



**United Nations Human Settlements Programme
(UN-Habitat)**

**Contribution to the
2015 United Nations Economic and Social Council
(ECOSOC)
Integration Segment**

UN-Habitat's Inputs to ECOSOC 2015 Integration Segment

Achieving sustainable development through employment creation and decent work for all

30 March - 1 April 2015

1. The world is fast urbanizing. But the importance of creating decent jobs and livelihood opportunities for growing urban populations has not received adequate attention. This is extremely important in the light of the current global economic crisis, which has affected cities the most. Cities have an immense potential to create decent jobs, promote self-employment and livelihood opportunities and attract factors of production and new investments to create economic opportunities for all. Growing poverty, inequity, and unemployment and underemployment in cities are all undesirable outcomes of rapid, unplanned urbanization. Among the urban social groups that are facing the biggest brunt of this chaotic urbanization are youth and women. Youth, who are expected to drive the socio-economic development, have in many cases become a major socio-political challenge due to high unemployment and underemployment.
2. UN-Habitat promotes strategies and policies that strengthen the capacity of cities to act as engines of economic development. It develops and disseminates integrated approaches to improve urban productivity, competitiveness and inclusive economic growth by building local capacities in partnership with local urban authorities, community leaders, the private sector, and other stakeholders.
3. Persistent inequality of opportunity denies youth, women and vulnerable groups their right to the city. Unequal access begins in childhood and continues into youth and adulthood. It is important to recognize that the pre-employment condition of an individual largely determines his or her chances of finding decent jobs and other income-generating opportunities. Education is the greatest leveler of the playing field.
4. Cities must promote education and skills of their workforce, a crucial factor for creating decent jobs. Improving skills means connecting education to technical and vocational training, including information and communications technology. Individuals with better skills will have improved productivity, with the potential to earn higher wages and improve their standard of living.
5. A significant proportion of the urban poor in developing countries is engaged in the informal economy. Urban economic development policies, strategies and programmes should consider the important contribution of the sector to national income and job creation. Urban authorities should, therefore, implement policies to improve the productivity of the urban informal sector instead of trying to suppress it. Mechanisms to support small businesses and the self-employed are also extremely important.
6. Urban authorities should also promote Local economic development (LED) initiatives, which are potent tools for achieving inclusive economic growth and territorial development. LED is a locally-driven, participatory development process intended to encourage the public sector, civil society actors, women, youth organizations and private

stakeholders to work in partnership in the design and implementation of LED strategies by considering the strengths and weaknesses of a region or a locality. LED initiatives also contribute to improving local governance through enhanced stakeholder participation, partnership among different actors and by fostering relationships between different levels of government.

7. The housing sector is an engine of national and local economic development. It creates a large number of employment opportunities, particularly for youth. It also generates a huge demand for inputs and materials and thereby contributes greatly to both national and local economies. Low-cost housing construction employs a large number of unskilled youth and offers opportunities for women to set up small-scale enterprises. Local production of building materials and the maintenance and repair of housing offer large numbers of people employment and other income-generating opportunities in urban areas. Home-based enterprises are another significant component of local economic development.

8. Through adequate investment in urban infrastructure and basic services such as water and sanitation, cities can immensely contribute to job creation and long-term economic and social development. Investments in renewable energy can also greatly contribute to the creation of decent jobs and livelihood opportunities.

9. Good urban governance is key to achieving sustainable, equitable, efficient, transparent, accountable and secure cities. Well-governed cities create equitable economic opportunities for all, including youth, women, the disabled, minorities and marginalized groups. The involvement of youth and particularly women in the decision-making process at all levels needs to be promoted, recognizing the fact that women empowerment is crucial for achieving positive changes in society.

10. Good urban planning is also key to achieving economically efficient, socially equitable and environmentally sustainable cities. Well-planned cities with proper population densities, efficient mobility and mixed land use patterns improve efficiency of urban economic activities and thereby create decent employment opportunities for all.

11. UN-Habitat has designed and implemented innovative economic empowerment models for urban youth. Two such models are the *One Stop Youth Centres* and *Urban Youth Fund Projects*. These model programmes help increase youths' access to entrepreneurship, livelihood opportunities, and governance. One Stop Youth Centres provide a meeting place for young people to come together to access information and resources critical to youth-led development programmes and projects. The main objectives of the centres are to provide vocational training and apprenticeships opportunities to urban youth, gender and age mainstreaming and provide new employment ideas. The Urban Youth Fund provides grants to urban youth organizations up to USD25000 for implementing new ideas and solutions for creating jobs and promoting good governance, adequate shelter and security of tenure. Projects that encourage gender equality and promote partnerships with the government or the private sector are particularly encouraged. The fund has supported 277 youth groups located in 65 developing countries and 175 cities with small grants for youth-led community development projects aligned with UN-Habitat's thematic focus areas since 2008.