



## CMI Urban Hub Regional Workshop “Addressing the Challenges of Territorial Cohesion and, Promoting the Role of Cities in the MENA Region”

Villa Valmer  
May 4-5, 2017

### Overview

The following note contextualizes and provides a summary of the presentations and discussions that took place during the first regional workshop on Territorial Cohesion and Regional Development organized by the Center for Mediterranean Integration's (CMI) Urban Hub at the Villa Valmer in Marseille on May 4-5, 2017. The document outlines the key findings and takeaways drawn from this event. The full conference program as well as the PowerPoint presentations can be viewed at [here](#).

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### Background

The MENA region is facing a context of demographic pressure and rapid urbanization: while the region is currently 60% urbanized, it will experience a projected 45% increase of its urban population by 2030 (equal to 106 million additional urban inhabitants)<sup>1</sup>. Concentrating people and resources, cities in MENA have largely contributed to the improvement of standard development indicators, which showed a constant decrease in absolute poverty in most MENA countries over the past decades. Yet the urbanization process has also contributed to concentrate and exacerbate socio-economic inequalities within growing urban territories, between larger and smaller cities, as well as between cities and their hinterlands. Generated and anchored in Arab cities, the Arab Spring uprisings were also fueled by significant regional disparities in access to basic services and to opportunities<sup>2</sup>, as well as by growing demands for bringing the State closer to citizens through improving decentralization and encouraging accountability mechanisms.

Addressing social disparities and spatial inequalities has become a political priority for several countries in the region, which have expressed clear political will to better encourage local and regional development and to enhance spatial integration. For example, inclusive and sustainable development has become a core value of the 2014 Constitution in Egypt. Regional development has also been defined as a priority issue in Tunisia, and 70% of the budget of the 5-year national plan under preparation will be allocated to lagging regions. Through renewed analytical frameworks and the development of new initiatives, donors have also highlighted the importance to promote a more balanced yet sustainable territorial development and the key role of cities in operationalizing local and regional development.

Urban development and Territorial cohesion has been endorsed as one of the five CMI focus themes during the CMI Annual Meetings in December 2015. Following the finalization of a Stocktaking paper in December 2016, the CMI Urban Hub members decided to convene an inaugural workshop focused on the challenges of regional development and the role cities (can) play in fostering territorial cohesion in MENA. This workshop had the following objectives:

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<sup>1</sup> According to [WB projections](#).

<sup>2</sup> One of Egypt's poorest regions, Upper Egypt, is home to about 38% of Egypt's population and 67% of its poor. (WBG, Egypt Systematic Country Diagnostic, September 2015). In Tunisia, there is almost a 20% point gap between unemployment rates in leading and lagging governorates. As for access to public water networks, it varies from 61% in the North West to 97% in Tunis (WBG, [Tunisia Urbanization Review](#), June 2014).

- to identify the key levers of territorial cohesion and regional development and to advocate the key role of cities when designing and implementing territorial policies;
- to promote knowledge sharing through encouraging exchanges on good practices and lessons learned from the ground and discussing how they could be adapted to different contexts;
- to encourage multi-stakeholder networks (including policy makers, practitioners, academics, etc.) to inform policy-making.

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## Summary of Discussion and Lessons Learnt

### May 4, 2017 – Plenary Session 1

#### 09:30 AM – 10:45 AM: IMPROVING OUTCOMES FOR RESIDENTS OF LAGGING AREAS (CO-ORGANIZED WITH THE WORLD BANK)

This first session characterized regional disparities in access to basic services and opportunities in various contexts. It also showed the mixed results of a range of policies and programs tested by governments in the MENA region to improve outcomes in lagging regions. Opening the session, Chair Hedi Larbi<sup>3</sup> suggested that the difficulty for local governments to reduce regional disparities in basic living standards is often due to inefficient policies and institutions rather than a lack of resources. Building on this statement and on the recent work of the World Bank on Territorial Cohesion and Regional Development<sup>4</sup>, Nancy Lozano<sup>5</sup> advocated the use of a territorial lens rather than a sectoral one to inform prioritization of investment, as the poor are not necessarily concentrated in regions that have the highest poverty rates. Reducing socio-economic and territorial gaps requires policies and investments tailored to local contexts in order to support economic growth while providing lagging regions with the minimum level of services for all. Responding to that presentation, session panelists Samir Lazaar<sup>6</sup> and Khaled Abdelhalim<sup>7</sup> shared lessons from their respective countries' experiences responding to the development needs of people in lagging areas. If the approaches undertaken are different – in Tunisia, the MDICI<sup>8</sup> has facilitated since 2011 financing for basic services and infrastructure in lagging governorates, while in Egypt the government has launched several megaprojects in different regions – including the Suez Canal widening and the New Administrative Capital projects – both present the drawback of not focusing on institutional reform, thereby taking the risk of being either inefficient or disconnected from local needs.

### May 4, 2017 – Plenary Session 2

#### 11:00 AM – 12:15 PM: CITIES AND LOCAL ECONOMIC DEVELOPMENT

This session explored the extent to which Local Economic Development (LED)<sup>9</sup> tools can improve territorial cohesion. Opening the session, Chair Rene Hohmann<sup>10</sup> underlined that MENA cities generally lack the local governance arrangements which would facilitate partnerships between the central state, citizens and the private sector, in order to strengthen LED and territorial cohesion.

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<sup>3</sup> Associate, Belfer Center, Harvard Kennedy School; Former minister for Economic Infrastructure, Spatial Planning and Sustainable Development of Tunisia; World Bank Expert

<sup>4</sup> More especially the 2009 World Development Report: Reshaping Economic Geography.

<sup>5</sup> Senior Economic, Global Solutions Group, World Bank

<sup>6</sup> Director General, Tunisian Ministry of Development, Investment and International Cooperation

<sup>7</sup> Assistant Professor of Urban Policy, The American University in Cairo, Former Executive Director of the Local Development Observatory at the Local Administration Reform Unit.

<sup>8</sup> Ministry of Development, Investment and International Cooperation

<sup>9</sup> Local Economic Development is understood as those “development strategies that are territorially based, locally owned and managed, and aimed primarily at increasing employment and economic growth”.

<sup>10</sup> Senior Urban Specialist, Cities Alliance

Building on this statement, Nancy Lozano Garcia highlighted that creating an enabling environment for businesses requires building the capacity of local governments to allow them to foster cooperation with local private bodies. She gave the example of Jalisco in Mexico which succeeded in overcoming the decline that it suffered from since the mid-1970s by supporting already existing economic activities in the area. For its part, Claire Charbit<sup>11</sup> stressed that administrative fragmentation is at the basis of most issues in large cities and their rural hinterlands. She underlined that the creation of unique metropolitan bodies has, on average, a positive effect on both GDP and social inclusion as it helps to design and implement integrated transport policies as well as tools for limiting urban sprawl. Within this context, it is the role of central governments to foster coordination at the metropolitan scale. Dalila El Harras<sup>12</sup> showed that municipal agencies such as the one established in Chefchaouen in Morocco, can help implement, in partnerships with local and foreign institutions, successful local development projects.

### May 4, 2017 – Parallel Session A1.

#### 02:00 PM – 03:30 PM: STRATEGIC PLANNING AND MULTILEVEL GOVERNANCE

Chaired by Oriol Barba<sup>13</sup>, this session discussed how integrated and strategic planning can contribute to the emergence of innovative and territorially cohesive development strategies. The examples presented focused on public policies developed at three different scales: the national scale – with the Tunisia 5-year national development plan presented by Nadia Gouta<sup>14</sup> –, the metropolitan scale – Metropolitan Strategic Plan of Barcelona presented by Oriol Estela<sup>15</sup> – and the local scale – the Urban Strategy for Saida, Lebanon presented by Mustapha Hijazi<sup>16</sup>. Key lessons learnt are the following: first, planning is intrinsically linked to the capacity to engage different categories of stakeholders, at different levels, including local governments, economic actors (unions, etc.) and residents. This requires, above all, tools developed for consensus building, such as in the Area Metropolitana of Barcelona. In addition, planning should remain flexible to quickly get adapted to new situations. Second, planning is very much linked to political leadership as shown in the case of Tunisia highlighting the strong impetus given by the MDICI and in the case of Saida of which the mayor played an important role to push forward the design of the strategy. Finally, planning should be related to a legal framework in order to be implemented, which is not always the case: while in Tunisia the 5-year plan, together with the regional plans elaborated by governorates were approved by the National Assembly, in Lebanon regional strategic plans remain studies that are not legalized and rely on the commitment of the municipalities to be implemented.

### May 4, 2017 – Parallel Session A2.

#### 02:00 PM – 03:30 PM: IMPROVING SERVICE DELIVERY THROUGH MULTI-LEVEL GOVERNANCE AND INTER-MUNICIPAL COOPERATION

Chaired by Meinolf Spiekermann<sup>17</sup>, this session focussed on the positive impact of inter-municipal cooperation on spatial planning and on the delivery of quality public services. Panelists Mohamed Idaomar<sup>18</sup>, Mohammed Riahi<sup>19</sup> and Mohamed Saadieh<sup>20</sup> underlined the many advantages of inter-

<sup>11</sup> Senior Project Manager, Regional Development Policy Division, Center for Entrepreneurship, SMEs, Local Development and Tourism, Organization for Economic Cooperation and Development (OECD)

<sup>12</sup> Director of the Municipal Agency for Development of the Municipality of Chefchaouen, Morocco

<sup>13</sup> MedCities Technical Director

<sup>14</sup> Senior Manager & Head of department, General Directorate of Regional Development at the Ministry of Development, Investment and International Cooperation, Tunisia

<sup>15</sup> Director of the Metropolitan Strategic Plan of Barcelona (PEMB)

<sup>16</sup> Council Member of Saida Municipality, Lebanon

<sup>17</sup> Program Director CoMun, Gesellschaft für Internationale Zusammenarbeit

<sup>18</sup> Mayor of Tetouan in Morocco

<sup>19</sup> Former Mayor of La Marsa

<sup>20</sup> President of the Union of Dannieh Municipalities

municipal cooperation: it reinforces the visibility of small towns or rural municipalities (for instance, the Dannieh Union of Municipalities in Lebanon), it allows for economies of scale to be developed, especially in the management of urban services and utilities (transportation, solid waste management, etc.), it encourages exchanges of experiences helping municipalities deal with multiple problems they face, such as the renovation of the old towns (medinas), in the case of Morocco. Cooperation can take several forms: it can be based on projects – for instance the participative budget project implemented by the city of La Marsa – or institutionalized through the creation of federations, as in the cases of Dannieh in Lebanon and Tetouan in Morocco. Finally, in order to be implemented, cooperation requires some form of trust and transparency between local actors, as well as patience as consensus building may be a lengthy process. Echoing these thoughts, Slaven Klobucar<sup>21</sup> underlined that MENA local governments might have an interest in developing tools that are similar to European Groupings of Territorial Cooperation (EGTC) to reduce institutional barriers and facilitate trans-boundary cooperation. To illustrate his argument, Klobucar gave the example of the trans-boundary tramway established between German and France and the French-Spanish Hospital.

### **May 5, 2017 – Parallel Session B1.**

#### **09:00 AM – 11:30 AM: BUILDING INCLUSIVE CITIES**

Chaired by Serge Allou<sup>22</sup>, this session focused on the achievements and constraints of public policies set in place in the region to promote urban inclusion, in a context where MENA cities face rising inequality and exclusion. It built on the following lessons learnt from projects and policies implemented in three countries, namely Morocco (presented by Olivier Toutain<sup>23</sup>), Tunisia (presented by Sabrina Chikhaoui<sup>24</sup>) and Brazil (presented by Joao Sette Whitaker<sup>25</sup>). First, policies dealing with low-income housing should be thought in an integrated manner i.e. in coordination with other urban policies. This should help avoid situations similar to those experienced by the Cities without Slums Program in Morocco, which tremendously improved former slum dwellers' housing conditions while deteriorating their living conditions due to the lack of facilities and the isolation of these new neighborhoods from the rest of the city. Mr. Toutain also underlined the resilience of populations to spatial exclusion and their ability to, overtime, develop new ways of connecting with the city (through private collective transportation means, etc.). Second, if citizen participation is often presented as a key tool to promote urban inclusion – as underlined by the participatory diagnosis undertaken by associations supported by CILG-VNG program to promote youth empowerment – it seems difficult to reach out to non-active people, who are not sensitized to such issues. Third, policies dealing with urban inclusion are necessarily conducted to extend over a long period of time – 16 years for the housing plan in Sao Paulo – and their temporality is always longer than that of politics and inhabitants' expectations. Finally, as considerable funding is needed to bring utilities (water, sanitation, electricity, etc.) and facilities (schools, hospitals, etc.), strategies to prioritize public investments and promote private sector involvement are key – as highlights the example of “tiers associé” mechanism in Morocco.

### **May 5, 2017 – Parallel Session B2.**

#### **09:00 AM – 11:30 AM: ENHANCING URBAN ACCESSIBILITY AND MOBILITY TO IMPROVE TERRITORIAL COHESION IN MEDITERRANEAN CITIES**

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<sup>21</sup> European Grouping of Territorial Cooperation Platform and Cross-border Cooperation, COTER Commission Secretariat, European Committee of the Regions

<sup>22</sup> Lead Urban Specialist, Cities Alliance

<sup>23</sup> Urban Development Consultant, Rabat

<sup>24</sup> Civil Society, Youth and Gender Project Manager at CILG-VNG International, Tunis

<sup>25</sup> Former Secretary for Housing, Municipality of São Paulo

Chaired by Lorenza Tomasoni<sup>26</sup>, this session focused on the main achievements as well as the constraints and limits of the projects and policies launched in MENA cities over the past decade to improve urban connectivity and promote territorial equity. Benjamin Fourchard<sup>27</sup> advocated for the design of policies that consider the vulnerability of households which do not have access to cars and as such have become spatially isolated. This requires to promote (i) the development of collective transportation means (already made necessary by the increase of congestion), (ii) the coordination between housing and infrastructure policies to facilitate accessibility to public and commercial services – taking as counter example the Marseille metropolitan area, where 78% of users access supermarkets by car. Echoing that presentation, Ayman Smadi<sup>28</sup> and Loubna Boutaleb<sup>29</sup> presented the cases of Amman and Rabat-Salé respectively. Inaugurated in 2011, the latter succeeded in enhancing social cohesion – by partially overcoming the divide between the cities of Rabat and Salé – while developing the image of Morocco’s capital abroad, but not to the point of creating an integrated transport system that is still on the drawing board. On the contrary, the Amman plan, though created in an integrated manner, it was not implemented due to the huge amount of funding that it had required and the lack of coordination at the metropolitan level. Concluding the session Mr. Fourchard stressed that public transport, taken at the scale of a whole network, and not just that of a line, is not profitable and therefore transport strategies should be designed with the objective to prevent potential extra costs.

### May 5, 2017 – Plenary Session 3.

#### 11:15 AM – 12:15 PM: MONITORING AND EVALUATING COHESION POLICIES AND REGIONAL DEVELOPMENT

This session focused on the added value provided by M&E tools in support of policy development and implementation, as well as the issues faced while establishing such tools. Opening the session, Chair Edgardo Bilsky<sup>30</sup> stressed that the urbanization process at stake in MENA countries has exacerbated socio-spatial inequalities and that this calls for the creation of monitoring tools for territorial cohesion. Building on this statement, Holger Kuhle<sup>31</sup> presented the effort of UN SDSN<sup>32</sup> to encourage cities to create SDGs<sup>33</sup> indicators and use them to develop their strategies, stating the examples of Baltimore, the U.S.A and Rio de Janeiro, Brazil. Alexandros Karvounis<sup>34</sup> presented the effort of EIB to create a harmonized definition of cities in order to better compare urban situations at the European scale and develop a common set of impact indicators. Overall, even though these initiatives are, in several cases, successful, they are difficult to replicate and anchor locally due to their complexity (for 17 SDGs, there are 261 indicators) and to the fact that SDGs have not yet become a priority for local governments. Concluding the session, Panelists and the Chair agreed that, in order to support the implementation of indicators and M&E mechanisms, local governments need to be further involved in their definition and monitoring.

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<sup>26</sup> Project Manager, Codatu

<sup>27</sup> Head of the Prospective Analysis and Mobility Planning Department (Mediterranean Directorate), Centre d'études et d'expertise sur les risques, l'environnement, la mobilité et l'aménagement (CEREMA)

<sup>28</sup> International Association of Public Transport, UITP

<sup>29</sup> Director General of STRS (Tramway of Rabat-Salé), Morocco

<sup>30</sup> Director of Research at United Cities and Local Government World Secretariat

<sup>31</sup> Manager of the Sustainable Development Solutions Network (SDSN)

<sup>32</sup> United Nations Strategic Development Solutions Network

<sup>33</sup> Strategic Development Goals

<sup>34</sup> Sector Economist, Regional Development Specialist, European Investment Bank (EIB)

## Key Messages

- **The inefficiency of policies and institutions rather than a lack of resources** often explain why local and central governments find it difficult to reduce regional disparities in basic living standards.
- **Territorial and cross-sectoral lenses** should inform policymaking and help prioritize investments.
- **Access to basic standards of living is a must** that should compensate the agglomerations effects of economic activities.
- **Coordination at the metropolitan level** can overcome the mismatch between administrative boundaries and economic functions of a city as well as promote territorial cohesion.
- **Engaging different categories of stakeholders**, at different levels, including local governments, economic actors (unions, firms, etc.) and residents is a condition for building consensus and ensuring good planning.
- **Planning needs to be flexible** i.e. to quickly adapt to new stakeholders and new environments.
- **Political leadership** is key to the success of urban planning strategies
- **Trust and transparency** are at the basis of inter-municipal cooperation
- **Inter-Municipal cooperation can lead to increasing economies of scale**, especially in the management of urban services and utilities (transportation, solid waste management, etc.)
- **Citizen engagement is a condition to ensure the efficiency** of public policies and to promote urban inclusion
- **Transport, housing and urban policies should be coordinated to** facilitate access to public but also commercial services thereby improving living conditions.
- **Multi-polar cities**: keeping distances short reduces congestion and enhances the overall efficiency of a transport system.
- **Encouraging the development of M&E indicators** at the local level is key in supporting policy development and implementation.

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## Recommendations for follow-up

Several proposals were made by the participants during the conclusive session in order to pursue the collaboration with CMI and build upon the CMI existing network of practitioners, decision-makers and experts. The suggestions included: (i) showcasing success stories and lessons learned from MENA cities; (ii) developing practical trainings and a MENA Cities index on territorial cohesion indicators; (iii) organizing regular face-to-face workshop to take place in different countries in the MENA region (at least once a year); (iv) organizing quarterly virtual meetings on specific topics including:

- integrated/strategic urban planning
- fighting exclusion and inclusive development
- local economic development
- horizontal and multi-level governance.

## Next steps

Based on the discussion held during the concluding session, the next steps would include:

- The development of a compendium of best practices and lessons learned to showcase what works and in which context of promoting territorial cohesion and local economic development;



- The organization of an annual face-to-face meeting as well as virtual meetings (potentially webinars) on themes linked to territorial cohesion (to be further defined by the CMI Urban Hub members and partners).

More information, including the speakers' presentations, can be found on the CMI website:  
<http://cmimarseille.org/highlights/cmi-urban-hub-regional-workshop-addressing-challenges-territorial-cohesion-and-promoting>.