

TITLE: Competitive Cities Program (Productive development through Public Capacity and Value Chains)

Country: Cuenca, Ecuador; Barranquilla, Colombia; otros.

Institution: CAF, Development Bank of Latin America

Date: Started in October 2011 (Updated September 2013)

Webpage: <http://www.caf.com/en>

Context

Competitive development goes through the growth of competitive cities. Experiences of this type in Brazilian states and many cities of the region show the need for convergence and public-private partnerships in achieving meaningful progress in productive development, in addition to innovation and entrepreneurship.

This program was begun in two cities, Cuenca in Ecuador, Fortaleza in Brazil, and Barranquilla in Colombia. Soon it will continue in cities in Peru, Argentina, and Panama.

Objectives

The general objectives of this program are to proceed with developments in the competitiveness agenda in two ways: by 1. Strengthening the public sector to design and implement business development services, and, 2. Focusing efforts to eliminate and reduce obstacles to the development of specific value chains in cities.

Relevance

The efficiency of public sector services to the private sector can be improved by working directly with public and private counterparts (institutional capacity toolkit), and obstacles to value chains can be reduced through the application of a quantitative global value chain methodology (quantitative value chain toolkit).

Implementation

Technical assistance, training, and workshops.

Distribution of tasks

In Cuenca, Ecuador, participants are the City of Cuenca, the government of Azuay, and Acudir, a center

that brings together the public and private sectors.

In Barranquilla, Colombia, participants are the Chamber of Commerce of Barranquilla, the City, in addition to partners at local universities.

In Fortaleza, Brazil, the project is part of a loan operation with the municipality, and incorporate counterpart from public sector and civil society.

A strong public-private partnership is being sought in other cities where the program is being implemented or is planned for execution, in addition to joint financing with key actors.

Achievements and results

The program is being implemented, but it will make it possible to improve competitiveness through a combination of strengthening public capacity with direct interventions to address industrial value chain obstacles in cities.

Unexpected achievements

This Competitive Cities program at the CAF is being integrated into a bigger initiative called “Cities with a Future”, which combines joint interventions in productive transformation, social, security, and infrastructure improvements in cities of CAF member countries.

Experience and Sustainable Results

The program is sustainable because it has the support of the CAF Vice Presidencies, and as such it seeks the incorporation of interventions in different areas in a longer term of at least between two and three years that can be accompanied with the cities’ development plans.

Capacity to replicate and potential for exchange

There are numerous experiences in cities of the region that are implemented by development banks or by state and city governments.

For example, Local Production Clusters programs in Brazil, cluster programs in cities in Argentina, Productive Development Agency programs in Chile, etc.

Human, operational and institutional capacities

CAF has extensive experience in issues of competitiveness, cities and local development.

Good practices and concrete lessons

Regarding competitive cities programs, two issues need to be resolved: 1. Improve the efficiency of public sector programs and at the same time strengthen the technical capacity of local governments. 2. Promote a vision that makes it possible to measure obstacles to the development of productive sectors, such as through the quantitative analysis of value chains.

Experiences and subjects to learn from other RIAC members

Cities’ development policies, value chain methodologies, implementation of reforms, etc.

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