropolitan strategic planning for Mexico City. It is fitting to note that the Global Lab for Metropolitan Strategic Planning had received funding from the MDTF for USD 130,792.19 under the Other Analytical Work pillar. Also within this pillar, the Sustainable Urban Development in Mexican Cities activity enabled a dialogue between the authorities and the private sector to address barriers to compact, mixed-use development.

Findings and key messages stemming from MDTF activities are quoted in the USD 100 million World Bank lending operation for inner-city affordable housing to CONAVI and INFONAVI. The operation, set for board approval in March 2017, is expected to increase access to affordable, well-located quality housing for low and middle income segments, bringing about substantial social, environmental and economic benefits.

This evaluation concludes that in Mexico, MDTF activities have been influential to a significant extent in GoM’s shift in urban policy and in supporting the World Bank’s programmatic engagement.

- The Urbanization Review initiated a high level dialogue providing a critical mass of evidence that highlighted key policy constraints and helped shape policy reform;
- The Operationalizing Urbanization Review activity enabled the dialogue to continue targeting priorities to the key housing sector;
- MDTF activities are well integrated in the World Bank’s country programmatic approach and have contributed to create the conditions for a Reimbursable Advisory Service;
- Findings stemming from MDTF activities were instrumental for the World Bank and GoM to engage in a USD 100 million loan in the housing sector.


“MDTF allowed us to keep engaged with clients in meaningful conversations.”
Angélica Nuñez, World Bank
8 Sri Lanka

In Sri Lanka, the MDTF has supported the following activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>MDTF Pillar</th>
<th>Closing date</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robust Urban Wetland Management for a Sustainable Metro Colombo</td>
<td>Urbanization Reviews</td>
<td>12/31/2014</td>
<td>73,851.55</td>
</tr>
<tr>
<td>Sri Lanka Land and Housing</td>
<td>Operationalizing Urbanization Reviews</td>
<td>8/31/2016</td>
<td>300,000.00</td>
</tr>
<tr>
<td>Livelihood Assessment of Flood-prone Low-income Settlements in Colombo City</td>
<td>Other Analytical Work</td>
<td>3/31/2013</td>
<td>62,502.60</td>
</tr>
</tbody>
</table>

Colombo’s landscape is a blend of land and water; in fact, it is a city built on wetlands. Although today wetlands still cover about 20 square kilometers in metropolitan Colombo, about 60% of the original wetland area has been lost since the 1980s due to informal infilling and ad hoc development. This reduces water storage capacity, endangers biodiversity and natural habitats and increases the risk of floods when heavy rains occur, such as the severe incident that paralyzed the city in November 2010, affecting more than 450,000 residents and causing millions of dollars in economic losses due to business interruption and asset damage.

The main findings and recommendations of the Robust Urban Wetland Management for a Sustainable Metro Colombo activity became available in October 2015. The report made the case for wetland preservation in Metro Colombo through a cost-benefit analysis that estimated a 1% of GDP loss due to flooding that would occur if wetlands were to disappear.

The policy dialogue enabled by the MDTF activity was instrumental in convincing government entities such as the Ministry of Megapolis and Western Development (WRMPP), commissioners of relevant municipalities, administrators within the Sri Lanka Land Reclamation and Development Corporation (SLLR&DC) and the Urban Development Authority (UDA), and the general public about the environmental and economic value of wetlands, especially those located within the city limits.

“The study funded by MDTF was a very good eye opener to the benefits of wetlands, both in environmental and economic terms” Thushari Andra Hennadige, Sri Lanka Land Reclamation and Development Corporation

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52 Colombo Wetland Management Strategy
relevant local authorities. The process, which is 60% completed, started by demarcating the boundaries of the wetlands. The National Wetland Management Steering Committee is currently undertaking several rounds of consultation with stakeholders. Rules and regulations for preservation are expected to be enacted before the end of 2016. Until then, the government has imposed measures to stop illegal fillings.

“The MDTF has allowed us to do the most innovative work in Colombo” Rosanna Niti, World Bank

The Megapolis Development Plan, which covers the Colombo metropolitan area, was launched in December 2015 by the Minister of Megapolis and Western Development. The plan is expected to mobilize investments worth USD 30 billion within the next 10 years. Growing interest is adding pressure to transform wetlands into new housing and commercial zones, which makes them highly vulnerable. Informed by the analytical work funded by the MDTF and the subsequent WMS, the Megapolis masterplan identifies wetland protection zones where no agency or local authority can issue permission for activities other than those recommended.

The five-year Metro Colombo Urban Development Project (MCUDP) is a USD 213 million package that intends to reduce flooding in the catchment of the Colombo water basin, and strengthen the capacity of local authorities in the Colombo Metropolitan Area (CMA) to rehabilitate, improve and maintain local infrastructure and services through selected demonstration investments. Initially, MCUDP had a focus on hard infrastructure intervention with the construction of assets such as sewage pipes networks and pumping stations. The MDTF analytical work had an influence in broadening the scope of the project to include a softer, more natural approach to wetland management. The MCUDP includes the creation of Beddagana, a public wetlands park that helps wetlands become part of city life.

“We wouldn’t be able to do such cutting edge analytical work without the MDTF” Yoonhee Kim, World Bank

This evaluation concludes that the activities funded by the MDTF have had a significant influence in Sri Lanka for the following reasons:

- The activity under the Urbanization Review pillar has made a compelling case for wetland preservation which has triggered additional PHRD financing for a Wetlands Management Plan;
- The MDTF analytical work has contributed to changing the perception of wetlands, not only ensuring their preservation but also that they become assets for Colombo;
- The Central Environment Authority of Sri Lanka is preparing to enact rules and regulations for wetland preservation, and the Megapolis masterplan is to include wetland protection zones for the first time in Colombo;
- The MDTF has influenced the USD 213 million MCUDP to broaden its scope to include a softer, more natural approach to wetland management

55 Wetland Briefing Document
Beddagana Wetlands Park

Andrina Fernando/World Bank

The Beddagana urban wetland, which is part of the flood plans of the Diyawanna Lake, covers an area of 18 ha. The Beddagana Wetlands Park provides a recreation facility that helps with flood control, provides a refuge for flora and fauna and moderates the temperature of the immediate surrounds. The Park also provides a facility that educates the public about the city’s natural resources as well as providing much-needed open space and walking paths.

Cost and Financing (Rupees 181million). This was fully funded under the IBRD loan as a part of MCUDP’s Component 1, related to flood and drainage management. MCUDP is the first bank-supported urban project in Metro Colombo. Complementing the project’s hard infrastructure (e.g. tunnels, canal construction and rehabilitation, pumping stations), these “soft” infrastructure works will do much for both flood protection and quality of life within the city.

Economic Benefit to Wetlands: Colombo’s natural wetlands provide effective protection from floods. According to the Bank’s analytical work on economic benefits of wetlands, if Colombo was to lose all its wetlands, the Colombo Metropolitan Region would be at a risk of losing 1% of its GDP on average each year due to flood damage – similar to damages suffered in the massive floods of November 2010.

Importance within the Metro Colombo Region: Beyond serving as essential pieces to flood mitigation and protection, the wetlands make the city more livable by regulating extreme air temperatures. It is estimated that more than 50% of Colombo benefits by the evaporative air cooling provided by the wetlands. They also protect the health of the citizens by buffering the negative effects of air-borne pollutants and by providing the much-needed recreational space.

Operations and Maintenance: The Urban Development Authority has developed a Management Plan and will be responsible for the operations and maintenance of the Park in the short run.

9 Tanzania

In Tanzania, the MDTF has supported the following activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>MDTF Pillar</th>
<th>Closing date</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operationalizing Urbanization Reviews in Lending Projects - TSCP and ZUSP</td>
<td>Operationalizing Urbanization Reviews</td>
<td>8/30/2016</td>
<td>300,000.00</td>
</tr>
<tr>
<td>Support for Tanzania’s Urban Transition</td>
<td>Other Analytical Work</td>
<td>6/30/2013</td>
<td>160,790.66</td>
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<tr>
<td>Measuring Living Standards within Cities</td>
<td>Global Partnerships and Data</td>
<td>10/31/2016</td>
<td>Total pillar budget is 2,200,000.00</td>
</tr>
<tr>
<td>Spatial Development of African Cities</td>
<td>Spatial Development of Cities</td>
<td>6/27/2016</td>
<td>Activity budget is 3,500,000.00</td>
</tr>
</tbody>
</table>

Tanzania is urbanizing rapidly. Today’s rate of urban population, 32%, is expected to reach 50% by 2030. The urban population will triple over the next 3 decades while only one third of the urbanization infrastructure that will be needed by 2050 has already been built. The sizable urban portfolio of the World Bank covers most cities in the country through four operations for a combined amount in excess of USD 800 million.

Two operations are benefiting directly from MDTF activity. The Zanzibar Urban Services Project (ZUSP), which was approved by the board in 2011 and is worth USD 38 million, is expected to strengthen municipal capacity, develop infrastructure, and deliver street improvements in the World Heritage City of Stone Town. The Tanzania Strategic Cities Project (TSCP), a USD 163 million operation which started in 2010, includes investment in core urban infrastructure and services, and institutional strengthening in fiscal and management capacity, improving own source revenues, and enhancing management and cost recovery of key urban services. A request for additional financing of USD 100 million to scale up TSCP activities was approved in 2016.

“MDTF supported important activities that were not foreseen in project formulation.” Eng. Ezron Kilamhama, PO-RALG

The thematic focus of the MDTF activity Operationalizing Urbanization Reviews in Lending Projects - TSCP and ZUSP was formulated on the basis of preliminary recommendations from the Urbanization review (currently being finalized). This activity provides combined support in two key thematic areas. The first is own source revenue for local governments, for which the OUR provides diagnostics, potential for improvement and a support plan. An important element in this thematic area is the pilot Local Government Revenue Collection Information System (LGRCIS), which first started under TSCP and is being rolled out to 130 local governments. The second thematic area is solid waste management. For the Zanzibar project, a strategic plan for solid waste management is being drafted; and for TSCP, the focus is on capacity building for local governments on waste collection and transport.

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56 Collier P, Jones P (undated) Transforming Dar es Salaam into a City that Work. University of Oxford
The MDTF has been an agile vehicle to conduct activities that were not originally included in lending operations. OUR findings will inform property tax system improvement; for example, GoT recently assigned Tanzania Revenue Authority the responsibility of collecting property tax and the MDTF activity is assessing the impact of this change. The OUR is studying modalities for the potential engagement of the private sector in the solid waste sector; there are currently no mechanisms for PPPs in place. The activity also supported the preparation of the additional funding proposal for TSCP. Other lending operations with similar components that benefit from OURs are the Dar es Salaam Metropolitan Development Project (DMDP), a USD 300 million loan to improve urban services and institutional capacity in metro Dar es Salaam; and the Urban Local Government Strengthening Program (ULGSP), a loan for USD 255 million to support the development of 18 tertiary cities to include regions that were not under TSCP.

Dar es Salaam was the first pilot city for the Measuring Living Standards within Cities activity conducted under MDTF funds. The survey was implemented between November 2014 and April 2015 and covered 2,400 households. The geo-referenced survey is expected to provide information on urban living standards (access to basic services, informality, urban mobility, and housing) at an unprecedented level of granularity. There are conversations about using the MLSC data to understand mobility challenges for Dar es Salaam residents before and after the introduction of a USD 190 million lending operation (2008) for a BRT on the Second Central Transport Corridor Project; the operation mobilized additional financing of USD 100 million (2012). Although the survey was not designed to be a baseline for an impact evaluation, information can be used to construct a narrative of how conditions may have changed due to the new transport system.

In terms of the Spatial Development of Cities pillar, papers relevant to Tanzania are:

- Dar es Salaam: A Policy Narrative, which provides a historic perspective on policies which have influenced how the city developed to its current urban form;
- Transforming Dar es Salaam into a City that Works, which presents evidence that most of the potential offered by urbanization has not yet been made;
- Retrofit or Plan Ahead: Evidence from Tanzanian Cities, which provide a contrast between sites and services and upgrading projects to address slums;
- Household and Spatial Drivers of Migration Patterns in Africa: Evidence from Four Countries, relevant as Tanzania moves from predominantly urban to rural in the next decades.

This evaluation concludes that in Tanzania, MDTF activities have been valuable in supporting a suite of projects.

- The Operationalizing Urbanization Review Activity provides just in time, supportive analytical work for ongoing lending operations;
- OUR has supported the mobilization of additional funding of USD 100 million for TSCP;
- The positive performance of the TSCP project prompted GoT to request a USD 225 million loan to scale up activities to 18 tertiary cities.

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10 Tunisia

In Tunisia, MDTF has supported the following activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>MDTF Pillar</th>
<th>Closing date</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tunisia Urbanization Dissemination of UR findings and policy recommendations</td>
<td>Urbanization Reviews</td>
<td>6/30/2016</td>
<td>75,000.00</td>
</tr>
<tr>
<td>Tunisia Operationalization</td>
<td>Operationalizing Urbanization Reviews</td>
<td>6/30/2016</td>
<td>300,000.00</td>
</tr>
<tr>
<td>Tunisia Socio-economic assessment of peri-urban areas</td>
<td>Other Analytical Work</td>
<td>3/31/2013</td>
<td>118,920.00</td>
</tr>
</tbody>
</table>

Following the Jasmine Spring of December 2010-January 2011, incumbent decision makers had a strong interest in analytical work to inform their reform program. The Tunisia Urbanization Review, which started preparations in 2011 and took a year and a half to be completed, highlighted the country’s regional disparity between coastal areas, which have the characteristics of middle income country, and the lagging hinterland, where the HDI is low. The empowerment of the local level was one of the top priorities because it had been a main demand in the streets of the cities of Tunisia during the Jasmine Spring. The analytical work was timely and aligned with the demand of the government in terms of decentralization and attention to lagging cities and regions.

A new Constitution began to be drafted in the fall of 2011. This presented an opportunity to anchor the two themes that came out of the analytical work into the Parliament’s agenda. The findings of the UR were applied to the development of an institutional framework to empower local governments in terms of responsibilities and functions. The recommendations were taken on board by the Ministry of Interior’s Direction Générale des Collectivités Locales (DGCL) technical working group. Decentralization became one of the main chapters of the Constitution. In order to disseminate the findings of the UR to wider audiences, the government requested the World Bank’s support in producing orientation notes on decentralization, regional disparities, municipal finance and the labor market.

“The MDTF has helped to define a real-time, IT-enabled system of direct assistance to LGs which is essential to meeting their new commitments in the context of decentralization” Ines Salem, CPSCL

The upstream dialogue with decision makers enabled building a discourse which was followed by the design of the reform that needed to be put in place. This was covered by the Operationalization Urbanization Review activity. Tunisia is a centralized state in which decisions for the amount of money to be allocated to local governments and how it should be used were made in the capital city. For decentralization to be operative, the transfer of responsibility needs to be associated with a transfer of resources. The analytical work part of the OUR created a formula to determine the transfer amount and helped design a process and a manual to inform local governments about how much they would be receiving and at what time, which would enable better planning and implementation of their programs. Developed closely with cities through a participatory approach, this activity contributed to putting in place a more transparent, equitable and predictable system of transfer of resources.
“MDTF activities have contributed significantly to a better understanding of the economic potential of cities and to equip Tunisia to start delivering the decentralization agenda” Jaafar Sadok Friaa, World Bank

The request of the government for further support in the implementation of the reform prompted the preparation of a USD 300 million Program-for-Results instrument, Tunisia Urban Development and Local Government. The PforR went to board meeting in the summer of 2014, only a few months after the Constitution had been approved. Such synchronization enabled taking immediate action for the implementation of the Constitution’s principles.

The Decree on Local Financing, which went into effect in September 2014, introduces an unprecedented degree of transparency and predictability to the allocation of capital grants and a performance-based dimension to the capital grant system; the Decree also empowers LG’s decision-making on the use of their investment funding. An online portal for local governments,60 which is in its beta version, contains information on the grants that municipalities receive and their expenditures.

To assist the LG’s ability to achieve the standards required under the performance assessment system to access capital grants, the PforR includes a component for demand-driven, on-the-job, capacity support to be provided on a just-in-time basis. The Caisse des Prêts et de Soutien des Collectivités Locales (CPSCL), now under the Ministry of Local Affairs (inaugurated in January 2016), is the agency tasked with this assistance. The first phase has delivered system specifications of a “hotline” tool for real-time assistance to 264 municipalities on 20 topics. The second phase will develop the IT tool and implement a pilot. The third phase, for which funding has not been secured yet, consists on system roll-out.

During the implementation of the PforR, the complexity of the reform demanded a technical assistance which could be considered to an extent a continuation of the MDTF activity. Through the USD 300,000 Maghreb Lagging Regions Task Force, the lagging regions agenda would benefit from a platform that involves local governments in addition to the Ministry of Local Government and Ministry of Finance. The Task Force is an opportunity to address regional disparity considering a plurality of sectoral perspectives.

This evaluation concludes that the activities funded by the MDTF have had a significant influence in Tunisia:

- The UR provided messages that have elevated the city agenda; key findings provided input to crucial policy reforms such as the decentralization chapter in the 2014 Constitution;
- The OUR activity can be considered as the basis of the government’s program for decentralization in terms of content and process which has introduced an unprecedented degree of transparency and accountability to LG governance;
- The government has elevated regional development as one of six axes in the upcoming Five Year Development Orientation Note;
- The Tunisia Urban Development and Local Government program is strengthening LG institutional capabilities fostering transparency, participation and accountability; and improving municipal infrastructure delivery with special attention to disadvantaged communities, key aspects identified in MDTF activities

11 Vietnam

In Vietnam, the MDTF has supported the following activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>MDTF Pillar</th>
<th>Closing date</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Assistance on Affordable Housing</td>
<td>Urbanization Reviews&lt;sup&gt;61&lt;/sup&gt;</td>
<td>6/30/2015</td>
<td>71,870.75</td>
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<tr>
<td>Affordable Housing in Vietnam</td>
<td></td>
<td>9/30/2015</td>
<td>74,606.48</td>
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<tr>
<td>Preparation and Implementation Support to Results-based National Urban Development Program - Northern Mountains</td>
<td>Operationalizing Urbanization Reviews</td>
<td>6/30/2016</td>
<td>300,000.00</td>
</tr>
<tr>
<td>Preparation for Da Nang Connectivity Improvement and Urban Redevelopment Project (Tentative)</td>
<td></td>
<td>8/30/2016</td>
<td>200,000.00</td>
</tr>
</tbody>
</table>

Vietnam is at a pivotal point in terms of its urbanization. Urban population growth, at over 4% per year<sup>62</sup>, was one of the fastest in the East Asia region. Vietnam’s 23 million urban inhabitants represent 34% of the nation’s total and projections suggest that the urban population will exceed the rural population by 2040.<sup>63</sup>

*“Through the MDTF we were able to see first-hand the impact of good policy in critical issues for Vietnam”*  Tran Quoc Thai, MOC

In Vietnam, the diagnostics highlighting the interplay of urban expansion and infrastructure have generated significant policy traction with the Ministry of Construction (MOC),<sup>64</sup> which is currently revising Vietnam’s National Urban Development Program and the Law on Management of Urban Development. Both processes are expected to be completed by 2019.

To assist MOC, the World Bank has structured a USD 250 million Program-for-Results (PforR) lending operation, the *Results-Based National Urban Development Program in the Northern Mountains Region (RBNUDP-NM)*. The program focuses on secondary cities in a lagging region, a key message of the Urbanization Review, by piloting a performance-based transfer system that will provide a combination of resources along with a clarification of implementation responsibilities and strengthened planning and accountability.

RBNUDP-NM started in January 2015. In its early stage, the MDTF financed, through the activity *Preparation and Implementation Support to Results-based National Urban Development Program - Northern Mountains*, a South-South exchange to Colombia and Brazil. This started with a 10-day mission undertaken by six officials from MOC, one from the Ministry of Finance and one local government representative. Feedback from MOC indicates that the mission was very useful in learning about two key issues for Vietnam and the National Urban Development Program: housing development and especially market operation in housing

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<sup>61</sup> In Vietnam, the Urbanization Review was funded by Cities Alliance.

<sup>62</sup> World Bank, 2015

<sup>63</sup> United Nations, 2008

<sup>64</sup> DFID Final PID
“MDTF has allowed us to put forward new ideas – I see a big need for resources to do innovative work in Vietnam”
Madhu Raghunath, World Bank

MDTF Pillar 1 grants, the Technical Assistance on Affordable Housing and Affordable Housing in Vietnam, allowed a just-in-time response to a specific client need. Activities included an analytical review of the draft law, the preparation of key recommendations, and a road map for the sector. International experience was shared in workshops with participation of the Minister of Construction and the Country Director, Practice Managers and staff from the World Bank, as well as international experts. The law was substantially revised to incorporate social housing for low-income groups with initiatives such as, for example, legal support and access to formal credit for self-built housing and access to credit for developers and occupiers to create the conditions for a rental market, especially around industrial areas. The Housing Law went into effect in July 2015. The report Vietnam Affordable Housing – A Way Forward, which compiles the various activities during the process of review of the draft law, as well as a sector analysis and recommendations, was released in October 2015. One of the report’s key messages, the development of a social housing program as a vehicle to implement the 2015 Housing Law and structure the government’s interventions in the sector was echoed by MOC who submitted a note for a USD 500 million program to the Ministry of Planning and Investment (MPI), where it is being considered.

The Vietnam Urbanization Review has introduced a comprehensive perspective to urban development issues, much beyond the conventional sector approach, and an evidence-based approach to decision making. Both have proven to be useful in the preparation of the National Urban Development Program. The UR has also enabled a strong engagement at subnational level building on the “plan, connect, finance” principles, such as the Ho Chi Minh City (HCMC) development strategy and several lending operations of which the USD 200 million HCMC Green Transport Development is a foremost example. This lending operation in BRT infrastructure was complemented by a SECO grant for integrated land use and transport planning, as well as capacity building component.

This evaluation concludes that the activities funded by the MDTF have provided strong support to policies and projects on critical issues for Vietnam, as it has contributed to:

- Develop a pilot project to influence and accelerate the realization of the National Urban Development Program through a USD 250 million lending operation;
- Strengthen knowledge in housing and infrastructure delivery through a South-South cooperation which MOC evaluates as extremely useful;
- Substantially influence the housing law especially in policies for affordable housing;
- Introduce a comprehensive approach to urban development, evident in infrastructure projects such as the USD 200 million HCMC Green Transport Development, which has an integrated land use component financed by SECO

“The MDTF-funded activity substantively influenced Vietnam’s 2015 Housing Law”
Hoa Thi Hoang, World Bank
## Annex A – MDTF Contributions per Donor

<table>
<thead>
<tr>
<th>Donor</th>
<th>Committed Est. (USD)</th>
<th>Actual Paid In To Date (USD)</th>
<th>Expected Add'l Payments (Est.)</th>
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</thead>
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<td>MFA Norway</td>
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<td>3,029,383</td>
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<tr>
<td>SECO</td>
<td>9,800,000</td>
<td>9,800,000</td>
<td>0</td>
</tr>
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<td>DFID – Spatial Development of Cities</td>
<td>7,619,068</td>
<td>6,587,138</td>
<td>1,031,930</td>
</tr>
<tr>
<td></td>
<td>20,448,451</td>
<td>19,416,521</td>
<td>1,031,930</td>
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<tr>
<td><strong>NEW:</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>DFID – Economic Performance of Cities</td>
<td>2,872,084</td>
<td>744,765</td>
<td>2,127,319</td>
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<tr>
<td></td>
<td>23,320,535</td>
<td>20,161,286</td>
<td>3,159,249</td>
</tr>
</tbody>
</table>

Source: World Bank
Annex B – Documents reviewed

PROGRAM DOCUMENTATION

Following is a list of documentation made available for the 2016 Independent Evaluation, including background/context for each of the documents.

Norway TFA – 27 Sept 2010
- Original Trust Fund Agreement establishing the MDTF
- Annex I provides objectives and description of activities and governance arrangements

DFID – Final PID – 11/12/2013
- SECO and DFID signed TF Agreements in 2013 (June and November, respectively)
- TFA had same Annex 1 as Norway agreement
- A Project Information Document was established at this time to supplement the Annex I of TFA.
- This PID was endorsed by MDTF Steering Committee, and includes description of new activities to be financed with SECO and DFID funding, including results framework/log frame for each.
- A PID was also developed for SECO funding when it joined, and then subsequently updated when DFID joined. Only the DFID on is provided here, as is subsumed the SECO version.
- While a Multi-Donor TF is not supposed to earmark funding, this defacto happened with this TF
  - SECO funding was used for Pillars I, II and III (Urbanization Reviews and Global Data)
  - DFID funding for Pillar VI (Spatial Dev of Cities)
  - Norway funding was fully allocated by that time and not mentioned in the PID

MDTF- Progress Report – 2015
- The report is organized around the four Pillars established in the PID, plus reports on the original Norway-funded activities at the end (“Other Analytic Activities”).
- This gives a fairly good overview of the type of activities funded and some of the initial outcomes

Assessment of Norwegian Contribution – Annexes
- This assessment undertaken by independent consultant, to review status and outcomes from the initial activities funded by MDTF from its inception to mid-2014.
- The main report provides summary of activities, and the Annex details each of the project, including relevance, achievement of objectives and impact.

MDTF SUD FY14 Progress Report – 10-14-2014
- This was first progress reporting made to donors. There was dissatisfaction with the reporting, which was addressed in the FY15 reporting.

DFID FY14 Progress Report – Global Spatial – 2-4-2014
DFID annual review Supplemental Information – Spatial Program – Nov 2015
These are special reporting provided to DFID by the Task Manager for the Pillar IV activities - Research Program on Spatial Dev of Cities, including a special emphasis on African Cities.
## Annex C – Interviews held

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Ato Abuye</td>
<td>Ministry of Urban Development, Housing and Construction, Ethiopia</td>
<td>10/08/2016</td>
</tr>
<tr>
<td>2 Judy Baker</td>
<td>World Bank</td>
<td>13/07/2016</td>
</tr>
<tr>
<td>3 Paul Collier</td>
<td>University of Oxford</td>
<td>27/07/2016</td>
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<tr>
<td>4 Chandan Deuskar</td>
<td>World Bank</td>
<td>14/07/2016</td>
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<tr>
<td>5 Jaafar Sadok Friaa</td>
<td>World Bank</td>
<td>21/07/2016</td>
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<tr>
<td>6 Pablo Fernandez Marmissolle Daguerre</td>
<td>SEDATU, Mexico</td>
<td>22/07/2016</td>
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<tr>
<td>7 Ellen Hamilton</td>
<td>World Bank</td>
<td>15/06/2016</td>
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<td>8 Vernon Henderson</td>
<td>London School of Economics</td>
<td>27/07/2016</td>
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<tr>
<td>9 Thushari Andra Hennadige</td>
<td>SLLR&amp;DC, Sri Lanka</td>
<td>21/07/2016</td>
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<tr>
<td>10 Hoa Thi Hoang</td>
<td>World Bank</td>
<td>02/08/2016</td>
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<td>11 Chyi-Yun Huang</td>
<td>World Bank</td>
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<td>12 Matthew Johnson-Idan</td>
<td>DFID</td>
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<td>13 Stephen Karam</td>
<td>World Bank</td>
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<td>14 Ezron Kilamhama</td>
<td>PO-RALG, Tanzania</td>
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<td>15 Yoonhee Kim</td>
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<td>16 Somik Lall</td>
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<td>17 Nancy Lozano</td>
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<td>18 Catalina Marulanda</td>
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<td>19 Kevin Milroy</td>
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<td>20 Rosanna Niti</td>
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<td>21 Angélica Nuñez</td>
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<td>22 Onur Ozlu</td>
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<td>23 Madhu Raghunath</td>
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<td>24 Mark Roberts</td>
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<td>25 Ines Salem Zaghdoudi</td>
<td>Caisse des Prêts et de Soutien des Collectivités Locales, Tunisia</td>
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<td>26 Phoram Shah</td>
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<td>27 Martin Shenton</td>
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<td>28 Tran Quoc Thai</td>
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<td>29 Tony Venables</td>
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<td>30 Sameh Wahba</td>
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<td>31 Anna Wellenstein</td>
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<tr>
<td>32 Ming Zhang</td>
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<td>12/07/2016</td>
</tr>
</tbody>
</table>
Annex D – Phase 1 Interview Script

**Background and expectations**
1. General MDTF background
2. Expectations

**Communication**
3. Describe periodic reporting. Have donors been satisfied with the reporting process?
4. Communications between WB and donors.
5. Did the bank’s restructuring period have an impact on communications to donors?
6. How do you assess donor’s awareness of the work undertaken by the bank under the MDTF?
7. What would be an ideal communication method in your view?

**Substantive**
8. What would you say is the most notable outcome of MDTF to date?
9. How is the relevance to MDTF assessed to allocate grants?
10. Was the MDTF valuable in strengthening the urban agenda within the bank?
11. How do you assess coordination between MDTF pillars?
12. How do we know that country clients actually find MDTF products useful? (and not remain on the shelf)
13. To what extent these activities are linked to operational stages i.e. pre-feasibility, feasibility for urban lending projects?

**Way forward**
14. What could trigger donor interest in a possible continuation?
15. What is the advantage of a multi-donor fund (over a number of single fuds) other that a larger pool of resources and simplified administration? What is the advantage to donors?
16. How could the analytical work be more systematically linked to physical projects?
17. What would we miss if MDFT is discontinued?
Annex E – Phase 2 Interview Script

Activities
1. How/when do you assess the need for additional diagnostics? What is the role of national counterpart in this assessment?

2. Time employed in the preparation of MDTF product

3. Awareness of MDTF pillar structure

4. (If two MDTF activities/products exist) What was the relation between them? How did the second build on the first?

Detailed discussion on projects
5. How did analytical activities facilitate identifying and/or defining downstream lending projects?

6. How did they shape national policy? Evidences of this?

7. Hurdles for MDTF work cascading into lending projects and national policy

8. How has MDTF contributed to develop the urban agenda within the bank?

9. What was the client reaction to MDTF activities/products? Please provide a contact with national/local counterpart

10. What would be the big loss if MDTF is discontinued?
Annex F– Table of MDTF activities and countries

<table>
<thead>
<tr>
<th></th>
<th>1 Urbanization Reviews</th>
<th>2 Operationalizing Urbanization Reviews</th>
<th>3 Global Partnerships and Data</th>
<th>4 Spatial Development Of Cities</th>
<th>5 Economic Performance of Cities</th>
<th>6 Other Analytical Work</th>
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<td>1</td>
<td>Afghanistan</td>
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Note: The Measuring Living Standards in Cities (MLSC) survey covers Durban and Dar es Salaam. Papers produced for Spatial Development of Cities covering one or more specific cities have been mapped in column 4. No city-specific outputs on Economic Performance of Cities were available on the MDTF website at the time of preparing this report although two cities are mentioned- Addis Ababa, Ethiopia and Kampala, Uganda.