

ECOSOC Integration Segment on Sustainable Urbanization

Way Forward by
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New York 28 May 2014 Honourable Ministers and Mayors, Excellencies and distinguished Delegates, colleagues, ladies and gentlemen, allow me to begin by **thanking** the Chairman, His Excellency Vladimir Drobnjak, Vice-President of the Economic and Social Council, for the opportunity that the ECOSOC Integration Segment has given us to discuss sustainable urbanization. Many of the insights you have given us over the past three days will help inform the preparations for Habitat III, which will take place in 2016.

- 1. Urbanization is accelerating and it has the potential to be the major driver of sustainable development in the next thirty years. However, without good – or, if you allow me, better – urbanization, sustainable **development** will not be possible. Urbanization is not a passive outcome of development but a source of development. No country has reached middle-income status without urbanizing. As I mentioned in my remarks on Tuesday, urbanization can clearly transform the production capacities and income levels of many developing countries. As His Excellency Paul Kagame, the President of Rwanda also said on Tuesday, 'growth without planned urbanization...is a recipe for soaring inequality. Thus the choice is not whether to urbanize or not. The issue is whether we manage it in such a way that we obtain, together with our citizens, the maximum benefits possible' (end of quote). Obtaining maximum benefits requires a shift in mindset away from seeing urbanization as a problem. Instead we need to approach urbanization as a solution. It also requires a shift in paradigm away from the most commonly applied model of urbanization.
- 2. The **risks of the current model** of urbanization are that cities will continue to grow in a manner that is

unplanned, congested, inefficient and segregated. This has led – and will continue to lead – to a number of negative externalities. Most cities are becoming less and less dense, which is accelerating urban sprawl. Many cities are also segregating their land uses, particularly places of residence, work and services, which is increasing excess mobility and car dependency. And there is the increasing phenomenon of social segregation, with people of different socioeconomic status, cultural background or ethnic origin living in isolation within their own gated communities.

- 3. We must recognize that *good urbanization* based on positive efficiencies does not come by chance. It comes by choice; it comes by design. And design requires a designer! This is what has been lost in the last 40 years of the modern – also called 'international' - urban model. There has been a highly problematic confusion between master planning and strategic planning, as well as a blatant amnesia of urban design. It also requires that a set of decisions be taken in order to achieve good urban patterns. As Karen Seto from Yale University mentioned in one of this week's side events, it is configuration that matters. The form and arrangement that a city takes heavily predetermine most critical aspects of urban life. This includes physical aspects as much as aspects related to culture and identity.
- 4. How can we change the existing paradigm? Cities around the world are all at different stages of development. In terms of solutions, one size does not fit all. Nevertheless, we can set a minimum criterion at the regulation, protection and defense of the **common space** public space that is used by the

community. That includes streets, parks and waterways. Public space provides the necessary rights-of-way for infrastructure. It also serves as a forum for different people to meet and resolve their differences, contributing to social cohesion and public safety. In this regard I wish to congratulate China for point number 3 of its new urban policy that aims to improve the layout of public space. Paul Romer, from New York University, said yesterday that leaders looking to improve their cities should start by securing public space. It costs nothing, but sets the stage for fast-growing cities that have a small window of opportunity to 'get it right' and avoid future problems.

- 5. A truly compact, integrated, mixed land-use pattern requires good planning and design. Everyone's lives are improved by the results. A failure to plan is not a matter of insufficient funds but rather insufficient political capacity. Good planning should establish minimum densities, optimise street connectivity and social diversity. And it should aspire to an urban fabric that blends housing varieties, walkable urban spaces and varied transportation options. This should be an integrative part of the urban fabric and it cannot be achieved through a sectoral approach. As Peter Calthorpe reminded us on Tuesday, we must build our urban landscapes to promote mixed uses. In fact, the proper design of public spaces and provision of well-structured, buildable plots is the *precondition* for urbanization.
- 6. Only the public sector the collective government of the city – can effectively secure public space and oversee good urban planning and design. Local governments therefore have an indispensable role to play in achieving sustainable urbanization. But they

must gain the legitimacy to perform this function. Local governments are at the level closest to the people and have the greatest accountability to those who put them in place. Nevertheless, local governments cannot do everything on their own. Susan Parnell, from the University of Cape Town, reminded us that while local authorities carry a great deal of responsibility, they also often have very limited power. This is something that should be addressed through adequate empowerment of local governments.

7. **National governments** also have a critical role to play. However, many national governments do not have a clear understanding of the quality of urbanization within their own countries. In the modern nation state many fundamental issues affecting urbanization are decided by national governments, including the degree of decentralization, responsibilities of subnational levels of government, coordination between subnational levels, structure of public financing, determination of public debt capacity, land legislation, urban legislation, differentiated incentives, etc. It is obvious that for proper urbanization to occur, a country needs a national urban policy to establish priorities and coordinate between different governmental bodies. Such policies should also encourage adequate financing, good urban regulations and equitable development. Conversely, and as geographic economists such as the Nobel Prize-winning Paul Krugman demonstrated in the 1990s, the absence of an active public policy passively encourages spontaneous rural to urban migration. Rural-urban migration of this kind always leads to hyperconcentration in the biggest city of a given country. National governments can modify this spontaneous trend only with adequate national urban policies and appropriate incentives and strategies.

- 8. For urbanization to be sustainable and equitable it must be a part of balanced territorial development. As Eugénie Birch noted, well planned and managed urbanization can actually enhance rural prosperity, reduce inequality and improve cities' environmental interface with their hinterlands. As important as big cities are for economies of agglomeration, rural urbanization is indispensable for well-integrated economic development and the productivity of the agricultural sector. Rural urbanization can ensure access of the rural population to quality urban services – for example education and health – at a level similar to big urban centres. At the same time, the urban population needs uninterrupted access to agricultural products, many of which only rural areas can provide. In that sense, intermediate rural settlements and market towns need to function as hubs that connect rural goods to global markets. Indeed, during the Neolithic Era urbanization accelerated alongside increases in agricultural productivity and the crossing of trade routes. Today, however, agriculture is more efficient, more specialized and more globalized. Rural centres and market towns are increasingly agglomerated and connected. Establishing and servicing the population in them will also require active intervention and adequate financial resources from governments. Rural urbanization can ensure quality of life across the rural-urban continuum, from big cities to small settlements. Whether big or small, the methodology of urbanization is the same: secure common space and its local governance and define buildable plots.
- 9. **Climate change** is one of today's most pressing challenges. Many of you mentioned the disproportionate contribution of cities in causing

climate change. Studies tell us that some 70% of greenhouse gas emissions are related to cities. More than half of that – 40% of the global total – is direct emissions related to transportation and buildings. The remainder of urban-related emissions – 30% of the global total – comes from products (including food) consumed in cities. More developed cities consume more energy and this highlights the strong correlation between wealth and emissions. But cities also face disproportionate consequences from climate change. In cities, large concentrations of people and property are at risk of exposure to flooding, extreme storms, drought and landslides. There will be no solution to climate change without proper urbanization. In that regard many of you also mentioned the transformational role that cities have to play in combating climate change. As Her Excellency Anne Hidalgo, the Mayor of Paris, mentioned in this afternoon's press conference a Compact of Mayors will be launched at the Secretary-General's Climate Summit in New York this September. It will be a joint effort of city networks to accelerate the work by cities around the world on climate change. UN-Habitat fully supports the Compact and invites all mayors of the world to it and to increase the engagement of their cities in the global fight against climate change.

10. These and other priorities that you have identified over the past three days will undoubtedly inform the formulation of the Post-2015 Development Agenda, which is taking place now. Habitat III will be the first global summit of the United Nations following the adoption of that agenda. Habitat III is a tremendous opportunity for member states to drive sustainable development. It will make important advances on the development of partnerships. And it will agree on a new global urban agenda for the next 20 years. This will require the convening power of a UN system-wide conference and building consensus amongst partners in the broadest sense possible. We strongly encourage Member States to attend to the first PrepCom, here in New York on 17-18 September, and to bring their ideas on emerging issues. We will need strong intellectual debates such as the ones that took place this week. This will require the involvement of academics, researchers, practitioners, civil society, NGOs, grassroots groups and other urban actors. Generous contributions to the Habitat III Trust Fund will also be important for a broad and comprehensive preparatory process and successful conference in 2016.

Thank you very much.