

- *Any future EU-funded intervention takes into account the institutional and structural challenges of the central and local administrations and thus adjusts its response and implementation strategy accordingly;*
- *Next programmes capitalise on the relative success of locally-driven service delivery improvements, especially with regard to IGF collection, popular participation and local economic development;*
- *The EU support is more tailor-made, with focus only on the areas that may effectively push the decentralisation agenda forward (such as direct support to decentralised structures at the district level).*

### 3.5 The Intervention Logic

The underlying intervention logic for this action is that well-planned and managed cities improve the quality of life and increase economic opportunities for the entire urban population. Improved urban governance and integrated urban development will exploit opportunities in climate change mitigation and adaptation, environment and natural resources. Adequate planning and investments are critical to ensure the preservation of the environment and social inclusiveness of cities. Digitalisation and digital technologies will be mainstreamed in urban services.

IF platform and mechanisms to support inter-institutional coordination and ensure structured participation of all stakeholders are functional, IF systems for policy monitoring & evaluation are available, IF quality urban-related data are available to support dialogue and decision-making, THEN opportunities for dialogue and cooperation between national and regional administration, city authorities, civil society and private sector on urban management will be provided.

IF the staff from the MMDA financial, administration, plan & budget departments benefits from tailored capacity building in fiscal planning, accountability mechanisms for budget execution and reporting, digital literacy, IF the trained staff remains assigned in the same urban areas and in similar positions, IF local authorities have the necessary resources to translate the strategies into services and investments, therefore providing the opportunity to apply the skills/knowledge learned, IF participation and education of the population (tax payers) is ensured, THEN city authorities' financing capacities will be enhanced, with increased fiscal revenues and improved budget execution.

IF the staff from the MMDA Planning and Coordinating Units, and from relevant sectoral decentralised departments, benefits from tailored capacity building on climate sensitive integrated planning and practical technical support in upgrading quality of services, IF the trained staff remains assigned in the same urban areas and in similar positions, IF local authorities have the necessary resources to translate the plans into services and investments, therefore providing the opportunity to apply the skills/knowledge learned, THEN overall city authorities' capacities will be improved, and in particular.

IF opportunities for dialogue and cooperation between national and regional administration, city authorities, civil society and private sector on urban management will be provided, IF overall city authorities' capacities in climate sensitive integrated urban planning and smart, sustainable and accessible municipal services delivery are improved, IF city authorities have increased their fiscal revenues and improved budget execution, IF political will exists at national level to collaborate with other ministries/agencies and at city level to work with adjacent municipalities/districts, IF local authorities understand the long-term benefit of investing time and resources (including human) in climate sensitive integrated urban planning, THEN urban governance and urban policy framework for climate and gender sensitive integrated urban planning, environmental management and delivery of quality urban services will be improved AND cities will be better managed.

With cities better managed, urban dwellers will benefit from a more sustainable, prosperous and inclusive environment.

This first action will prepare the terrain and start-up the support to Smart and Sustainable cities, which will substantially contribute to the Global Gateway. This action will be followed by a fully-fledged action to support urban services delivery and small-scale infrastructure construction. The third phase of the action (2025-2027) could allow the establishment of a multi-donor (WB, AFD, EIB) fund to finance larger priority urban infrastructure.