

Marketplace and project design exercise for

SMART Technologies for municipal sustainability

**Palacio de la Magdalena,
Santander, Spain
30 June – 1 July 2014**

With the collaboration of



PROJECT BACKGROUND

The United Nations Human Settlements Programme (UN-Habitat) is the focal point program for cities within the United Nations System, supporting local and territorial governments as essential agents for development and general welfare, as the closest entity to the citizen and primary responsible for the provision of basic urban services.

The Global Fund for Cities Development (FMDV) was initiated in October 2010 by Metropolis and the United Cities and Local Governments (UCLG) in order to become the international organization that gathers local authorities (cities and provinces/federated states) and their networks on the economic and funding solutions for a sustainable urban development, through technical expertise and financial engineering on their projects.

The Local Governments and Decentralization Unit of UN-Habitat and FMDV are jointly designing a pilot project to facilitate the access to apps and SMART technologies able to support cities in generating endogenous resources, thanks to a better access and provision of public services within a framework of transparency in their management and delivery.

The goal of this pilot Project is to support both cities in developing and industrialized countries in their challenge to introduce SMART technologies for public management. The project will create a world network to exchange experiences and will develop concrete apps able to help municipalities to better manage their municipal finances.

The idea of the project takes as departing point the idea that no sustainable urban development can be achieved without efficient and accountable municipalities. In most developing countries, the municipal structures are very weak and do not have the necessary capacity to guarantee the access to basic services such as drinkable water, sanitation, enlightening and maintenance of the streets, transportation, public spaces, etc. This situation has a special impact in the poorest section of the population and the informal settlements and slums where the provision of such services are normally in private hands unable to guarantee the quality or accessibility of basic services. In many places we assist to high prices of water or electricity, higher even than in industrialized countries and under unstable and unsecure conditions.

This situation is generated by a wide series of factors, such as the lack of a sound structure of the State, and the lack of co-ordination in the distribution of responsibilities and resources, both financial and human. However, the key to the problem is the reduced financial capacity of municipalities to manage basic services and to obtain pecuniary resources from the economic activity generated in the city. In many countries, the municipal budget is fully funded by transfers from the central government, and frequently unforeseeable and insufficient, leaving no possibility for the local governments to obtain endogenous resources locally obtained and managed.

In the industrialized world's cities the situation is very different, but we can observe a certain progressive reduction of the municipal resources while the demands from the citizenry continue to increase. Public management is changing rapidly and municipalities need to quickly adapt their procedures to the new instruments made available by the use of new technologies and the incremental access of the citizens to data and knowledge about the management of the cities they live in.

The progressive introduction of the SMART technologies is changing the public management world; offering at the same time challenges and opportunities. On one side, citizens have increasingly more access to how public goods are managed, and on the other hand; there is an ever increasing need of transparency in public management of the scarce resources. In most of the cities, both in the North and the global South, the citizens would accept to pay for public services if they see a positive and immediate effect on their quality of life. The absence of public responsibility over the public service provision usually leads to less quality, higher price and risk for the local population, especially for the poor. In the meantime, a great part of the world population has access to mobile phones, and with a relative low cost of data every citizen is becoming a world antenna, able to capture extremely useful information for the local government, but also able to generate ideas, request a more efficient public management and control. In developing countries, mobiles and smartphones are becoming an essential object: many slum inhabitants (around 60% of the total African population) are already using their mobiles as physical identity in the absence of a legal home address but also as a bank account, as a disaster prevention tool, and as a way to access information unimaginable to access before for the informal world that constitutes much of the developing economy.

We are going through a technological transformation that will produce radical changes in the way the public sector is used to deal with services and infrastructures. Introducing changes is always problematic for rigid bureaucracies, especially when it involves new services that have not yet been provided by the system. The UN-Habitat / FMDV project's goal is to support local governments in the adaptation to the new opportunities offered by the SMART technologies, specifically applied to the municipal finances, a fundamental sector to ensure the municipal sustainability and its capacity to guarantee equitable access to basic urban services.

OBJECTIVES OF THE WORKSHOP

1. Need assessment for the participant cities in relation with the implementation of SMART technologies in the municipal finances field
2. Identification of the areas of interest for the development of pilot apps. In principle, two sectors have been identified for initial discussion:
 - Collection and treatment of urban solid waste
 - Control of illegal construction
3. Launch of the global network on SMART municipal finance
4. Identification of the more frequent challenges for the implementation of SMART technologies to public management, with special attention to procurement process and the normative aspects of municipal fiscal management
5. Networking space for the participant cities and the private sector (with special focus on technological service providers and telephonic companies)
6. Study visit to the experience of the host city of Santander in implementing SMART technologies, analysis of the experience of Smart Santander and identification of lessons learnt

METHODOLOGY

Participants will receive a questionnaire to prepare for the activity, in view to share questions, interest and needs from the participant cities.

The meeting will take place during two days with a preliminary agenda structured as follows:



Palacio de la Magdalena, Santander

Monday 30th June 2014

09.00 – 14.00 – Visit to the experience of SMART Santander. Identification of the success and challenges of the Santander City Council in the implementation of SMART technologies. Analysis of cost-efficiency measures and team-building exercise.

15.30 – 18.00 – Group exercise for the assessment of needs from the participant cities, identification of the possible areas of interest for the design of pilot apps to be shared by the cities interested in taking part of the pilot implementation.

Tuesday 1st July 2014

09.00 – 11.30 – Official launch of the global network on SMART municipal finances: constitution of the group of cities, elaboration of the calendar of activities and roles from the different stakeholders.

12.00 – 17.00 – Lunch and working session with the private sector, identification of co-operation opportunities.

PARTICIPANTS

The meeting is aiming to count a number non higher than 60 people, as per ensure the quality of interaction and to generate a real marketplace of business opportunities. Participation is closed to the invited actors in close co-operation with the project partners. The call will be structured with the following group composition:

- About 20 representatives from local and regional governments (Mayors, Deputy Mayors for Revenue, Planning or Innovation)
- About 15 representatives of the private sector, telephonic companies, service providers and World Urban Campaign partners
- About 15 sectorial experts (Academia, civil society, United Nation System and existing city networks)
- About 10 representatives of national governments with responsibilities over technologic development policies, connectivity, innovation in public administration, interior or finance departments, etc.)

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