INNOVATIVE CITY-BUSINESS COLLABORATION

Emerging good practice to enhance sustainable urban development

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ICLEI Local Governments for Sustainability

FOREWORD

By 2050, 70% of the world's population is expected to live in cities, giving cities a major role to play in achieving a sustainable future for humanity. Cities need to become more competitive, resource efficient, resilient and inclusive. Solutions often require major infrastructural transformations and optimizing the interlinkages between a city's buildings, energy, mobility, water and waste management systems.

As a growing number of city leaders rise to drive action on sustainability, addressing complex sustainability issues in practice remains a complex challenge. Cities need to know which potential solutions are best suited to meet their needs. Business is a key solutions provider in tackling urban development challenges and helping cities realize their sustainability visions. Despite the long-standing involvement of the private sector in designing, building and maintaining major infrastructures, city-business collaboration has suffered from the lack of a clear engagement framework allowing businesses to provide valuable strategic input at an early planning stage. Achieving ambitious urban sustainability goals requires a shift towards new models of collaboration to leverage the full capacity of the private sector to bring new solutions and support effective decision-making. Innovative multi-stakeholder collaboration models accompanied by concrete implementation projects and strong leadership will allow urban development issues to be addressed in a holistic way. A transparent and inclusive collaboration process is essential to ensuring the effectiveness and continuity of city-business collaboration.

The six case studies presented here provide valuable insights into innovative collaboration models and how they could successfully translate into urban sustainability action. Through this report, ICLEI and the WBCSD demonstrate their common commitment to share best-practice and identify the success factors that will facilitate the adoption and scale up of effective city-business collaboration models.

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SUMMARY

Faced with increasing pressure from population growth, rapid urbanization and a changing climate, cities have to become more resilient, resource and energy efficient, biodiverse and productive, and more sustainable over all. Tackling these increasingly complex tasks requires that cities adopt more holistic and integrated solutions that go beyond silo thinking and single stakeholder action.

Local governments require novel approaches and enhanced capacity to a larger extent than ever before and have been reaching out to businesses and other actors to increase collaboration and foster new forms of partnerships. Businesses also benefit and learn from interacting with cities and improve their understanding of local markets and their innovation and solution needs. However, as demonstrated by a joint city leaders survey by ICLEI and the World Business Council for Sustainable Development (WBCSD) in 2014, local governments and businesses need new and improved collaboration models that allow for early-stage engagement and that go beyond public procurement processes and the outsourcing of public services to the private sector.

This report looks at six initiatives around the world that aspire to facilitate city-business collaboration with holistic, multi-stakeholder approaches.[1] It provides insights into lessons learned and draws on the common aspects of the cases as well as some of their differences. The review is based on the following observation:

Innovative city-business collaboration takes place along a continuum that starts with early, strategic collaboration to help shape a city's overall sustainability vision and goals and then extends to later stages dealing with implementation. This highlights two crucial aspects of innovation in city-business collaboration:

1 New models are needed that allow and improve city-business collaboration in the pre-commercial phases of the continuum, where city-business engagement has traditionally been weak and tends to lack adequate processes for engagement.

2 Successful pre-commercial city-business collaboration then needs to transition effectively to commercial collaboration and implementation. The challenge with this transition is to acknowledge and cope with a change in interests from the pre-commercial phases, where businesses may act in a participatory or advisory role in decision-making in cities, to the commercial phase, where businesses compete for partnerships and contracts.

Hence, innovative city-business collaboration models need to deliver well thought through processes and facilitation to address both sides of the continuum holistically.

Some cases reviewed in this report have deliberately stayed at the pre-commercial or early-stage collaboration level, emphasizing the need to involve business in the early stages of multi-stakeholder visioning and strategic planning for urban sustainability. Other examples look at how early-stage stakeholder involvement and collaboration can also translate into concerted action for follow-up implementation. These examples provide useful insights into how to deal practically with the duality of non-commercial and commercial interests in city-business collaboration.

Despite the different approaches, **key components** identified as common to all cases include:

- **Shared objectives and a common vision.** City-business collaboration needs to have shared objectives and a common vision to ensure that businesses from different sectors and different local government departments work in unison to achieve urban sustainability objectives.

- **Multi-stakeholder involvement.** City-business collaboration should not be limited to public and private sector actors but should also include other stakeholders to broaden ownership and buy-in, increase public legitimacy and ensure transparency.

[1] The report and the complete 6 case studies can be found under:
http://www.wbcsd.org/innovative-city-business-collaboration-report-case-studies.aspx

- **Political will and leadership.** Political will and leadership are crucial to enabling and providing continuity to city-business collaboration policies and ensure that all relevant stakeholder groups are involved in the process.
- **Defined roles and collaboration process.** City-business engagement needs to occur within a framework of clearly defined roles and responsibilities and a structured process that is transparent and inclusive.
- **Neutral facilitator or bridging organization.** A neutral facilitator or bridging organization that is dedicated to promoting and facilitating multi-stakeholder engagement and improving urban development is a key component to successful city-business collaboration.
- **Multi-sector expertise.** Due to the increasing complexity of urban sustainability challenges, an integrated multi-sector view is required to address urban development in a holistic way.

INTRODUCTION

With the global megatrends of climate change, resource scarcity, population growth and rapid urbanization, cities are facing increasingly complex challenges in service and infrastructure provision. In this context, cities require innovative solutions to build sustainable, resilient, healthy and happy communities that thrive economically and socially. New technologies are emerging rapidly and provide cities with novel ways and tools for improved energy generation and distribution, drinking and wastewater management, solid waste treatment, transportation and communication. However, unlocking the potential of these innovations to enhance urban resilience, productivity, efficiency, food security and health services and to improve quality of life for all requires holistic and integrated approaches to urban planning and management. These approaches, which range from early stages of visioning and strategic planning to implementation, monitoring and evaluation, must take into account the interconnectivity of urban systems, counter silo thinking and behavior, and improve collaboration between sectors.

NEED FOR INNOVATIVE CITY-BUSINESS COLLABORATION

Cities can gain substantially from incorporating private sector expertise on proven, cost-effective solutions into their sustainability strategies. For businesses, partnering with local governments provides the opportunity to unlock new markets for solution implementation and infrastructure investment. Additionally, city-business collaboration is a learning opportunity for both sides to improve their communication and mutual understanding. Speaking the same language is vitally important for cities and businesses to ensure that the innovative capacity of the private sector targets the needs of cities.

To investigate city leaders' perceptions of the private sector and their experiences in engaging in sustainable urban development with companies, ICLEI and the World Business Council for Sustainable Development (WBCSD) carried out a joint survey between February and April 2014. The results indicate that corporate expertise and knowledge are viewed as valuable contributions to advancing cross-cutting urban sustainability strategies. Most interaction, however, was said to occur at the procurement or implementation stage, long after cities have decided on their sustainability agendas and plans of action. In these later stages, companies mainly act as solution and service providers and are limited to commercial seller-buyer relationships. Restrictive regulations and a lack of suitable pre-commercial engagement processes were viewed as the most limiting factors by the public sphere.

The survey results show that there is a gap between the desire for effective engagement and reality. The role of businesses is often limited to delivering solutions, leaving very few opportunities for the promotion of innovation and the provision of valuable strategic input. At the same time, concerns about conflicts of interest arise when businesses are invited to provide input in public decision-making and planning that could potentially influence interactions between cities and businesses further down the line. These issues point to the need to develop new modes of collaboration between cities and businesses so as to leverage the full capability of the private sector to drive innovative solutions and support effective planning and decision-making. However, the city remains in charge of the terms of reference and the rules of engagement with the private sector and must clearly ensure transparency and fairness of the process.

Building on ICLEI's and WBCSD's previous work, this report reviews six examples of city-business collaboration from different parts of the world. It draws on some preliminary observations and lessons learned to help facilitate and improve business input in strategy development and planning for urban sustainability and to manage commercial and non-commercial interests.

INNOVATIVE CITY-BUSINESS COLLABORATION CASE STUDIES

The following six case studies present innovative examples of how public and private actors can work together to advance urban sustainability. In each of the cases, structured and transparent processes have been adopted to enable early stakeholder engagement and the exchange of information and knowledge between the public and the private sphere. Each case study is summarised below, the full text of the case studies can be found under: http://www.wbcsd.org/innovative-city-business-collaboration-report-case-studies.aspx

1 **URBAN INFRASTRUCTURE INITIATIVE**
FRAMEWORK FOR CITY-BUSINESS COLLABORATION

2 **INDORE, INDIA**
COLLABORATION AS A DRIVER FOR SUSTAINABLE MOBILITY

3 **COUNTY OF SCANIA, SWEDEN**
RESILIENT REGIONS ASSOCIATION

4 **HOUSTON, USA**
ENERGY EFFICIENCY IN BUILDINGS PLATFORM

5 **FINLAND**
RAKLI PROCUREMENT CLINICS

6 **BOTTROP, GERMANY**
INNOVATIONCITY RUHR

CASE STUDY 1

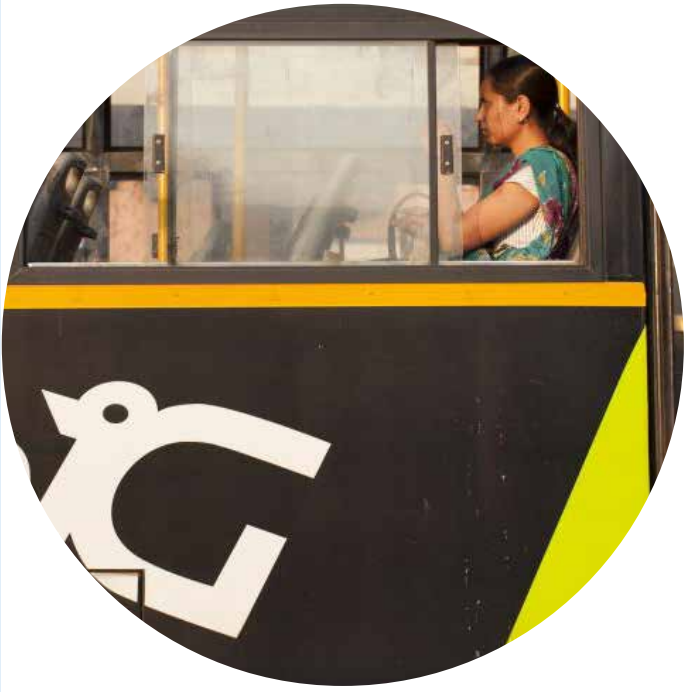
Urban Infrastructure Initiative
Framework for city-business collaboration

Conducted between 2010 and 2014, the WBCSD Urban infrastructure Initiative (UII) was an innovative global project that contributed to setting the framework for city-business collaboration at the early planning stage and demonstrated the role of business as a strategic partner to help cities turn their ambitious sustainability visions into reality.

This multi-sector collaboration between 14 leading global companies worked with 10 cities around the world using a structured engagement process. Bridging organizations played an important role in facilitating the development of a relationship between the UII teams and the cities, especially in early discussions to identify the scope of engagement and the urban challenges to be addressed. The UII teams then conducted transformation assessments to create “solutions landscape” reports for the cities with integrated, cross-sector solution recommendations.

An important outcome of this major initiative suggests that all cities seeking to realize their sustainability objectives can benefit substantially from engaging with business early in the planning and strategy development process. Another important observation from the overall evaluation is that global companies can bring a wealth of experience and knowledge of what works from their global operations, to which even cities in highly developed economies do not always have access.

CASE STUDY 2



Indore, India
Collaboration as a driver for sustainable mobility

Until the end of 2015, the WBCSD Sustainable Mobility Project 2.0 (SMP2.0) will be collaborating with the city of Indore in India to develop a holistic sustainable mobility plan that addresses the mobility issues prioritized by the city.

The project has brought together a cross-sector group of multinational mobility-related companies, referred to as the SMP2.0 City Task Force, to work with city officials and local stakeholders, including the private sector, non-governmental organizations (NGOs) and citizens. The collaboration follows a series of steps encompassing an in-depth assessment of Indore’s current state of mobility and its economic constraints, the development of sustainable mobility indicators and the identification of potential integrated solutions. Throughout the process, the SMP2.0 City Task Force has been drawing on previously developed tools and best practices.

The final mobility plan and roadmap will include enablers, financing options, the timeframe and areas of deployment. It will serve as the basis for a detailed action plan to be developed and implemented by Indore and its local stakeholders. The city will be able to monitor progress towards sustainable mobility using the set of indicators and calculation methodologies developed by the SMP2.0 City Task Force.The WBCSD Sustainable Mobility Project 2.0 demonstrates the potential for mobility-related companies to support the transformation towards sustainable urban mobility in the early stages of strategic planning, data gathering and assessment. Moreover, it confirms that a common methodology, designed to be applicable to any city, is an excellent starting point but needs to be tailored to the structure of the city authority and the specific roles involved, the desired speed of application and the city’s objectives.

CASE STUDY 3

County of Scania, Sweden
Resilient Regions Association

Established in 2011 in the county of Scania in southern Sweden, the Resilient Regions Association (RRA) was co-founded by public and private actors to address resilience challenges. The association's goal is to build more resilient societies with the ability to quickly overcome and recover from social, environmental and economic pressures.

To address Scania's regional challenges, the RRA established Resilient Community Skåne (RCS). It is comprised of a political network mandated with establishing the overarching agenda for the work of RCS and embedding resilience in Scania's long-term political decision-making and an executive's network that brings together public and private stakeholders with direct interests, responsibilities and needs to build capacity and develop strategic initiatives.

RRA and its Resilient Community Skåne organize thematic workshops, advance research on urban functionality and generate integrated solution approaches that they plan to implement in the future.

CASE STUDY 4

Houston, USA
Energy Efficiency in Buildings Platform

A private sector-led initiative under the auspices of the WBCSD Energy Efficiency in Buildings 2.0 project (EEB2.0) worked with the city of Houston to define practical strategies to reduce energy consumption in buildings.

In October 2014, they brought together a diverse group of local stakeholders, thought leaders and experts from the private and public sector, including the Mayor's Office of Sustainability, in a three-day Energy Efficiency in Buildings Laboratory (EEB Lab). The EEB Lab followed an inclusive and participatory process to generate input from a wide range of stakeholders along the entire building value chain to understand the key barriers and identify market-specific actions to overcome these barriers. The city played an important convening and leadership role.

The EEB Lab resulted in the setting up of the new "Energy Efficiency in Buildings – Houston" coordination platform. In its initial phase, the platform is led by WBCSD and its local partner US BCSD and managed locally, with the active support of the city of Houston. This platform focuses on four themes: 1. raising awareness of the multiple benefits of energy efficiency in buildings; 2. financing EEB solutions; 3. building capacity to deliver EEB solutions; and 4. increasing real estate market competitiveness with EEB solutions. Joint private and public sector ownership based on mutual interest and the willingness to support the city of Houston's ambitious CO_2 emissions reductions provide the basis for continuous engagement.

CASE STUDY 5

Finland
RAKLI procurement clinics

The Finnish Association of Building Owners and Construction Clients (RAKLI) launched the procurement clinic method in 2007 to enable open dialogue on procurement and urban development challenges between public sector clients and potential solution providers, contractors and investors.

Consisting of a series of facilitated and interactive workshops, procurement clinics are inclusive consultation processes that encourage a wide range of stakeholder inputs. Procurement clinics reduce risks, spur innovation and improve outcomes as they make tendering processes more open and transparent, and generate private sector input for urban infrastructure development.

To date, 22 procurement clinics have been conducted to discuss questions such as how to structure the procurement process for a ring rail line in the Helsinki metropolitan area and how to develop a district energy system in Espoo.

CASE STUDY 6

Bottrop, Germany
InnovationCity Ruhr

As the winner of the industry-initiated InnovationCity Ruhr contest in 2010, the city of Bottrop, Germany, has been supported by the regional private sector in transforming seven of its districts into a living laboratory for climate-friendly urban redevelopment.

By 2020, Bottrop aims to reduce CO_2 emissions by half while simultaneously increasing overall quality of life through the implementation of around 370 projects. These include measures such as the energy-efficient retrofitting of existing commercial and residential buildings, installing cogeneration systems and creating additional green spaces.

The joint company Innovation City Management (ICM) was established in 2011 to drive the initiative and serve as an interface between the private and public sectors, academia and Bottrop's citizens. Chaired by Bottrop's lord mayor and comprised of 35 representatives from ICM, Bottrop's municipality and the private sector, ICM's project table meets bi-weekly to oversee the initiative's progress, discuss new projects and address challenges. It receives private sector and academic input through an industry advisory board and a science advisory board.

Political leadership combined with an engaged citizenry and a private sector interested in promoting innovative and green economic development provide the necessary support to operationalize the ambitious InnovationCity Ruhr undertaking.

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REVIEW OF INNOVATIVE CITY-BUSINESS COLLABORATIONS

FROM EARLY, STRATEGIC COLLABORATION TO INNOVATIVE IMPLEMENTATION MODELS

City-business collaboration can range from early-stage strategic planning in formulating a city's overall sustainability vision and goals to later stage collaboration for implementation. Most cases presented in this study emphasize the importance of city-business engagement in the early phases of formulating visions, strategies and plans for sustainable urban development. RAKLI demonstrates that engagement with companies at the pre-commercial procurement stage helps to identify gaps in specifications drawn up by public procurers before they are incorporated in the tender. By providing a platform for early market engagement, cities and businesses are able to openly discuss procurement parameters and develop state-of-the-art specifications that can contribute to improved service quality and cost-

effectiveness. This type of engagement also provides an opportunity for public and private stakeholders to better incorporate innovation in public procurement processes. Similarly, the cases of the Urban Infrastructure Initiative (UII), Houston and Indore show how early-phase city-business interaction enables cities to leverage the capability of the private sector. City officials can draw on companies' global knowledge and expertise in shaping their sustainability agendas and addressing their complex urban challenges in an integrated and holistic way. These programs offer cities practical information and expertise on available state-of-the art solutions that subsequently save local governments substantial amounts of time and resources in project formulation and design. Businesses can in turn develop a better understanding of the concrete local needs and conditions of cities, which helps them customize solutions and consider potential challenges prior to implementation.

However, a key observation from the review of the six case studies is that there is an inflection point along the continuum of city-business collaboration. This inflection point marks the transition from pre-commercial phases (figure 1, lower half) of the collaboration initiative to contracting and implementation phases (figure 1, upper half). This potentially involves a change in interests and roles in the collaboration for both the city and the businesses concerned. In the pre-commercial stage, businesses act as participants and advisors to a process of participatory planning and decision-making in a city and cities act as conveners and collectors of stakeholder opinions and expertise. After the inflection point, businesses start competing with each other for contracts with (or enabled through) the city, which puts the city in the role of a customer (or advocate for customer interests).

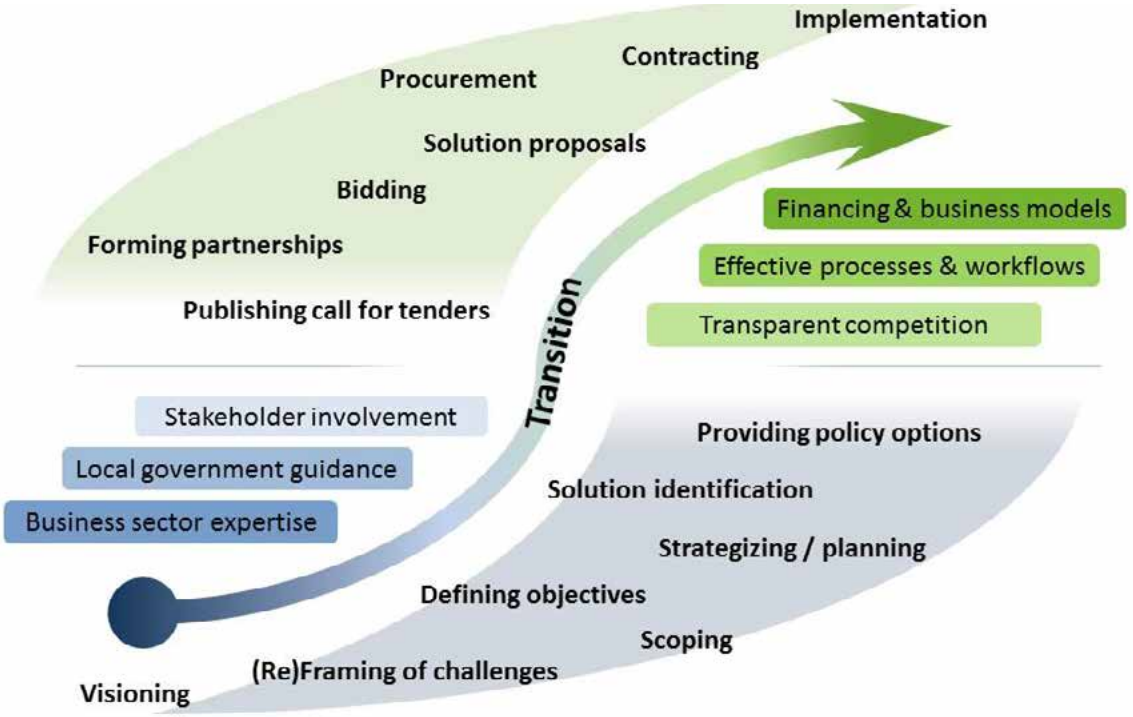

Figure 1: Continuum of city-business collaboration processes illustrating the transition from pre-commercial (blue) collaboration phases to commercial (green) phases

Innovative city-business collaboration models need to deliver well thought through processes for collaboration on both sides of the continuum and manage the transition from one to the other.

This highlights crucial aspects for the review of city-business collaboration initiatives to focus on:

1 The lessons that can be learned from the initiatives on enabling and facilitating pre-commercial city-business collaboration;

2 Insights into emerging good practices for holistic collaboration approaches along the entire continuum, from those cases that do transition to commercial collaboration and implementation.

Along the continuum of city-business collaboration, the **Urban Infrastructure Initiative (UII)** engagements were deliberately designed to be several steps removed from tendering and procurement processes so as to allow for wide-ranging conversations and brainstorming with maximum transparency. Each of the collaborative endeavors ended with the publication of a tailored "solutions landscape" report. In all 10 cities, these reports were found to be most useful in broadening the understanding of inter-sectoral relations and of technological, planning and design options.

Similarly, the Sustainable Mobility Project 2.0 seeks to develop a sustainable mobility roadmap for **Indore** that will serve as important input to the city's Comprehensive Mobility Plan for 2021. Pre-commercial engagement between the private sector and the city is not intended to result in commercial collaboration. However, the city is provided with a valuable toolbox of best practices and a set of indicators and calculation methodologies to advance and monitor its future work in the field of mobility.

Still in its start-up phase, **Resilient Regions Association (RRA)** and its Resilient Community Skåne are situated at the beginning of the collaboration continuum. Their aims are nonetheless the eventual joint implementation of projects for the realization of a more resilient community. A special feature of this case is the openness towards stakeholder involvement—the process treats all actors as equal stakeholders in the promotion of resilience as a common goal. This allows for an inclusive interaction process along the entire continuum, from visioning and goal setting to implementation. It comes with the acknowledgement of actor and stakeholder diversity within the private sector. More specifically, RRA distinguishes between businesses that serve as system operators, such as utility and infrastructure providers, and those that are solution providers selling their services and products to the public sector. While the openness of the RRA approach may lack the efficiency and timeliness of a case like Bottrop in arriving at implementation stages, it nonetheless creates a more open learning process allowing for more dynamic changes and the development of partnerships and collaboration over time.

The Energy Efficiency in Buildings 2.0 (EEB2.0) project in **Houston** delivered a tangible action plan for the city and it established a new "Energy Efficiency in Buildings – Houston" platform. The self-sustaining stakeholder network that is co-led by WBCSD and the US BCSD consists of local public and private actors, which creates joint ownership of the actions going forward. The City of Houston will continue to play a key role in convening the stakeholders and leading by example. The EEB2.0 project has thus initiated city-business engagement at the early stages of the continuum and laid the foundation for continuing collaboration via an open, multi-stakeholder platform as Houston moves towards implementation.

Depending on the topic of the procurement clinic, city-business collaboration in the case of **RAKLI** is either situated close to the transition from pre-commercial market engagement to tendering or takes place at even earlier stages, such as the defining of objectives and developing of solution strategies. If a concrete tender is anticipated as an outcome, the workshops are used to generate input in terms of structuring the procurement process, refining specifications, and finalizing contract notices in a fair and transparent way. The actual tendering process, however, takes place after the clinic has been concluded. In many cases there is a substantial time lag between the conclusion of the clinic and the publishing of the invitation to tender. This provides an additional temporal buffer between pre-commercial and commercial relationships between public and private actors.

With a 10-year time frame to reach a highly ambitious carbon reduction goal, the case of **Bottrop** stands out in that it follows the entire continuum, from early phases of city-business collaboration through to the implementation phases, in a timely and efficient manner. The same pool of regional and local companies involved in the strategizing and planning of projects takes ownership of their implementation, which keeps the momentum of collaboration throughout the transition from pre-commercial to commercial phases. Transparency and fairness of the overall process are ensured by the continuous involvement of all parties during the entire duration of the process. An interesting question for further examination would be if the Bottrop approach of working with the same local partners throughout the whole continuum of city-business collaboration and focusing on implementation marks a tradeoff, i.e. drawing less on international expertise (as provided by the UII, for example) for the benefit of faster local implementation. This in turn also begs the question of what level of local capacity and expertise would be necessary as a precondition to successfully replicate Bottrop's approach in other cities.

While all case studies recognize the importance of early, pre-commercial engagement, not all of them transition to commercial collaboration and implementation. The UII and Indore deliberately stay within the first part of the continuum to allow for full transparency and open engagement. RRA and Houston have established open, multi-stakeholder platforms to drive the implementation of solutions for improved urban resilience in the county of Scania and energy efficiency in buildings in Houston. Both RRA and Houston are thus about to transition towards implementation. However, concrete approaches and processes have yet to be defined and it remains to be seen which experiences and lessons can be drawn from these examples with regards to structuring the transition from pre-commercial to commercial engagement. Finally, city-business engagement in the RAKLI and Bottrop case studies has already successfully informed concrete procurement processes and resulted in the implementation of projects respectively. While RAKLI's procurement clinics stop right before the transition to commercial implementation, they are often used to draft tenders to be launched after the conclusion of the workshops. RAKLI's procurement clinics therefore approach the transition from pre-commercial to commercial city-business collaboration by improving the existing regulatory framework for procurement through added business sector input and facilitation between cities and businesses. Bottrop, on the other hand, applies city-business engagement along the entire continuum but with a clear focus on implementation from the start. To some extent, Bottrop's approach can be seen as a more progressive challenge to regulatory frameworks that fast-tracks implementation through the institutionalization of effective work flows for city-business collaboration.

KEY COMPONENTS

OF CITY-BUSINESS COLLABORATION

As the case studies demonstrate, innovative approaches to city-business collaboration can differ substantially. However, there are a number of key aspects that seem critical to successful city-business engagement:

Shared objectives and a common vision need to be established to ensure that companies and city officials work in unison to achieve urban sustainability objectives. Both public and private interests have to be considered and reflected to maintain the necessary buy-in and commitment on both sides.

The premise of city-business engagement in the RRA case study is the realization that private infrastructure providers have similar objectives in terms of resilience as the cities in which they operate. RAKLI's procurement clinics generate valuable market-based input for public procurers. Industry representatives participate in the clinics for the networking opportunities they provide, to gain a better understanding of public procurement processes and, not least, to have their views, experience and concerns reflected in procurement processes.

The objectives of a city-business collaboration can be as concrete as achieving particular policy targets or as general as accomplishing structural or institutional objectives such as the long-term institutionalization of workflows, collaboration models and actor networks. For example, in the case of Bottrop a 50% reduction in CO_2 emissions is sought while in the case of the county of Scania, RRA aims to improve resilience through enhanced stakeholder engagement.

Multi-stakeholder involvement. The importance of including additional stakeholders is recognized in each of the case studies, which underlines the need for a multi-stakeholder approach that goes beyond public and private sector collaboration.

For example, Bottrop's engaged citizenry provided the rationale for bringing the InnovationCity Ruhr project to Bottrop. In the case of the Resilient Regions Association, academia has emerged as a valuable strategic partner charged with the provision of applied research that underpins the work of the organization.

Other stakeholders may contribute in various capacities, for example as strategic partners in the city-business engagement process, as information providers, observers, financiers and bridging organizations. Importantly, the inclusion and participation of non-governmental, non-profit civil society organizations, citizens and the wider public provide a sense of ownership and strengthen the legitimacy and transparency for city-business collaboration.

Political will and leadership are crucial to legitimizing and enabling the collaboration as a foundation for continuous engagement with the private sector and to ensuring that all stakeholder groups are involved in the process.

The work of RRA's Resilient Community Skåne, for example, is highly dependent on strong political commitment and support. A change of political parties and elected officials brought the political network—a core component of RCS—to a temporary standstill until political support was re-established with the newly elected officials. In the case of Bottrop, the city's lord mayor has played a catalytic role in building citizen support, which was a deciding factor in establishing the InnovationCity Ruhr initiative in the city and keeping up the momentum of collaboration.

Common to all case studies is that decision-making and discretion remain within the authority of the public sector. This further emphasizes the importance of political will and leadership. Since local and regional officials and politicians are accountable to their electorate and the public at large, they retain the final word on which private sector recommendations to take into account and which projects to pursue. This notion has been the point of departure for the UII and city-business engagement in Indore.

Defined collaboration process. City-business engagement needs to occur through a defined process that is transparent and inclusive. A necessary component of the process is a mechanism enabling face-to-face meetings and the free exchange of information. Depending on the objective of the collaboration and the actors involved, the process may be more or less rigidly structured.

Institutionalized bi-weekly meetings, for example, have been crucial to ensuring that Bottrop remains on track to meet its ambitious target of halving CO_2 emissions by 2020. The UII and RAKLI's procurement clinics are further examples of highly structured processes and platforms aimed at facilitating early private sector engagement and input to find solutions to specific urban challenges.

Where the objective is rather broad, such as in the case of the Resilient Regions Association, collaboration partners might first have to undergo a joint process of identifying goals, roles and appropriate mechanisms through continuous stakeholder dialogue.

Neutral facilitator or bridging organization. To enable open, solution-oriented discussions and to ensure transparency, it is important to have a neutral and trusted facilitator or bridging organization whose mandate and sole interest lies in promoting multi-stakeholder engagement in support of more sustainable urban development.

The UII initiative, for example, made use of respected third party stakeholders with a detailed understanding of the local context to facilitate the city selection and engagement process. In the case of RAKLI, the role of the neutral facilitator has been assumed by the initiator of the city-business collaboration—a non-profit association representing both public and private entities operating in the built environment.

Multi-sector expertise. Due to the increasing complexity of urban sustainability challenges, an integrated and holistic multi-sector approach to urban development is increasingly required to address existing and future social, economic and environmental challenges. Diversifying the pool of expertise and knowledge seems to be critical to successful city-business collaboration and has a great potential to generate higher quality outcomes across the strategic planning, goal setting and implementation continuum.

Particularly successful endeavors, as presented in the UII, Indore and Houston examples, demonstrate the added value of bringing in global companies that are leading experts in their respective fields. Similarly, Bottrop's Innovation City Management and its project table receive valuable input from an industry advisory board consisting of a broad range of regional private sector representatives. Pairing the expertise and experience of global industry players with the knowledge and assets of the local public and private sectors appears to be a promising approach to generating and implementing original and innovative solutions to local sustainability challenges.

CONCLUDING REMARKS

The cases examined in this report reinforce the conviction that city-business collaboration needs to go beyond conventional regulatory regimes that confine public and private sector roles to commercial supplier-customer relationships. This confinement is no longer fit for purpose in addressing the complex urban sustainability challenges facing cities today. With the increasing demand for private sector expertise to inform local government-led sustainable urban development initiatives and the need for private sector innovation to better cater to cities' specific local challenges, effective processes and structures to facilitate partnerships between cities and businesses are required. Based on the six case studies, a common underlying issue is how to ensure effective and open pre-commercial engagement without undermining the fairness, transparency and competitive nature of commercially-driven implementation. This observation requires that all actors involved, namely local authorities, the private sector and civil society, be fully cognizant of their respective roles and responsibilities at each stage of the city-business collaboration continuum, be it from early policy and strategy setting stages to commercial engagement with changes in actors' roles and interests throughout the process.

Despite their global coverage, the six cases portrayed in this report barely scratch the surface of the wide variety of emerging modes and models of city-business collaboration. They can by no means claim to constitute a representative sample of the manifold examples that are being shaped in practice. They do, however, epitomize the different entry points and outcomes of city-business collaboration along a continuum that ranges from early phases of strategic planning and decision-making through to defining project parameters and specifications for contracting and implementation.

A more critical view of the continuum could argue that the distinction between pre-commercial and commercial interests depending on the phase of the collaboration is an oversimplification of the matter: commercial interests arguably drive all stages of city-business interaction, either directly or indirectly to some extent, and political and other interests do so likewise. A more pertinent question for further research and discussion would then be: Which types of commercial, political, public and other interests play a role in city-business collaboration and how should they be addressed? Exploring this question further goes beyond the limits of the present report but should provide valuable insights for guiding further analysis on city-business interaction.

The observations contained in this report argue in favor of analyzing a larger number of city-business collaboration initiatives that address phases on both sides of the shift. Provided similar patterns could be observed in other cases, innovative models of city-business collaboration would be able to help guide and structure the interaction of actors from public and private sectors more efficiently and effectively.

This report provides some lessons learned regarding success factors in city-business collaboration. Firstly, shared objectives and a common vision for sustainable urban development are crucial as a foundation to bring cities and businesses together and to direct the collaboration towards concrete outcomes. Secondly, political leadership and commitment are necessary to guarantee the support and momentum of the process as it progresses along the continuum of collaboration phases. Involving other stakeholders, such as academic and civil society actors, into the process appears crucial to

improving inclusivity and the legitimacy of city-business collaboration. In many cases, multi-stakeholder involvement helps eliminate potential conflict of interest concerns as people begin to realize the benefits of having diverse sources of expertise and knowledge. The need for multi-sector expertise becomes most evident in addressing complex urban sustainability challenges that require holistic approaches to, for example, water, energy, waste and mobility. A clearly structured process, predesigned or jointly developed, appears useful to increase the efficiency of the collaboration and prevent it from stalling. Finally, and maybe most importantly, part of the success of all cases featured in this report is attributable to a neutral entity or institution that facilitates and moderates the dialogue and participatory process, ensures that all voices are heard and channels the process towards concrete outcomes. While these lessons learned provide a first outlook on common patterns emerging from the six cases featured in this report, there were also innovative and distinct features of the individual cases that potentially could provide valuable insights if examined more closely. The UII initiative deliberately focused on one part or on specific points of the collaboration continuum, while others addressed or plan to address the whole spectrum, from visioning and goal setting to implementation. RRA in the county of Scania and the EEB2.0 initiative in Houston both devised open and inclusive multi-stakeholder approaches to bring local governments, businesses and other actors together without rigidly predefining their stake or role in the process, providing them with maximum opportunity to self-define the direction of their engagement and partnership. Finally, RAKLI's procurement clinics and the InnovationCity Ruhr initiative in Bottrop provide two very interesting insights regarding the transition from pre-commercial to commercial city-business collaboration towards implementation. While RAKLI can be seen as an approach that amends the existing regulatory framework for public procurement through added facilitation and pre-commercial city-business engagement, Bottrop institutionalizes effective work flows to fast track implementation.

Looking at both the commonalities and the unique features of the cases examined, this report points to what seems to be the tip of an iceberg. Analyzing a much larger sample of cases, comparing their advantages and disadvantages and assessing their impact on cities has the potential to lead to a comprehensive guide on how to design effective city-business collaboration models for sustainable urban development.

Questions raised by this report:

The observations in this report are meant to serve as a first step towards better understanding innovation in city-business collaboration, putting forward the following questions for further research and debate:

- How can concerns about conflict of interest be addressed to allow companies to engage with cities along a continuum, from visioning and strategic planning through to implementation?
- Which different types of commercial, political and public interests need to be taken into account by innovative city-business collaboration models?
- Which collaboration models stand out globally as successful in impacting sustainable urban development?
- How can good practice city-business model examples be replicated under different local circumstances?
- How can city-business collaboration models best be categorized and compared in regards to their process, structure and ability to reach their objectives?

IMPRESSUM

Published by
ICLEI – Local Governments for Sustainability and
World Business Council for Sustainable Development

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Layout
World Business Council for Sustainable Development

ISBN: 978-2-940521-27-2

About the WBCSD

The World Business Council for Sustainable Development (WBCSD), a CEO-led organization of some 200 forward-thinking global companies, is committed to galvanizing the global business community to create a sustainable future for business, society and the environment. Together with its members, the council applies its respected thought leadership and effective advocacy to generate constructive solutions and take shared action. Leveraging its strong relationships with stakeholders as the leading advocate for business, the council helps drive debate and policy change in favor of sustainable development solutions.

The WBCSD provides a forum for its member companies - who represent all business sectors, all continents and a combined revenue of more than $8.5 trillion, 19 million employees - to share best practices on sustainable development issues and to develop innovative tools that change the status quo. The council also benefits from a network of 70 national and regional business councils and partner organizations, a majority of which are based in developing countries.

About ICLEI

ICLEI - Local Governments for Sustainability is the world's leading network of over 1,000 cities, towns and metropolises committed to building a sustainable future. By helping our Members to make their cities sustainable, low-carbon, resilient, biodiverse, resource-efficient, healthy and happy, with a green economy and smart infrastructure, we impact over 20% of the world's urban population.

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