

## Charter



# Clean Air Initiative for Asian Cities (CAI-Asia)

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## I. Background

1. Air pollution problems are increasingly becoming a high priority issue in the rapidly growing cities in Asia. Problems are most urgent in the mega-cities but many smaller cities and towns are also badly affected. Due to the widespread adverse economic and social impacts of poor quality air, various governments and cities have started to take an interest in air quality management. Similar questions are being asked, similar problems are being faced and similar requests for help are being issued in several cities and countries. Various donors are responding to these requests and geographical and topical overlaps are becoming more common. So, too, are workshops and conferences. To avoid duplication of development advice and provision of conflicting advice, there is a need to coordinate these efforts.
2. Although several cities in Asia have started to take action, a more comprehensive approach is required in most locations. At present, coordination between the many different stakeholders (i.e., national governments, city governments, private sector organizations and NGOs) is often weak. Also, a structured exchange of experiences between different countries and cities in the Asian region has yet to be established.
3. Based on similar experiences in other regions of the world (Latin America, Eastern Europe and Central Asia), the World Bank (WB), together with the Asian Development Bank (ADB), and a number of bilateral development organizations have taken the initiative to establish a Clean Air Initiative for Asian Cities (CAI-Asia).

## II. The CAI-Asia Mission, Objectives, Scope

### A. OVERALL MISSION

4. CAI-Asia intends to promote and demonstrate innovative ways to improve the air quality of Asian cities through partnerships and sharing experiences. CAI-Asia will bring together relevant stakeholders from government, private sector, and civil society that have an interest in improving air quality in major cities in Asia. In addition to these local stakeholders, CAI-Asia will also include international development agencies, internationally organized NGOs, and private sector entities that have a collective advantage and are interested in assisting cities in Asia to address their air quality problems.

## **B. PROGRAM OBJECTIVES**

5. The general objective of CAI-Asia is to increase the capacity of Asian cities to effectively tackle their air pollution problems. It aims to deepen the understanding and to broaden the acceptance of the region's best practices into improved policies and programs, and effectively communicate the lessons from experience to targeted audiences. CAI-Asia will achieve this objective by:

- (i) sharing knowledge and experiences on air quality management;
- (ii) improving policy and regulatory frameworks at the regional level;
- (iii) promoting the implementation of integrated air quality management strategies and regulations; and
- (iv) piloting projects to encourage innovation.

6. CAI-Asia will build on the large body of existing experience of its participating organizations such as cities, government agencies, companies, academia, civil society (e.g., NGOs) and international development organizations. While CAI-Asia is designed to raise awareness and disseminate good practice it is not intended to be a source of funds for planning and implementation of air quality management projects and programs.

## **C. SCOPE**

7. The geographic scope of CAI-Asia includes South Asia, South-East Asia, and East Asia. The primary emphasis is on cities which have significant air quality problems and which have expressed a willingness to tackle air pollution in a broad-based manner involving concerned national government agencies, private sector groups, civil society groups, and representatives from academia and media. Smaller cities in Asia that demonstrate a specific interest in the activities of CAI-Asia can also take part in the Initiative.

8. CAI-Asia addresses air pollution from mobile sources, stationary sources, and area sources.

## **D. COORDINATION WITH OTHER ACTIVITIES**

9. CAI-Asia does not intend to duplicate or overlap with ongoing programs and projects at the regional, national, or local city levels (e.g., from WB, ADB, WHO, UNEP, US-AEP, ESCAP, bilateral donor organizations, and private sector companies) in the sector. Rather, it will coordinate with such activities to maximize the impact of CAI-Asia activities. Member organizations of CAI-Asia already undertake different types of activities related to air quality management such as the organization of workshops and the formulation and implementation of action plans or pilot projects. CAI-Asia will actively encourage member organizations to increase their air quality management-related activities. It will focus its efforts on those activities where

there is a clear advantage of working collectively, and with those member organizations who have voluntarily expressed interest in implementing them under the umbrella of the Initiative. CAI-Asia will promote the sharing of information on each partner's activities and include these activities on its website. It will seek active cooperation with existing networks of cities in Asia such as City Net or the Cities for Climate Protection – South East Asia of the International Council for Local Environmental Initiatives. As CAI-Asia develops into a credible and effective regional network, more opportunities for synergy among partner activities will naturally evolve.

10. CAI-Asia has a special relationship with the Air Pollution in Mega-cities of Asia (APMA) project supported by UNEP, WHO, Stockholm Environment Institute, and Korea Environment Institute. APMA will make use of the network established by CAI-Asia and both have agreed to merge their program of activities.

### **III. Governance Structure**

#### **A. WORKING PRINCIPLES**

11. CAI-Asia works with partners in the field to seek innovative solutions to address air pollution in large cities in Asia. To fulfill its mission and make optimal use of its resources, the Initiative will facilitate the generation, validation, and communication of innovative and proven solutions to air quality problems. It will seek practical ways to translate proven principles and best practices into improved policies and programs that fit in with the specific context of Asian cities, and communicate the lessons from experience to targeted audiences.

12. Successful, effective air quality management requires the involvement of a large number of government departments, organizations from the private sector, civil society, academia, and media. CAI-Asia will employ learning approaches that actively engage all partners in identifying problems and finding solutions, and so build ownership and commitment.

13. It is considered important to foster ownership for the Initiative among its members. The governance structure for CAI-Asia reflects the envisaged partnership approach and enables collaboration between partners to the maximum extent possible. It provides room for a gradual development of CAI-Asia into an organization managed primarily by its city members.

14. The Governance and Management Structure for the Clean Air Initiative for Asian Cities includes: (i) Members, (ii) Coordinating Council, and (iii) Secretariat.

#### **B. ORGANIZATIONAL SET-UP**

##### **1. Members**

15. Members of CAI-Asia will receive up-to-date information on the activities of the Initiative. They will be given the opportunity to network with experts, governments, private sector, and non-government organizations working for the betterment of air quality in the region.

##### **a. City Members**

16. The backbone of CAI-Asia will be its city members. To qualify for membership to the CAI-Asia, cities will commit to:

- (i) Actively working with other organizations representing the city in development and implementation of air quality management initiatives;
- (ii) Setting up and supporting the functioning of a multisectoral group in the city to ensure broad-based participation and a coordinated approach in air quality management;
- (iii) Making all pertinent information available to all other members of the CAI-Asia;
- (iv) Developing air quality management strategies;
- (v) Developing capacity and investing resources in air quality management required for implementation of the adopted policies and agreed-upon air quality management strategy.

17. Successful air quality management requires development of legislation and regulations, along with technology development, improved monitoring of air quality, awareness raising, institutional development and capacity building, and finally, enforcement. This requires the involvement of a large number of organizations in government, private sector, civil society, academia, and media. For practical reasons, it is not possible for all of these organizations to become a members of CAI-Asia and to attend meetings and other events. It is therefore proposed that a city be represented by a maximum of three organizations. The lead organization will normally be the city government.

#### **b. Non – City Members**

18. Apart from the city members there are three other types of members who can join the Initiative. Typically these will be organizations that have interests that go beyond the city level and are at more a regional level. These organizations include:

- (i) *International Development Agencies and International Foundations.* To qualify for membership they will need to meet two out of the three following criteria:
  - They contribute annually a minimum of \$ 50,000 (in cash or kind) to CAI-Asia to fund core activities and Secretariat;
  - They have a policy mandate that is directly related to promotion of Air Quality Management in Asia;
  - They invest a minimum of (\$ 1 million equivalent) in AQM activities in Asia
- (ii) *Private sector companies.* To qualify for membership they will:
  - Share their own R&D initiatives for the benefit of CAI-Asia;
  - As full fledged private sector member, make a contribution of \$ 50,000 per year or more for program activities, or, as an associated private sector member, make a contribution of \$ 15,000 per year or more for program activities.
- (iii) *NGOs and Academia.* To qualify for membership they will:
  - Make financial or in-kind contributions;
  - Assist in dissemination of the results of CAI-Asia through their own networks and activities;
  - Promote CAI-Asia in the region.

- (iv) *Government Agencies*. To qualify for membership they will:
- Actively work together with city members in development and implementation of air quality management initiatives for their countries;
  - Support CAI-Asia's efforts to promote the establishment and functioning of multisectoral group at city level, or at the national level in Asia to ensure broad-based participation and a coordinated approach in air quality management;
  - Make all pertinent information available to all other members of the Initiative;
  - Support CAI-Asia's efforts to work with its city members and other members in Asia to develop air quality management strategies; and
  - Assist CAI-Asia in developing capacity among its members on air quality management.

19. To apply for membership applicants will contact the CAI-Asia Secretariat, either through WB or ADB, who will make a recommendation to the Executive Council on whether to approve the membership. Membership applications will be formally approved at the meetings of the Executive Council. Pending approval of the membership, candidate members will be allowed to take part in CAI-Asia activities.

## **2. Chairperson**

20. Upon appointment the Chair will act for two years and will consult with members of Coordinating Council and Executive Committee members to decide agendas, chair meetings, provide leadership and resolve conflicts, represent CAI-Asia in interactions with other stakeholders, and generally seek to further the sense of partnership that characterizes the operations of the Initiative. The Chairperson can be nominated by any of the members of the Coordination Council or the Executive Council and is appointed by the Coordination Council and Executive Council.

## **3. Coordinating Council**

21. The Coordinating Council, composed of members of CAI-Asia, will help to ensure that members develop ownership for the CAI-Asia. The Coordinating Council provides overall guidance to and supervision of the Initiative. It will be responsible for:

- (i) Reviewing CAI-Asia activities in terms of consistency with the mission, geographic and thematic foci, and core operational policies as defined in the Charter and the Business Plan;
- (ii) Ensuring the continued quality and relevance of the thematic focus of CAI-Asia by, for example, commissioning regular reviews of the performance of the Initiative;
- (iii) Review and comment on business plans and any significant deviation from them necessitated by unexpected changes;
- (iv) Endorsing the annual work programs and the financial plans of CAI-Asia and reviewing annual reports;
- (v) Assisting CAI-Asia management to secure financing matched to approved business plans;
- (vi) Assist the Executive Council in the overall management of CAI-Asia.

22. Membership in the Coordinating Council will comprise:

- (i) Eight regional representatives, two for each of the following regions: East Asia (Peoples Republic of China), South East Asia (Indonesia, Malaysia, and Philippines), Mekong (Cambodia, Laos, Thailand, and Vietnam) and South Asia (Bangladesh, India, Nepal, Pakistan and Sri-Lanka). These can be either city representatives, national government representatives, NGO representatives or private sector representatives provided they are willing to focus on the role of cities in AQM in their representation. It is encouraged that these are persons who represent an active city network. The regional representatives will be selected by CAI-Asia members from among the CAI-Asia members in the sub-region.
- (ii) Representatives from all development agencies that are a member of CAI-Asia;
- (iii) Representatives of all private sector companies that contribute a minimum of \$ 50,000 to the implementation of CAI-Asia activities.

23. The Coordinating Council will meet once per year, preferably in conjunction with the General Assembly. Regional members, excluding those of development agencies, of the Coordinating Council will be compensated for travel expenses to attend the meeting of the Coordinative Council. For the rest of the year the Committee will exchange information and views through different means such as Internet, email and telephone. The Coordinating Council will be chaired by the Chairperson of CAI-Asia. The Secretariat will provide administrative assistance to the Coordinating Council.

#### **4. Executive Council**

24. The Executive Council will ensure a focused management of CAI-Asia. The Executive Council will be able to benefit from the broader involvement of key stakeholders in the Coordination Council in its decision making. The functions of the Executive Council will be to:

- (i) Oversee the functioning of the secretariat of CAI-Asia;
- (ii) Oversee the formulation and implementation of the CAI-Asia Business Plan;
- (iii) Assist in fund raising and awareness raising on CAI-Asia activities;
- (iv) Represent CAI-Asia in external meetings and forums;
- (v) Other decision making on CAI-Asia.

25. Membership of the Executive Council will consist of:

- (i) Four regional representatives, one each from South Asia, South East Asia, Mekong and East Asia Regions. Where there are CAI-Asia local AQM networks in the region, the regional representative must come from one of the existing CAI-Asia local AQM networks. The four regional representatives will be selected from among the regional representatives in the Coordinating Council. The regional representative receiving the highest number of nominations will be a member of the Executive Council in addition to being a member of the Coordinating Council and the representative receiving the second highest number of nominations will be a member of the Coordinating Council;
- (ii) Maximum of two full paying development agencies. In case there are more than two candidates from qualified development agencies the representative to the Executive Committee will be decided from amongst themselves;
- (iii) Two fully paying private sector organizations. In case there are more than two candidates from qualified private sector members the representative to the Executive Committee will be decided from amongst themselves.

26. The Executive Council will meet twice per year, once in connection with the General Assembly and once half-a-year following the General Assembly. Regional members of the executive council will receive financial support to cover travel expenses to be able to take part on the two annual meetings. Membership of the Executive Council will be on an annual basis. The Executive Council will be chaired by the Chairperson of CAI-Asia and will be assisted by the Secretariat

## **5. Secretariat**

27. The WB and the ADB will set up the CAI-Asia Secretariat, which will provide day-to-day management of CAI-Asia. It will be responsible for such activities as:

- (i) Developing CAI-Asia as an organization, which will include acting as a depository of the membership list and focal point for information pertaining to the members and assisting the Coordinating Council and the Executive Council in the identification of members and potential funding sources for expanding business plan activities;
- (ii) Contributing towards the development and maintenance of the CAI-Asia web site and composing an electronic quarterly newsletter on the Initiative;
- (iii) Collecting information on significant and/or innovative initiatives related to air quality management in Asia or outside (where relevant), which will include documenting the information in an easily retrievable manner and informing the CAI-Asia members through electronic updates;
- (iv) Providing support to CAI-Asia members who are organizing events that take place under the auspices of CAI-Asia;
- (v) Coordinating the selection and implementation of pilot projects implemented under the CAI-Asia umbrella;
- (vi) Maintaining an overview of Action Plans developed in the region to facilitate exchange of experience among CAI-Asia members during the formulation and implementation of such Action Plans.

28. The Secretariat will eventually be located in the region. This to ensure continuity in day-to-day management of CAI-Asia activities. The WB and the ADB, who initially will form the Secretariat, will jointly select and propose an organization based in Asia that eventually will partly or fully assume responsibility for Secretariat duties. The Secretariat may accept staff members on secondment from other organizations and through junior professional and similar programs. CAI-Asia will function in a decentralized manner. To realize this goal the Secretariat will actively encourage individual members, or groups of members, to take responsibility for the implementation of activities included in the Initiative's business plan.

29. The functioning and operation of the Secretariat will be included in the evaluation scheduled for 2004.

## **C. CITY LEVEL or NATIONAL LEVEL CHAPTERS OF CAI-ASIA, TECHNICAL EXPERT PANELS, and WORKING GROUPS**

30. To ensure that the activities of CAI-Asia will benefit organizations at the city level, and that networking activities and pilot projects undertaken by the Initiative will lead to action at the city level, CAI-Asia will actively encourage the establishment of local chapters. Such chapters,

which can be at municipal or national level, will enhance CAI-Asia's understanding of the sector development needs as well as the constraints and priorities experienced by the participating cities. As CAI-Asia develops into a more formal organization the status of such municipal and national chapters may be reconsidered.

31. Successful air quality management needs to be based on good science. This applies to monitoring the current status of air quality, developing models to predict future conditions, and establishing the measures to be taken to improve air quality. This will involve representation from a range of scientific disciplines (including private sector know-how). The active involvement of such technical experts will strongly influence the credibility and success of the Initiative. To ensure that available expertise in Asia and outside Asia is fully utilized the Executive Council and/or the Secretariat will have the opportunity to select panels of technical experts or working groups for specific topics.

32. The Secretariat will facilitate the formulation of Technical Expert Panels or working groups. Membership will be on a voluntary, non-paid basis. Membership of the panel will be posted on the web site.

## **IV. Planning and Financial Management**

### **A. WORK PROGRAMMING**

33. To guide its operations, CAI-Asia will develop annual business plans that will include activities that are directly funded through the Initiative and activities which are funded through the budgets of individual CAI-Asia members. The draft Business Plan, consisting of proposed activities, is to be developed by the Secretariat and submitted to the Coordinating Council for review and the Executive Council for approval. The Secretariat will conduct broad consultations in the development of the Business Plan, which will under normal circumstances include a discussion of the draft Business Plan at the CAI-Asia General Assembly.

34. In selecting CAI-Asia activities at city/national level, priority will be given to activities and projects with high potential for future impacts and which contribute to learning at the regional level. Projects should be planned in a participatory manner involving local city chapters of CAI-Asia, where present, or local authorities and other important stakeholders where no city chapter is available. Co-funding between CAI-Asia and third parties is also an option. To increase leverage, CAI-Asia activities will be designed and undertaken in a manner that promotes cross-sector and donor coordination. Government receptivity to CAI-Asia's learning approach and commitment to improving sector practice are also criteria for undertaking activities at the city/national level.

35. To discuss overall progress, CAI-Asia will hold an annual conference to review results of sponsored activities, disseminate best practices, provide improved networking opportunities, and discuss future activities and work plans.

### **B. BUDGET PROCEDURES**

36. CAI-Asia is firmly committed to full transparency in its budgeting and financial management systems. To ensure transparency the annual business plan will include a budget which specifies how proposed activities in the Business Plan will be funded. The Secretariat will

prepare the budget and submit it to the Coordinating Council for review and the Executive Council for approval.

37. Resources for the implementation of CAI-Asia activities can come from two sources:

(i) *CAI-Asia core program budget.*

These are funds made available by international development agencies and/or private sector organizations. The disbursement of these funds will be in accordance with the approved CAI-Asia business plan. In this case, funds are actually transferred from the donor organization to either the ADB or the WB component of the CAI-Asia Secretariat or another organization, designated by the Executive Council to act as CAI-Asia Secretariat, these will be responsible for disbursement of the funds. Contributing organizations will receive a detailed annual financial statement in line with current financial management procedures of ADB or WB or of other to be designated organizations that will function as part of the CAI-Asia Secretariat.

(ii) *CAI-Asia members who use their internal resources for the implementation of activities included in the CAI-Asia business plan.*

In these cases organizations approve and allocate specific resources for the implementation of specific activities in the CAI-Asia Business Plan. In this case funds are not audited by the CAI-Asia Secretariat and funds are not transferred to the Secretariat.

38. CAI-Asia business plans and budgets are part of the information to be posted on the CAI-Asia website.

## **C. FINANCIAL MANAGEMENT**

39. CAI-Asia will use existing WB and ADB guidelines for procurement of goods and services. Funds will be spent in accordance with the strategic directions approved by CAI-Asia. The Secretariat will prepare yearly financial reports for submission to the Coordinating Council.

## **D. RESOURCE MOBILIZATION**

40. To ensure sustainability and impact CAI-Asia will actively seek resources to undertake its initiatives. Fund raising will be based on the following principles:

- (i) Multi-year commitments will be sought from donor organizations and private sector entities;
- (ii) Organizations will be encouraged to provide funds on an untied basis;
- (iii) Earmarking funds for specific activities will be possible;
- (iv) Resources from private sector organizations will only be accepted if they do not prevent resource mobilization from competing sources;
- (v) Guidelines will be developed that specify which types of industries will be excluded from sponsorship;
- (vi) In-kind contributions such as staff time, travel, air time, conference facilities, etc., are also acceptable.

41. To avoid confusion and duplication in approaching potential funding organizations a central database will be created to document contacts. In addition, a protocol describing how to process agreements with collaborating organizations will be developed.

## **V. Phased Implementation of CAI-Asia**

### **A. PREPARATORY STEPS: THROUGH DECEMBER 2001**

42. The organizational/administrative structure as well as a business plan for the first phase of the Initiative and the budget up to end-2002 will be finalized by November 2001.

43. After September 2001, ADB and WB will jointly seek members for CAI-Asia. The objectives of this activity will be to introduce CAI-Asia to potential members and funding organizations and to seek additional resources required for the implementation of the 2001/2002 Business Plan.

### **B. FIRST PHASE: JANUARY 2002 THROUGH DECEMBER 2004**

44. The first months of this phase will be used to establish the Secretariat and to appoint the staff. The Secretariat will be fully staffed and operational by the end of 2002.

45. The emphasis will be on developing the activities of CAI-Asia and to demonstrate to the members that the organization can help them in improving air quality management. Emphasis will be on establishing knowledge management and communications systems, initiating work on some priority pilot projects, and assisting with development of selected action plans. To raise the CAI-Asia profile, member organizations will be actively encouraged to organize workshops and other events under the CAI-Asia umbrella.

46. An external evaluation will be carried out in Spring 2004 to provide a basis for the planning of the second phase of the CAI-Asia.

### **C. SUBSEQUENT PHASES**

47. While it is too early to predict what the optimal organizational structure or its priorities would be in the long-term, it is expected that there will be a need for a continued existence for a facilitating resource organization in the area of air quality management in the Asia region. One of the priorities of the subsequent phases will be to establish CAI-Asia as a sustainable structure, owned and managed by the cities that form the membership.