



# WORLD URBAN FORUM III

AN INTERNATIONAL UN-HABITAT EVENT ON URBAN SUSTAINABILITY

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## OUR FUTURE: Sustainable Cities – Turning Ideas into Action

## BACKGROUND PAPER

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## TABLE OF CONTENTS

2	Executive Summary	33	<b>SUSTAINABLE CITIES: SOCIAL INCLUSION AND COHESION</b>
7	Introduction	33	(1) Achieving the Millennium Development Goals: Slum Upgrading and Affordable Housing
8	<b>SUSTAINABLE CITIES: URBAN GROWTH AND ENVIRONMENT</b>	34	Introduction
9	(1) The Shape of Cities: Urban Planning and Management	35	Goal 7 Target 11 “Cities Without Slums”
10	The Power of Good Planning and Effective Management	36	(2) Public Engagement: The Inclusive Approach
14	(2) Energy: Local Action, Global Impact		
14	Introduction: Energy Consumption in Cities		<b>LIST OF BOXES</b>
15	Considering the Energy Mix for Powering Cities – Bringing Renewables In	11	Box 1: Defining “Urban”
18	Sustainable Transport and Planning for Climate Protection: Alternative Vehicles, Alternative Fuels, and Alternative City Design	13	Box 2: An Integrated Development Project in the Greater Mafikeng Area, South Africa
23	<b>SUSTAINABLE CITIES: PARTNERSHIP AND FINANCE</b>	16	Box 3: San Diego Energy Conservation and Management Program
23	(1) Municipal Finance: Innovation and Collaboration for Urban Services	17	Box 4: Downsview Park, Canada’s First National Urban Park - A new park and sustainable community in the centre of Canada’s Largest Metropolis
23	Introduction	18	Box 5: Tranmilenio Bus System in Bogotá, Colombia
23	Tools to Address the Financing Gap for Water and Sanitation Services	19	Box 6: Washington, DC Metro Station, USA
25	Facilitating Local and Community-based Economic Development	20	Box 7: Ride the Wind Project - The First Wind-powered Public Transit System in North America, Calgary, Canada
28	(2) Urban Safety and Security: Taking Responsibility	21	Box 8: Principles of Smart Growth
28	Introduction	24	Box 9: Municipal Financing Mechanisms in China
28	Urban Safety, Crime and Conflict: Caring for the Most Vulnerable	26	Box 10: The Local Development Program (PRODEL) in Nicaragua
31	Risk and Vulnerability Reduction: Integrating Disaster Mitigation into the Development of Sustainable Cities	29	Box 11: Take Back the Park, New York City, USA
		30	Box 12: Safer Cities: Dar es Salaam, Tanzania
		35	Box 13: Upgrading for Sustainable Water Service in Slum Communities, Dhaka, Bangladesh
		38	Box 14: Enactment of a New City Statute in Brazil

## EXECUTIVE SUMMARY

In convening the third session of the World Urban Forum in Vancouver, the United Nations Human Settlements Program has asked us to focus our attention on the Sustainable City and consider critical challenges across three sub-themes:

- Urban Growth And Environment
- Partnership And Finance
- Social Inclusion And Cohesion

The key objective of this Forum is to improve understanding and agreement on ways forward to ensuring sustainable development in cities worldwide, in rich and in poor countries. The intention is to turn ideas into action by bringing together the collective knowledge, expertise and experience of civil society and local, regional and national governments in a global forum to address these core challenges and explore practical solutions.

Thirty years ago at the 1976 United Nations Conference on Human Settlements in Vancouver, the urban population was 38 percent of the world population. Three decades later we find ourselves at a pivotal point in history about to cross the threshold to an increasingly urbanized planet. This third session of the World Urban Forum is the focal point for mapping our urban future.

The Millennium Development Goals (MDGs) serve to focus worldwide effort in overcoming the critical deficiencies in global development. The world's leaders have committed themselves to a clear set of targets to help sharpen our focus and chart our course. Effective achievement of many of these goals rests in cities and communities: cities are both areas of concentration of the deficiencies of human existence that the MDGs seek to correct and also the sites for the extraordinary cultural, social and political progress in the world, and for the world's prosperity. Sustainable cities are an essential condition for meeting the goals as set out in the Millennium Declaration.

In exploring each of the above themes, it is critical to do so within the context of global urbanization trends. The world's urban population is likely to reach 4.2 billion by 2020, and if no serious action is taken, the urban slum population is expected to increase to 1.4 billion by 2020.

Can we accept this projected state of the world whereby, in just 14 years, one out of every three people living in cities will live in impoverished, over-crowded and insecure living conditions?

In the face of these realities, the need for a focused set of objectives has never been greater. We must strive for an urban world that is socially just, environmentally sustainable, economically vibrant and politically open and accountable, with a renewed public realm that ensures public safety and inclusive, diverse cities and communities to live in.

Cities in the 21st century are facing unprecedented challenges. Their very existence is threatened by the consequences of climate change. Their social cohesion and stability are being tested by social exclusion, inequities and shortfalls in housing and basic services. The quality of life and health of their inhabitants are increasingly affected by congestion and deteriorating air and water quality.

How, in a context of intense urban growth, are cities to confront these local challenges while advancing the global imperatives and goals of sustainability?

A sustainable city has to achieve a dynamic balance among economic, environmental and socio-cultural development goals, framed within a local governance system characteristic of deep citizen involvement and inclusiveness.

This World Urban Forum in Vancouver will address these questions and many others relevant to today's global urban agenda. This background paper provides an overview to the issues and stakes involved.

### The Shape of Cities: Urban Planning and Management

The power of good planning and effective management in strong, empowered city governments is critical in propelling cities towards sustainability. However, when the power to pursue planning decisions is weak, or non-existent, or based in bodies not directly accountable to urban residents, then goals aimed at sustainable cities are unreachable. When urban management systems lack adequate cross-sectoral coordination, and city administrations suffer from divisions of responsibilities, local economic development falters.

The issue of land use in cities, and the planning and management of land development in particular, is a highly contested subject. Over the past five decades, rapid consumption of land around cities has occurred, with highways and transport systems built in tandem to support this physical expansion. Valuable farmland has been consumed and car-dependency has deepened. Many cities in both rich and poor countries continue to exhibit this trend. If we are to reduce the development of new slums, how can we also open up vast tracts of land for new, affordable housing, ensuring liveable places for the poor with affordable transit to jobs? How do we ensure efficient, clean and affordable transport networks to connect the whole and reduce our reliance on fossil fuels? And, how do we best govern these vast tracts of urbanism that spill over existing political boundaries into other jurisdictions, while ensuring that these cities raise revenues to support the whole? This last question raises the larger issue of how we not only plan and manage the form and shape of our growing cities worldwide, but how we govern cities that no longer have a singular core, that expand across new territories and across competing political jurisdictions.

In the context of another 2 billion people being added to cities over the next 30 years, cities of the 21st century

need re-interpretation in terms of the spatial territory they increasingly occupy and the multiple cores and multi-nodal growth centres that urban development trends suggest. The "metropolitanization" of cities and the globalization of urban spaces in cities of both rich and poor nations create new imperatives for political leadership and the planners and managers charged with guiding city growth for a sustainable future.

### Energy: Local Action, Global Impact

At this juncture in human history, as the scales tip to a predominantly urban world, we need to be sure that we are creating cities that guide and shape individual and collective action into sustainable patterns of energy use that support urban growth and development. Our future depends on it.

Energy is at the base of effective city life. When power supply fails, cities stop working. When energy supply is uncertain, cities falter. Power is an essential condition, for our schools and hospitals, for industry and commerce, for food supplies and transport. However, all cities undertaking needs assessments for a secure energy future recognize that additional capacity will be needed despite the most aggressive conservation programs. How can we best fulfill the future demand for energy in our cities?

The choice of paths is open - to continue on a path - that involves the use of precious and limited natural endowments or pursue an alternative path that increasingly harnesses renewable assets. This choice is about energy that does not harm the environment, both in terms of air quality and in terms of greenhouse gas emissions. Can cities take charge of their own energy demand and even their supply? In addition to becoming advocates for altering the mix of energy sources to include more sustainable energy sources, what else can cities do? They can address consumption levels and set reduction targets. They can also develop resource-neutral distribution systems so they are able to incorporate alternative, renewable energy in the future.

Emissions from vehicles remain one of the most intransigent issues and obstacles to efforts in creating sustainable cities, particularly in light of the spatial expansion of cities to accommodate the projected growth in urban populations. The growth of mega-cities, and increases in private vehicle ownership especially in developing country cities create new challenges. Affordable access to urban transport is critical to livelihoods and inclusiveness in cities.

## Municipal Finance: Innovation and Collaboration for Urban Services

Cities throughout the world, whether rich or poor, are currently exhibiting commonality in municipal finance trends. Cities are seeking to broaden their revenue base by examining sources beyond the property tax, user fees and other traditional sources of locally generated revenues. Cities are expanding their web of partnerships to finance long-term capital investments to meet demand for costly infrastructure and services. As a necessary condition to support these two endeavours, cities worldwide are also strengthening their local financial planning and management systems.

Financing basic urban services, especially water and sanitation and transport, is a formidable challenge for cities dedicated to sustainable futures. As urban populations continue to expand, the demand for these basic services will continue to outpace local government's ability to bring these services online. With severely constrained fiscal abilities, self-sourced revenue by cities to invest in these massive projects is unthinkable. As a result, cities will increasingly need to forge new partnerships with multilateral institutions, bilateral donors, central governments, state or provincial governments and the private sector. This web of partnerships is an essential platform for cities for the development of self-sustaining municipal finance systems.

While the use of municipal bonds is a well-established practice in cities of developed economies, access to financial markets, both domestic and international, by less developed economy cities are more restricted. Many municipalities are not allowed to borrow and even more lack the requisite standards for financial management to comply with long-term debt servicing. Local authorities require knowledge, skills and institutional capacity building to be able to mobilize domestic capital markets practices, to develop commercially viable municipal projects and services, and to strengthen revenue collection and credit worthiness to reimburse loans for larger scale infrastructure investment.

Micro-finance and community owned finance mechanisms have grown considerably in recent decades. Grass-roots organizations in many countries are engaged in mobilizing savings and providing micro-credit services to the urban poor. These organisations bring financial markets to those who are excluded from conventional mechanisms for savings and loans.

## Urban Safety, Crime and Conflict: Caring for the Most Vulnerable

The public realm in cities worldwide, as experienced by all citizens, has been steadily weakened due to a deteriorating climate of public safety and security and heightened risks from a new array of sources. Insecurity and risk undermine the long-term sustainability of cities worldwide, in political, economic and social terms.

The frequency and persistence of violence in cities can create a climate where citizens begin to incorporate feelings of insecurity as part of the normal routines of everyday life. This can build into a broader urban climate where social capital is eroded, where citizens live in fear, lose trust in others and enter into codes of silence for fear of reprisal. People retreat from their streets and public spaces which worsens the problem. Efforts to take back the city's spaces are gaining in momentum throughout many cities worldwide. Communities turn to alternative security measures, private companies, street patrols and other networks outside of government to protect them. Does this undermine state efforts to develop adequate policing solutions? Does it support forms of social capital and improve social cohesion in neighbourhoods? The persistence of crime and the decline of trust in cities has serious implications for governance, in that local governments are increasingly regarded as losing control, thus eroding confidence in leadership and city governments.

Multiple forms and new manifestations of violence in cities stemming from polarization and exclusion, require us to reach out beyond the traditional policy realm of cities. How do we address this multiple layering and new complexity? Safety, security and justice are often outside the purview of local authorities and are highly centralized. However, many forms of crime in cities cut across local and national boundaries so there is now a heightened need for cities and national governments to cooperate closely on crime prevention and enforcement. Efforts to create "cities without guns" or to prevent drug-related crime from penetrating city streets, requires that cities "be at the table" in national government discussions of immigration, border security, and gun control legislation.

Safer cities policies must focus on the gender and poverty dimension of crime in cities and on those citizens at particular risk, namely, the urban poor, youth, women and single female-headed households and the elderly. By virtue of their insecure positions in urban society, women are more often the targets of crime. Devolution of responsibility to the community level enforces many traditional systems of community justice, that take into account local culture and emphasize reconciliation and restorative justice as opposed to solely punitive measures. Cities need to involve local communities and in particular, local youth, in designing appropriate solutions.

### Risk and Vulnerability Reduction: Integrating Disaster Mitigation into the Development of Sustainable Cities

When considering how best to integrate disaster mitigation into the development of sustainable cities, we are confronted by a number of potential contradictions.

It is critical to address how we might balance potentially conflicting goals such as: risk reduction strategies versus affordability concerns; stricter building standards for safety versus flexible standards for progressive development of shelter by the poor; regularization of tenure versus banning construction in high-risk areas and zones; self help community development of infrastructure versus higher quality standards of water and sanitation services in cities to avert potential risks of contamination; centralized financing of disaster preparedness for essential city services versus decentralized micro-credit and community funds for local community based development of shelter and services. Such examples begin to reveal the need for a deepening of the discussion on these inherent contradictions as part of our quest for sustainable cities.

Natural disasters do not differentiate between high and low income areas. Thus hurricanes destroy expensive Florida real estate, tsunamis cause devastation to poor households in Banda Aceh, and coastal flooding wipe out the poorest black neighbourhoods of New Orleans. However, the urban poor are at higher risk due to weaker structures, more vulnerable locations, and weaker systems of infrastructure. Developing countries are disproportionately affected by natural disasters for similar reasons of vulnerability and weak institutional and infrastructural systems of support. How can cities ensure the highest forms of disaster preparedness?

What strategies are appropriate?

More complex emergency preparedness strategies and new forms of disaster management in cities are required to confront the new and emerging global agendas including pandemics, security, climate change and natural disasters.

### Achieving the Millennium Development Goals: Slum Upgrading and Affordable Housing

UN-HABITAT has been assigned the responsibility of "Goal 7 Target 11" in the Millennium Development Goals which is referred to as the "Cities without Slums" target and which seeks to "achieve significant improvement in the lives of at least 100 million slum dwellers." With roughly 80% of urban residents in the lowest-income countries already living in slum conditions and given the projected demographic trend whereby this population of slum dwellers is expected to increase to 1.4 billion by 2020, meeting the MDG Target 11 must involve a two-pronged approach— upgrading today's slums and planning alternatives to slums for the future.

Most countries have recognized that residents in slums and informal settlements are already making significant investments to upgrade their housing and communities, particularly when tenure is secure. They have also shown incredible capacity to leverage savings and make gradual improvements to their shelter and basic services according to their own personal or household affordability thresholds. An estimated 70% of housing construction and investment in developing countries occurs through this incremental shelter development process.

Cities facing budget deficits and a limited housing finance sector are increasingly recognizing that they must rely on the efforts and savings of their citizens and on community-based solutions. The need for a web of relations and partnerships engaging international development assistance, national and local governments and the private sector with the urban poor is required to support the ongoing efforts of low and limited income households and to scale up these efforts. This strategy is indeed one that fosters, and depends on, inclusiveness.

## Public Engagement: The Inclusive Approach

Cities worldwide, whether rich or poor, confront the challenge of civic engagement and how to effectively foster an inclusive governance process in their local political environment.

Engaging people within a city, through an inclusive political process that involves long-term residents, international migrants, the poor, marginalized groups, national minorities and indigenous peoples is the critical base for building safe and liveable communities and sustainable cities in our shared future. Governance invokes more than just political strategy; it also demands attention to social circumstances on the ground, to cultural values and to a common understanding of multiculturalism and diversity.

How do cities ensure that all citizens are empowered to participate productively and positively in the opportunities that cities have to offer? How do we ensure that all citizens have access to opportunities and are empowered to take part in local decision-making that affects their daily lives? And how do we avoid the opposite trends associated with exclusion, dreariness and hopelessness in cities that breed frustration, fear and violence?

An inclusive approach to governing cities requires a deepening awareness of the intersection between civil society and government and the creation of new institutions and processes for fostering inclusiveness, empowerment and engagement.

Over the past few decades, efforts to improve urban governance have focused on the essential first step of devolution of power, authority and resources from the central to municipal level. Governed by the principle of subsidiarity, decentralization processes seek to ensure that decisions are taken, and services delivered, at the level of government closest to the people, consistent with the nature of the decisions and services involved. Empowering cities to govern effectively remains a key platform for urban reform in countries throughout both developed and developing countries. A responsible fiscal federalism that positions cities as critical partners in the governing relationship is now being recognized as a pivotal policy platform for both global competitiveness and local responsibility for sustainable and liveable cities.

Increased efforts are needed which focus on traditionally marginalized groups of urban citizens and on minorities that have failed to engage with the city. Dialogue on multiculturalism is required to deepen our understanding and grasp of multi-ethnic diversity in cities and the core values we must embrace in that multiculturalism. While the principle of shared interest in a city is a key determinant for citizenship and civility, such a shared common interest is difficult to come by given the reality of contestation over urban space and assets. The nature of a city's political engagement, which brings diverse groups together to articulate their interests and generates varying power formations within the urban political culture motivates new openings and political space for different ways of life in the city.

Committed and engaged citizens together with strong, open and inclusive democratic local governments are the basis for sustainable cities in our future.





## Introduction

At the opening of the 1976 United Nations Conference on Human Settlements in Vancouver, it was stated by the Prime Minister of Canada, the late Pierre Elliot Trudeau, that,

*“Human Settlements are linked so closely to existence itself, represent such a concrete and widespread reality, are so complex and demanding, so laden with questions of rights and desires, with needs and aspirations, so racked with injustices and deficiencies, that the subject cannot be approached with the leisurely detachment of the solitary theoretician.” (Vancouver, May 31st, 1976)*

This complex reality has, for these past thirty years, posed difficult challenges that cross both developmental and disciplinary divides. All nations and citizens are confronted with these challenges whether they are from rich or poor nations. Similarly, all committed urbanists, whether they are concerned with the physical, social, economic or environmental aspects of human settlements are struggling with making our cities and communities more productive, equitable and inclusive.

Now, three decades later, the United Nations Human Settlements Program, in convening the third session of the World Urban Forum in Vancouver, has asked us to focus our attention on the Sustainable City. If we consider the world of cities in 1976 and the world of cities today in 2006, where have we arrived? If we examine the challenges then and now, we must ask ourselves not only what have we accomplished, but also how have our sights changed? How have we learned to define and interpret these challenges over time? Where must we focus our attention for the future decades to come? The Millennium Development Goals (MDGs) serve to focus worldwide effort in overcoming the critical deficiencies in global development. The world's leaders have committed themselves to a clear set of targets to help sharpen our focus and chart our course. In this global drive to combat poverty and inequity we must not fail to underline the fact that effective achievement of many of these goals rests in cities and communities, not only for demographic reasons as the scales tip to an urban world next year, but moreover as stated in 1976, cities are so closely entwined 'to existence itself' and 'so racked with injustices and deficiencies.' Cities are the sites for the deficiencies of human existence that the MDGs seek to correct. However, we must also recall that cities are the sites of extraordinary cultural, social and political progress in the world, and for the world's prosperity, that in fact create the essential conditions for meeting the goals as set out in the Millennium Declaration.

The theme of this third session of the World Urban Forum, *Our Future: Sustainable Cities, Turning ideas into Action* asks us to think about the multi-faceted aspects of our urbanism across three sub-themes:

- *Urban Growth And Environment*
- *Partnership And Finance*
- *Social Inclusion And Cohesion*

In exploring each of the above themes, it is critical to do so within the context of global trends in urbanisation and urban development. The global urban population will increase by approximately 2 billion reaching close to 5 billion in 2030. This means that every year, the world's urban population will increase by about 70 million, equivalent to seven new mega cities.

How will our cities accommodate this additional 2 billion people? What city forms are we contemplating? What density and what physical reach are we expecting? What quality of life are we seeking in cities?

The world's urban population is likely to reach 4.2 billion by 2020, and if no serious action is taken, the urban slum population is expected to increase to 1.4 billion by 2020.

Can we accept this projected state of the world whereby, in just 14 years, one out of every three people living in cities will live in impoverished, over-crowded and insecure living conditions?

If not, then how are we to address the needs of the poor in our cities worldwide when most local governments whose primary responsibility it is to deliver services and ensure decent living and working conditions, are already over-stretched in capacity and unable to meet more than a fraction of these needs?

In the face of these realities and complexities, the need for a focused set of objectives has never been greater. *We must strive for an urban world that is socially just, environmentally sustainable, economically vibrant and politically accountable, with a renewed public realm that ensures safe, inclusive and diverse cities and communities to live in.*

The key objective of this Forum is to improve understanding and agreement on ways forward to ensuring sustainable development in cities worldwide, in rich and in poor countries. The intention is to turn ideas into action by bringing together the collective knowledge, expertise and experience of civil society and local, regional and national governments in a global forum to address these core challenges and explore practical solutions.



Cities in the 21st century are facing unprecedented challenges. Their very existence is threatened by the consequences of climate change. Their social cohesion and stability are being tested by social exclusion, inequities and shortfalls in housing and basic services. The quality of life and health of their inhabitants are increasingly affected by congestion and deteriorating air and water quality.

How, in a context of intense urban growth, are cities to confront these local challenges while advancing the global imperatives and goals of sustainability?

**A sustainable city has to achieve a dynamic balance among economic, environmental and socio-cultural development goals, framed within a local governance system characteristic of deep citizen involvement and inclusiveness.**

The third session of the World Urban Forum in Vancouver will address these questions and many others relevant to today's global urban agenda. This background paper provides an overview to the issues and stakes involved.



## **SUSTAINABLE CITIES: URBAN GROWTH AND ENVIRONMENT**

- *A sustainable city has to achieve a dynamic balance among economic, environmental and socio-cultural development goals, framed within a local governance system characteristic of deep citizen involvement and inclusiveness.*
- *The severe consequences and threats that cities are now facing as a result of climate change, the pressing short-falls in urban water, sanitation and waste management services, and the deteriorating quality of air and water in city environments, are being experienced in a context of intense urban growth of cities that increasingly manifest deepening income inequities and socio-economic exclusion.*

*How are cities to confront these global imperatives?*

*How can cities advance the goals of sustainability?*

### **Introduction: Sustainable Development – Sustainable Cities**

Drawing definitional strength from the Brundtland Report's original reference to sustainable development, "*Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs*" (World Commission on Environment and Development, 1987). The Johannesburg Declaration on Sustainable Development (2002) further addresses our collective responsibility to advance the interdependent and mutually reinforcing three "pillars of sustainable development" – economic development, social development and environmental protection – at the local, national, regional and global levels.

Sustainable cities imply a concern for future generations and for the long-term health and integrity of the urban environment. It embraces concern for not only prosperous growth but for the quality of life, for equity between people in the present, for inter-generational equity, and for the social,



health and ethical dimensions of human welfare in cities. Addressing the sustainable development agenda in cities provides new challenges for urban policy integration within holistic frameworks. Planning and management in cities play a pivotal role in addressing and negotiating these three pillars of sustainable development.

The severe consequences and threats that cities are now facing as a result of climate change, the pressing short-falls in urban water, sanitation and waste management, and the deteriorating quality of air and water in urban environments, are being experienced in a context of intense urban growth of cities that increasingly manifest deepening socio-economic inequities and exclusion.

How are cities to confront these global imperatives?

How can cities advance the goals of sustainability?



While no single recipe can exist for all cities, supportive frameworks can be considered within which cities can apply innovative approaches appropriate to their local circumstances. Achieving sustainable urban development requires a creative process that extends into all areas of policy development and decision-making. **A sustainable city has to achieve a dynamic balance among economic, environmental and socio-cultural development goals, framed within a local governance system characteristic of deep citizen involvement and inclusiveness.**

### **(1) The Shape of Cities: Urban Planning and Management**

- *The power of good planning and effective management in strong, empowered city governments is critical in propelling cities towards sustainability.*
- *When the power to pursue planning decisions is weak, or non-existent, or vested in bodies not directly accountable to urban residents, then the goals of sustainable urban development are unreachable.*
- *When urban management systems lack adequate cross-sectoral coordination, and city administrations suffer from fragmentation, then local economic development falters.*
- *As a new era of planning is ushered in, we must ask how good urban governance defines planning practices, and how sustainability becomes the driving force of the planning agenda.*
- *The challenge is not only how we plan and manage the form and shape of our growing cities, but how we govern our cities that no longer have a singular core, that expand across new territories and across competing political jurisdictions.*

## The Power of Good Planning and Effective Management

When local government is recognized as a legitimate tier in the governance structure of a country, and when financial powers to raise revenues and responsibilities to deliver services are commensurate with the growth and expansion of cities, then the planning and management functions in cities take on meaning and develop influence. Cities worldwide are entering into renewed dialogues with provincial and national governments to discuss this urban agenda.

“Designing a dream city is easy. Rebuilding a living one takes imagination.”

Jane Jacobs 1916-2006,  
In Memory.

**The power of good planning and effective management in strong, empowered city governments is critical in propelling cities towards sustainability.** In such a context: cities have the power to pass legislation to prohibit forced evictions; cities have the capacity to encourage participation and engage with local organizations of the poor; cities have the power to plan and design transportation systems that support rational choices on where to live and work; cities have the power to ensure strong and robust local economic development patterns; cities have the power to address land tenure and land rights in the city and can thereby adopt a pro-poor set of policies governing access to and use of land in the city; cities have important powers over building codes and zoning by-laws and can adopt flexible standards governing construction, infrastructure and plot size that assist the poor to build incrementally to solve the housing crisis; and, cities have the power to develop creative financing tools for mobilizing investment in housing, infrastructure and services for the growing numbers of urban residents in cities.

**When the power to pursue good planning decisions is weak, or non-existent, or vested in bodies not directly accountable to urban residents, then goals aimed at sustainable cities are difficult to attain. When urban management systems lack adequate cross-sectoral coordination, and city administrations suffer from divisions of responsibilities, then local economic development falters.**

Access to land and housing and security of tenure are critical issues in the alleviation of urban poverty worldwide. In cities with large urban poor populations, security of tenure is generally acknowledged as the critical first step in the social and spatial integration of slums and low-income settlements. When tenure is in question, slum improvement is politically complex, both for city planners and for residents. Any intervention on the part of government is perceived as a *de facto* recognition of legal status and any improvements by residents themselves are regarded as high-risk investments owing to the lack of property rights and the threat of eviction without compensation. Hence, in considering effective planning and management in this context, the overarching policy and legal climate in the city is paramount. Pro-poor enabling legislation and land regularization instruments are critical components of a robust, healthy and integrated city economy and urban society.

The planning profession and the planning tools to address sustainable urban development in cities of poorer nations face particular challenges of capacity, and up-front resource commitments in both plan preparation and implementation. There is an information crisis that seriously undermines effective urban planning. The lack of monitoring structures and timely and reliable data systems weakens the power of good planning decisions in cities of the developing world. As a new era of planning is ushered in, we must ask how good urban governance defines planning practice, and how sustainability drives reform and the planning agenda. City planners are increasingly concerned with reducing vulnerability to disasters, creating

environmentally friendly cities, creating safer cities by re-thinking public space, reducing slum formation and guiding asset creation for pro-poor urban strategies.

A renewed commitment to planning and management of urban land, housing and infrastructure is an essential component of ensuring sustainable cities in our future. Overcrowded and poor quality housing and lack of basic services affect the health, well being and safety of people in cities worldwide. Impoverished living conditions cause illnesses, contribute to an inability to be productive, cause high rates of absenteeism from work, place the poorest households at higher risk in terms of crime and safety, and make them more vulnerable to natural disasters. These living conditions, experienced by one out of every six people living in cities worldwide, affect economic growth and sustainability of the urban system as a whole. Making progress towards sustainable cities, means designing and improving cities through planning strategies geared to the well being of citizens – particularly those with the fewest resources.

The issue of land use in cities, and the planning and management of land development in particular, is a highly contested subject. In the decades following WWII suburbanization was the norm, rapid consumption of land in ever-expanding rings around cities occurred almost overnight, with highways and transport systems built to support this physical expansion. Valuable farmland has been consumed and car-dependency has deepened. Many cities still exhibit this trend. Urban densities range from extremely compact places such as Hong Kong with 5,000 people per hectare, or Manhattan and other high density urban places such as the slums of Calcutta, Nairobi, or Lima, to the suburban areas surrounding many cities like Johannesburg, Los Angeles, and Toronto where averages of 100 people per hectare or less are the norm. This expansion of cities raises questions about how we define cities and these highly urbanized communities. An analysis of 228 countries shows that governments use different definitions and criteria to define “urban.” (See Box #1)

### Box 1: Defining “Urban”

The United Nations defines an **urban agglomeration** as the built-up or densely populated area containing the city proper, suburbs and continuously settled commuter areas. It may be smaller or larger than a metropolitan area; it may also comprise the city proper and its suburban fringe or thickly settled adjoining territory.

A **metropolitan area** is the set of formal local government areas that normally comprise the urban area as a whole and its primary commuter areas. A **city proper** is the single political jurisdiction that contains the historical city centre.

However, an analysis of 228 countries shows that different criteria and methods are currently being used by governments to define “urban”:

- 105 countries base their urban data on **administrative** criteria, limiting it to the boundaries of state or provincial capitals, municipalities or other local jurisdictions; 83 use this as their sole method of distinguishing urban from rural.
- 100 countries define cities by **population size or population density**, with minimum concentrations ranging broadly, from 200 to 50,000 inhabitants; 57 use this as their sole urban criterion.
- 25 countries specify **economic** characteristics as significant, though not exclusive, in defining cities – typically, the proportion of the labour force employed in non-agricultural activities.
- 18 countries count the availability of **urban infrastructure** in their definitions, including the presence of paved streets, water-supply systems, sewerage systems, or electric lighting.
- 25 countries provide **no definition** of “urban” at all.
- 6 countries regard their **entire populations** as urban.

Sources: United Nations: Principles and Recommendations for Population and Housing Censuses (1998) and World Urbanization Prospects: The 2003 Revision

Despite a significant shift in planning thought, whereby compact cities and densification strategies have entered mainstream planning practice, market demand has resisted such approaches and consumer tastes have persisted for low-density residential land. Developers of suburbia and even exurbia continue to subdivide land and build housing often creating single purpose communities. This tension in planning practice needs to be better acknowledged and further discussed if sustainable cities are to be realized. Is migration to the suburbs and citizens' desires to purchase land on the periphery of cities really driven by a desire to flee inner cities? How significant is the basic desire to own land and to thus gravitate to places where lower land values exist? Is there a pull also towards low density, and a preference toward privacy that needs better explication? This apparent demand for affordable land, even if further out of the city than preferences might suggest, continues to drive the physical form of many cities, despite the best intentions of planning. It is this particular challenge that needs to be at the forefront of any discussion on sustainable cities.

The new urbanists have critiqued the physical patterns of suburban development and car-dependent subdivisions that separate malls, workspaces and residential uses by highways and arterial roads. City leaders and planning professionals have responded and greatly enhanced new community design standards. The need for re-thinking past patterns of suburbanization must go beyond the simple debate between advocates of planned densification and defenders of market-driven sprawl. Some of the key questions that need to be addressed on an urgent basis include the issue of competing jurisdictions between cities, towns and surrounding peri-urban areas whereby authorities compete with each other to attract suburban development; the true costs to the economy and to society of fragmented land use and car dependent spatial development; and how to come up with affordable alternatives to accommodate another 2 billion people being added to cities around the world over the next 30 years. In reality, it is especially these outer suburbs, and edge cities and outer city nodes in larger city regions where new economic growth and jobs are being created and where much of this new population will be accommodated.



While densification strategies and more robust compact city planning strategies in existing city spaces will help absorb a portion of this growth, the essential challenge facing planners and local government leaders will be how to accommodate this new growth beyond the existing core and existing suburbs. Many large city regions, for example in Canada and South Africa, have undertaken the creation of city-regional planning strategies and governance reform.

If it is increasingly impossible to reject the practical reality of suburban development and sprawl, how can we overcome the negative aspects of these notions and create sustainable cities with expanding peripheries? Can we think about 'smart suburbs'? Can we come to terms with 'efficient sprawl'? How do we control land speculation practices? If we are to reduce the development of new slums, how can we also open up vast tracts of land for new, affordable housing, ensuring liveable places for the poor of these cities with affordable transit to jobs? How do we ensure efficient, clean and affordable transport networks to connect the whole and reduce our reliance on fossil fuels? And, moreover, how do we best govern these vast tracts of urbanism that already spill over existing political boundaries into other jurisdictions, while ensuring that these cities raise revenues to support the whole?

This last question raises the larger issue of how we not only plan and manage the form and shape of our growing cities worldwide, but how we govern cities that no longer have a single core, where urbanization expands across new territories and across competing political jurisdictions. In developing countries, municipal authorities are surrounded by rural and provincial councils with distinct governing systems that often report to different ministries with different development priorities and policies.

For example, very different administrative systems in the Greater Mafikeng Area of South Africa include the City Council and the peri-urban Tribal Authorities. An Integrated Development Project was initiated which sought to overcome these jurisdictional boundaries and administrative barriers (See Box#2). In wealthier countries, cities within broader urban regions compete for growth. The core, for example, competes with the outer suburbs that are under separate jurisdictions to attract growth and new jobs. The overall negative impact of this fragmented growth pattern is manifest in terms of increased dependency on motorized, carbon-producing transport, single-purpose land use, and loss of agricultural land. Cities of the 21st century need re-interpretation in terms of the spatial territory they increasingly occupy and the multiple cores and multi-nodal growth centers that urban development trends suggest. The “metropolitanization” of cities and the globalization of urban spaces in cities of both rich and poor nations create new imperatives for political leadership and the planners and managers charged with guiding city growth for a sustainable future.

### **Box#2: An Integrated Development Project in the Greater Mafikeng Area, South Africa**

Mafikeng, situated 300 km to the west of Johannesburg, has a population of over 250,000. Greater Mafikeng is comprised of Mafikeng and the peri-urban tribal area. The southern part of this area had no clean water, electricity, transport, storm water drains or sanitation. The Mafikeng Development Programme was initiated in 1995 with an aim of coordinating a wide spectrum of social, economic and environmental projects in the Greater Mafikeng Area within one comprehensive plan. Tourism was identified as the driving force to improve the river corridor and the city in general, which in turn will improve the living conditions of the people by providing them with basic necessities and employment.

The first step towards empowering those previously oppressed under the apartheid system was the establishment of a broad-based Steering Committee comprised of very different administrative systems: Tribal Authorities, City Council, Government Departments, the informal sector, local businesses and the tourism industry. The programme focuses on training and building local capacity through the integrated development of several programmes: city and river clean up; clean water provision; improved storm water facilities; improved traffic flows; and enterprise and tourism development. Where practical, all public works contracts were divided into smaller components to involve as many new emerging contractors as possible. Where established contractors were required, labour intensive methods were encouraged and favoured. The Steering Committee has emerged not only as the forum of economic development for the area, but its conflict resolution role is helping repair the social fabric of the entire community.



## (2) Energy: Local Action, Global Impact

- *At this juncture in human history, as the scales tip to a predominantly urban world, we need to be sure that we are creating cities that guide and shape individual and collective action into sustainable patterns of urban growth and development. Our future depends on it.*
- *Increasing renewable energy sources, maximizing conservation and lessening our dependence on non-renewable sources of energy, particularly those most damaging to the air we breathe and contributing to global warming, are critical steps to sustainable cities in the future.*
- *Emissions from vehicles remain today as one of the most intransigent issues and obstacles to our efforts in creating sustainable cities. Sustainable transport in cities is perhaps the most significant goal we can adopt for the next two decades. This is particularly so in light of the inevitable spatial expansion of cities to accommodate the projected growth in urban populations.*

### Introduction: Energy Consumption in Cities

While energy is a precondition for the existence of cities in that it supports all socio-economic activity, the form of cities and how we organize urban life are key determinants of energy consumption. Decisions taken everyday in cities regarding where we work, live, shop and recreate have a profound impact on the production and consumption of energy. **It is for this reason, that, at this juncture in human history, as the scales tip to a predominantly urban world, we need to be sure that we are creating cities that shape and guide individual and collective action in favour of sustainable patterns of urban growth and development. Our future depends on it.**

Energy is at the base of effective city life. When power supply fails, cities stop working. When energy supply is uncertain, cities falter. All aspects of the advancement of urban life have power as an essential condition, for our education systems, for industry and commerce, for hospitals, food supplies and transport. However, all cities undertaking needs assessments for a secure energy future recognize that additional capacity will be needed even with the most aggressive conservation programs. How can we best fulfill the future demand for energy in our cities?

The choice of paths is open—to continue on a path that involves the irreversible use of precious and limited natural endowments or pursue an alternative path that increasingly harnesses renewable assets. This choice is also about energy that does not harm the environment, both in terms of air quality and in terms of greenhouse gas emissions. Scientists have conclusively established that we are now in a period of complex global warming. The melting of our polar ice fields increases the catastrophic risk of flooding in coastal cities. Having witnessed the recent destruction in New Orleans, consideration that many of our largest global cities are located in lowland areas poses risks to hundreds of millions of urban dwellers worldwide and raises new global imperatives. In addition, the increasingly unnecessary reliance on fossil fuels poses serious health risks; surface ozone causes respiratory disorders; particulate matter increases the incidence of heart attacks and cancers; and new research indicates that enhanced plant growth in a carbon-enriched atmosphere will increase airborne allergens.



## Considering the Energy Mix for Powering Cities – Bringing Renewables In

Currently, power for cities is generated from a variety of sources and cities are predominantly viewed as consumers within an established energy chain and power grid. If we are to realize truly sustainable cities, then 21st century cities must be considered as intelligent producers and consumers of energy that take into consideration differentiated needs and differentiated sources of energy.

All energy and power generation have different costs and benefits and implications for a sustainable future. Coal-fired plants create pollution that affects the quality of air we breathe and contributes to global warming. While coal is cheap, there are “smog costs” that produce exceedingly high costs in health care and environmental damage. As a result, many countries are now replacing coal-fired plants with cleaner sources of electricity. Natural gas is another source of energy for cities, and while it produces less pollution and green house gas emissions, natural gas is a non-renewable resource and its price has been steadily rising in recent years. Many cities are powered by nuclear energy, however, such plants require high initial capital investment and the issues of human safety and safe disposal of nuclear waste is far from being resolved. Hydroelectricity has been historically the least expensive source of power for cities and many nations are seeking to expand this power source. Smaller hydroelectric plants have been found to cause less damage to the environment and require less displacement of people.

While still more expensive than some other forms of generation, wind power is becoming increasingly cost effective and could become one of the key sources of energy for cities. It is currently conceived as a source of energy that is best used in combination with other sources since wind can vary and thus affect supply. Also, some of the best places to produce wind are far from cities. Countries like Denmark, Holland, China, Egypt, Germany, India and the United States have nonetheless invested in wind energy by developing extensive wind farms.



Wind energy is currently seen as one of the cleanest energy sources for cities and many cities are seeking to increase its use together with solar energy as a local source for buildings.

The current global renewable energy share of the world's primary energy supply is 11 per cent. The diversity of renewable energy resources is vast and research into the utilization of wind, water, sun, bio-fuels, and tides indicates a potential contribution of renewable energy reaching 60 per cent of total world energy supply. However, the current economic potential reveals a different story. Many renewable energy technologies remain more costly than conventional fuel sources, even though continued research and market expansion are driving costs down. Furthermore, renewable energy sources are very site-specific so the range in potential utilization of these technologies is quite dramatic. Increased use of renewable energy to help satisfy urban settlements' growing energy demand requires sustained research and development as well as sound policy and regulatory structures that encourage public-private partnerships and increased commercial investment. Moreover, in diversifying energy supply, affordability concerns for cities in the developing world create particular challenges where two-thirds of the urban population will likely live at or below the poverty line by 2040. In this context of poverty, cities will face enormous challenges for the delivery of energy.

The challenge for cities today is to adopt policies and strategies that will ensure the right mix of energy sources and enable the introduction of new sources in the future. Cities have a critical role to play adopting resource-neutral distribution systems. These systems make it possible for buildings and facilities to switch to alternative energy sources without major adjustments to building design, vehicles or industrial plants and thus avoid future conversion costs.

In most countries, energy policy remains the purview of other levels of government. Sustainable cities require that local authorities play an increasingly active role in decision-making and advocate for an integrated approach to sustainable energy production and consumption. **Increasing renewable energy sources, maximizing conservation and lessening our dependence on non-renewable sources of energy, particularly those most damaging to the air we breathe and contributing to global warming, are critical steps to sustainable cities in the future.**

Can cities take charge of their own energy demand and even their supply? In addition to becoming advocates for altering the mix of energy sources to include more sustainable energy sources, what else can cities do? They can address consumption levels and set reduction targets. Experiences and lessons are being drawn

from a number of cities and actions need no longer be considered experimental. San Diego has introduced a comprehensive energy conservation and management plan (See Box#3) with specific actions outlined and successes measured.

### **Box#3 San Diego Energy Conservation and Management Program**

The City of San Diego's energy program has saved 24 million kilowatt-hours and \$3.5 million (U.S) annually since 2001. As part of its program, San Diego requires that all municipal construction meet Leadership in Energy and Environmental Design (LEED) Silver standards. In 2005, the city renovated its police headquarters making it virtually energy independent. The building uses multiple-speed fans, window tinting, and an energy management system. Cogeneration and photo-voltaics provide much of the facility's electrical, heating, and cooling needs.

The City of San Diego produces up to 153,300-megawatt hours of electricity annually, equivalent to powering 14,194 homes. The electricity is produced from renewable sources such as methane gas harvested from the city's landfill, from treated wastewater that drives a hydro generator, and from photo-voltaics placed on four city buildings.

Since 2001 the city has reduced energy consumption, saving taxpayers more than \$3 million. The City also saves approximately \$1 million in projected electricity costs annually due to a new rate analysis service designed to assist all City departments and facilities to reduce costs based on comparative analysis of rate schedules.

In his State of the City address in January 2001, Mayor Murphy established ten goals for the City of San Diego to achieve during his term in office. Goal # 9, to Pursue Energy Independence, resulted from California's energy crisis of 2000 that saw the City energy costs double and the threat of disruption to the region's energy supply. The City Council approved a plan to install 50 additional megawatts of renewable energy generation on public and private buildings within the City of San Diego by 2013. The goal supports the City's goal to reduce reliance on fossil fuel, improve the environment, and create jobs. The city currently generates 18 megawatts of electricity from methane gas, hydropower, and photo-voltaics.

Buildings are large consumers of energy, and fossil fuels are invariably the source. Heating, lighting and cooling are the three components that make buildings one of the greatest contributors of greenhouse gas emissions. Some cities are beginning to set targets for cutting back on buildings' energy consumption, through design techniques that reduce the amount of energy required for heating, cooling, and lighting. Local authorities have a major role and contribution in setting building codes and design guidelines that favour energy efficiency. In many developing countries imported design models and technologies, particularly in tropical and semi-tropical areas, are inappropriate to local conditions and result in higher operating costs. The use of local materials, traditional technologies and vernacular design need

to be combined with new scientific knowledge and technological advances in green building design.

Cities are also the largest single source of waste including organic materials and materials that can be easily integrated within a system of cogeneration of electricity such as methane gas that can be harvested from the city landfill sites, and the use of wastewater to drive hydro generators. Some cities are beginning to set challenging goals for themselves, including "energy independence" and targets such as "city buildings to consume zero fossil fuels." Ensuring continued research and investment in sustainable energy in cities requires a number of improvements and restructuring of public expenditure including fiscal incentives, guarantee schemes and public support of risk capital.

Political will and commitment to sustainable energy policies are pre-requisites to a sustainable city. Community-centric energy planning and coordination among spheres of government, communities, citizens and the private sector are essential for equitable and affordable access to modern energy services.

The Sustainable Cape Town Plan, for example, argues that the basic building block of the sustainable city is the 'sustainable neighbourhood.' This refers to a neighbourhood that generates more energy than it

consumes, generates zero waste, meets most of its food requirements from local sources, requires little or no fossil fuels to transport people, and releases minimum amounts of CO<sub>2</sub> into the atmosphere. Similarly, a former military base in Toronto has been designated as a new urban park where a new sustainable urban community is being planned that will employ leading edge construction technology and energy systems with new and existing subway and railway stations for transit connections to the urban region (See Box # 4)

#### **BOX # 4: Downsview Park, Canada's First National Urban Park**

##### **A new park and sustainable community in the centre of Canada's Largest Metropolis**

Downsview Park is a former Canadian Forces Base of 230 hectares in the centre of the Greater Toronto Area, a fast-growing region of 5 million people in south-central Canada. In 1994, the base closed and the Government of Canada announced that the lands would "be held in perpetuity and in trust primarily as a unique urban recreational green space for the enjoyment of future generations" and created Parc Downsview Park Inc., a Crown Corporation charged with the long-term development of the park.

From a vast, featureless expanse, the park has now begun to transform itself. Tree City, a consortium of design and engineering firms led by Bruce Mau Design, won a competition in 2000 to design a radically different park for the new millennium. Tree City's vision is based on five core values:

- Sustainability – Design the Maintenance
- Stewardship – Design the Educational Effect
- Play – Redefine Leisure
- Legacy – Build a Living Database
- Beauty – Design the Icon

The first transformation is the planting of the Canada Forest, a 12-hectare forest in the heart of the Park. The future park will include a palette of recreational amenities centred on legacy buildings tied to the rich industrial and military history of the site. A new lake will provide a new focal point next to the forest, and areas of the park will showcase of urban agriculture and gardening. About half of the total park area is also slated to include a model sustainable community, knit into the surrounding neighbourhoods and park. Brook McIlroy Planning and Urban Design is heading a multi-disciplinary team to prepare a Sustainable Community Development Plan and Guidelines, for what will become one of the largest redevelopment sites in the Toronto area. These will form the blueprint for the emergence of a socially integrated community that is completely integrated into the park and incorporates leading edge construction technology and energy systems. The new community's open spaces will be integrated into the surrounding parkland and take full advantage of its proximity to the existing and proposed subway and railway stations at the edge of the park. The new community is expected to become a model of sustainability and act as a catalyst and inspiration for national urban park planning and design across Canada and beyond.

Contacts:

Downsview Park: [www.pdp.ca](http://www.pdp.ca)

Brook McIlroy Planning + Urban Design: <http://www.brookmcilroy.com>

Bruce Mau Design Inc. (Tree City): [www.brucemaudesign.com](http://www.brucemaudesign.com)

## **Sustainable Transport and Planning for Climate Protection: Alternative Vehicles, Alternative Fuels, and Alternative City Design**

Emissions from vehicles remain today as one of the most intransigent issues and obstacles to efforts in creating sustainable cities. Sustainable urban transport is perhaps the most significant goal we can adopt for the next two decades. This is particularly so in light of the inevitable spatial expansion of cities required to accommodate the additional urban populations now projected.

Transportation systems help define quality of life in cities. Sustainable transportation systems foster economic activity and contribute to equitable access in meeting our basic needs. Access to urban transportation is critical to social inclusion. It allows the elderly to live independent lives, ensures safe passage for children, and enables

all citizens to access social services such as healthcare clinics, hospitals and schools by affordable means.

The growth of mega-cities and the increase in private vehicle ownership, especially in developing world cities create new challenges in meeting these equity concerns. Automobiles are consumers of non-renewable energy and contribute to carbon emissions and pollution. Improved auto efficiencies, ethanol, bio-oil, methane and bio-diesel fuelled vehicles, and “smart cars” combined with energy efficient transport systems are well within our means. Many cities draw knowledge from the experiences in Bogotá (See Box # 5). More recently bus and funicular transit systems in Medellín provide affordable and attractive mass transit solutions and reduce fuel use and CO<sub>2</sub> emissions.

### **BOX #5: TransMilenio Bus System in Bogotá, Colombia**

In 1998, the mayor of Bogotá, Colombia, a city of 7 million people, asked the question – if 85 percent of the people do not use cars for their daily transport, is it fair that cars occupy most of the space on the streets?

For decades Bogotá has been inundated by urban problems typical of a major city in a developing country. Pollution from cars and buses shrouded the city, much of it trapped by the surrounding mountains. The city’s population was booming with more than 140,000 people moving to Bogotá each year. Rising incomes had led to more gridlock with some 70,000 new cars being added to the roads every year.

In just a few years, the city built 70 miles of bicycle routes and closed several streets to cars and converted them into pedestrian malls. The city began to restrict car use during rush hour, banning each car in the city from the downtown area 2 days a week, based on the license plate number. The results were dramatic: the average commute time dropped by 21 minutes, and pollution was reduced significantly.

The city had been debating a multi-billion dollar subway system for decades. But Mayor Peñalosa decided to adapt the significantly cheaper rapid transit bus system that made Curitiba, Brazil a model city for public transportation. The initial thirty-eight kilometre TransMilenio system was up and running in less than two years. The buses, running in separate lanes down the center of the city’s main arteries, are able to carry 780,000 people a day at an average speed of 26 kilometres per hour – considerably outpacing cars and private buses. Estimates have found that the system saves people an average of 300 hours of commuting time annually. Unlike expensive subways or elevated trains, the TransMilenio actually runs at a profit.

As the city has become easier to navigate by public transportation, support for these efforts have grown and citizens have voted in favour of outlawing cars in the city during rush hour by 2015. The city plans to add a number of new lines to the system by 2015, so that 85 percent of residents will live within 500 meters of a bus station.

Source: [www.bestpractices.org](http://www.bestpractices.org)

Linking economic opportunity and livelihoods to transit planning is critical for sustainable cities. This is true for poor neighbourhoods in both developed and developing countries. For example, in Washington, DC, the plan for

a new metro station in a low-income community was designed not only to promote sustainable, transit-oriented development but also job creation by attracting businesses and investment to the new transit station hub. (See Box #6)

### **BOX# 6: Washington, DC Metro Station, USA**

The North of Massachusetts Avenue (NoMa) area has a population of 5,600 of which 90% is African-American. The average income per household is well below the citywide median with 24% of the residents earning a poverty-level income. The area had deteriorated over the years and was characterized by abandoned buildings, vacant land and a blighted cityscape.

As part of the city's strategic economic development planning process, the Washington, DC Department of Housing and Community Development (DHCD) organized a NoMa development strategy. Working closely with the community and the private sector, the plan recommended the creation of the New York Avenue Metro station as the catalyst for developing NoMa as a magnet for technology and media businesses, jobs and housing.

The key objective of the initiative was to promote sustainable, transit-oriented, mixed-use economic and community development that would promote investment, create jobs, attract and expand businesses, raise incomes, reduce poverty, stabilize and improve housing and neighbourhoods. The main strategy was to develop three key industry networks: media/publications, information technology/telecommunications and the entertainment industry in the NoMa area.

A feasibility study funded by the DC DHCD was used to mobilize finances to construct the station. Major private property owners in the areas, the DC government and the US government provided financial support. This commitment to construct a new transit station and promote neighbourhood economic activity has already provided the impetus for large-scale employers to locate or expand in the area, spurring major development activities including the Washington Gateway, the BET Technology Park, the Union Station Telecom Centre, and the McKinley High School technology campus. In addition, community improvements such as new streets and streetscape design, new and renovated housing, bicycle and pedestrian trails, retail stores, small business opportunities, and skills training are all part of this creative partnership. This initiative serves as a model for creating liveable neighbourhoods through public - private partnership and infrastructure development and is just one example of a significant trend in North America, Europe and other regions to concentrate housing and commercial development around access to public transportation. This practice will lead eventually to a highly efficient and a more sustainable urban environment.

Source: [www.bestpractices.org](http://www.bestpractices.org)

Post World War II urbanisation patterns in developed countries form the basis of current sustainability debates. Planners at that time addressed urban development on a massive scale to overcome housing and infrastructure deficits arising from the war and economic depression. Two decades of uninterrupted economic growth and the baby boom led to further demand for new housing and to large-scale suburban development. This form of modern urbanization was challenged at the time of the first energy crisis in the 1970s and to a re-thinking of urban planning and management priorities. Urban environmental planning, inner-city revival, and investment in public transit emerged in response. The City of Calgary, located in southern Alberta, Canada at the base of the Rocky Mountain Foothills, used its unique geographic location to tap wind power and has created the first wind-powered public transit system in North America (See Box #7).

**BOX #7 – Ride the Wind Project - The First Wind-powered Public Transit System in North America, Calgary, Canada**

Calgary's Light Rail Transit System, the "C-Train," encompasses 32 kilometres of C-Train track, 33 C-Train Stations, more than 10,000 park and ride stalls, and a fleet of 100 light rail vehicles and 760 buses which carry approximately 75 million passengers annually. The City of Calgary's Ride the Wind Project was launched in 2001, making Calgary's C-Train the first wind-powered public transit system in North America. As a result, the entire 100-car fleet is 100 percent emissions free. Calgary's C-Train dramatic rise in ridership in recent years demonstrates its success and popularity among Calgarians. Since its inception, May 25, 1981, more than 500 million riders have hopped on the C-Train. About 200,000 customers currently ride the C-Train every workday. Calgary Transit's bus/C-Train ridership has soared by 33 per cent over the past five years at the same time the city's population rose by 15 per cent. C-Train ridership alone shot up by 73 per cent during the same time period. 'Ride the Wind' project with its fleet of wind powered electric trains is 100% emission free and avoids 200,000 tones of CO2 emissions annually.

Smart growth (See Box#8) is an approach to planning aimed at avoiding urban sprawl, and focusing on rejuvenating inner city areas and older suburbs, remediating brown-fields and, where new suburbs are developed, designing them to be town centred, transit and pedestrian oriented, less automobile dependent and with a mix of housing, commercial and retail uses drawing on cleaner energy and green technologies.

## **Box #8: Principles of Smart Growth**

- *Mix Land Uses:*  
Smart growth supports the integration of mixed land uses into communities as a critical component of achieving better places to live.
- *Take Advantage of Compact Building Design:*  
Smart growth provides a means for communities to incorporate more compact building design as an alternative to conventional, land consumptive development.
- *Create a Range of Housing Opportunities and Choices:*  
Providing quality housing for people of all income levels is an integral component in any smart growth strategy.
- *Create Walkable Neighborhoods:*  
Walkable communities are desirable places to live, work, learn, worship and play, and therefore a key component of smart growth.
- *Foster Distinctive, Attractive Communities with a Strong Sense of Place:*  
Smart growth encourages communities to craft a vision and set standards for development and construction which respond to community values of architectural beauty and distinctiveness, as well as expanded choices in housing and transportation.
- *Preserve Open Space, Farmland, Natural Beauty and Critical Environmental Areas:*  
Open space preservation supports smart growth goals by bolstering local economies, preserving critical environmental areas, improving our communities' quality of life, and guiding new growth into existing communities.
- *Strengthen and Direct Development Towards Existing Communities:*  
Smart growth directs development towards existing communities already served by infrastructure, seeking to utilize the resources that existing neighborhoods offer, and conserves open space and irreplaceable natural resources on the urban fringe.
- *Provide a Variety of Transportation Choices:*  
Providing people with more choices in housing, shopping, communities, and transportation is a key aim of smart growth.
- *Make Development Decisions Predictable, Fair and Cost Effective:*  
For a community to be successful in implementing smart growth, it must be embraced by the private sector.
- *Encourage Community and Stakeholder Collaboration:*  
Growth can create great places to live, work and play – if it responds to a community's own sense of how and where it wants to grow.

Source: The Smart Growth Network <http://www.smartgrowth.org>

The need for new approaches to urban planning and development has never been greater. As cities grow and expand spatially the need to connect new settlements across vast territories to each other and to the core becomes critical to local economic development and quality of life. Urban metro and light rail systems can ensure this connectivity while mitigating environmental consequences, but such solutions remain costly for all cities, particularly in developing countries. Existing financial and fiscal authority in most municipal governments are woefully inadequate to undertaking these long-term capital investments.

Empowering cities to raise revenues for these large-scale investments needs to be introduced together with more enabling legislation to forge partnerships between local, regional and central governments to finance long-term capital investment. Such partnerships are not only critical to finding common solutions across numerous municipal jurisdictions, but are also increasingly important to harnessing the economic potential of city-regions in an increasingly competitive and globalising world economy.

Decisions affecting people's mobility reflect deeply divided and entrenched positions. They reflect conflicting views and demands that cut across income levels and environmental and political positions. Such debates can be interpreted as a healthy and growing consciousness about sustainable cities. They reflect the need for policies and actions targeted at changing citizen behaviour to address the socio-economic and political context within which consumption decisions are shaped.

In some cities, citizens are taking the lead in demanding policy reform for more effective and diversified solutions to mobility. Demands for safer and more pedestrian and bicycle friendly routes and dedicated transit lanes for buses and taxis indicate that many people prefer alternatives to individual car use. Users of bicycles, motorcycles and three-wheeler carriers are challenging the idea of cars 'ruling the road'. Integrated land-use planning, improved management and multi-level government partnerships in providing transport alternatives, while setting emissions standards and encouraging alternative fuel and vehicle technologies are all sound tactics in the path to sustainable transport in cities.





# SUSTAINABLE CITIES: PARTNERSHIP AND FINANCE

## (1) Municipal Finance: Innovation and Collaboration for Urban Services

- *Cities are expanding their web of partnerships to finance long-term capital investments to meet demand for costly infrastructure services.*
- *While the use of municipal bonds is a well-established practice in cities of developed economies, access to financial markets, both domestic and international, by less developed economy cities are more restricted. Many municipalities are not allowed to borrow and even more lack the requisite standards for financial management to comply with long-term debt servicing.*
- *Local authorities require knowledge, skills and institutional capacity building to be able to mobilize domestic capital markets practices, to develop commercially viable municipal projects and services, and in strengthening revenue collection and credit worthiness to reimburse loans for larger scale infrastructure investment plans.*
- *Micro-finance and community owned finance mechanisms have grown considerably in recent decades. Grass-roots organizations in many countries are engaged in mobilizing savings and providing micro-loan services to the urban poor. These organizations bring financial markets to those who are excluded from conventional mechanisms for savings and credit.*

### Introduction

Cities throughout the world, whether rich or poor, are currently exhibiting commonality in municipal finance trends. Cities are seeking to broaden their revenue base by examining sources beyond property tax, user fees and other traditional sources of locally generated revenues. Cities are expanding their web of partnerships so as to finance capital investments and pursue long-term credit to meet demand for costly infrastructure and services. As a necessary condition to support these two endeavours, cities worldwide are also strengthening their local financial planning and management systems.

Financing basic urban services, especially trunk water supply and sanitation, is a formidable challenge for sustainable urban development. As urban populations continue to expand, the demand for these basic services will continue to outpace local government ability to bring these services online. With severely constrained fiscal abilities, self-sourced revenue by cities to invest

in these projects is unthinkable. As a result, cities will increasingly find themselves in new partnerships with central and provincial spheres of government, domestic and international capital markets, multilateral and bilateral financial institutions. This web of partnerships is an essential platform for cities for the development of self-sustaining municipal finance systems.

### Tools to Address the Financing Gap for Water and Sanitation Services

Cities worldwide, including those in emerging market economies and less developed economies, are looking to private markets to help fund their massive water and sanitation requirements. Domestic banking systems often view long-term lending for urban infrastructure and water and sanitation as too risky. Domestic capital markets provide an opportunity for raising long-term resources and channelling them to such projects.

While financing of capital investments by issuing long-term bonds is a well-established practice in cities of developed economies, access to financial markets, both domestic and international, by less developed economy cities is more restricted. In many instances, municipalities are not allowed to borrow and often lack efficient municipal financial management and skills. Alternative mechanisms have been used where borrowing powers are restricted. For example, in China, municipal revenue-producing activities are separated from the general budget, allowing cities to borrow against future revenues. The Shanghai Urban Development Investment Corporation is wholly owned by the City and issues bonds to finance infrastructure projects on the financial strength of the City authority (See Box #9).

### **Box#9: Municipal Financing Mechanisms in China**

In China, off-budget entities operate in municipalities to obtain the capital needed for investment, primarily in infrastructure. These special purpose vehicles (SPVs) are wholly owned companies that raise funds by borrowing from state-owned banks. For example, the City of Shanghai owns the Shanghai Urban Development Investment Corporation (UDIC). It issues bonds to finance the city's infrastructure projects. The implicit guarantee is that the City will not allow the UDIC to fail. The bonds issued by the municipality are viewed as a contingent liability of the municipal authority backed by municipal assets and transferred to the SPV or by the revenue stream of a self-sustaining project.

Cities, particularly developing country cities where the demand for new investments in water and sanitation services are greatest, need to improve their financial, technical and operational capacity to finance and deliver these services. In this regard, the international community has an important role to play in technical assistance for the development of a functioning municipal finance system. Local authorities require knowledge and skills in domestic capital market practices, in the development of commercially viable municipal infrastructure projects, in setting out prioritized infrastructure investment plans and to improve their credit standing and market themselves as creditworthy entities.

In some countries, in order to strengthen local finances and enhance municipal access to medium and long-term credit, shared revenues are pledged as collateral and thus serve as loan guarantees. In the Philippines, municipalities are authorized to issue bonds to finance self-liquidating income-generation projects in order to enhance quality of life. Two government-owned banks and two municipal development funds provide local governments with credit. A steady flow of central transfers and the power of state-owned financial institutions to intercept these transfers to settle arrears have allowed the municipal credit market to function and a limited domestic bond market to operate.

Central governments thus need to enter into partnerships with local authorities in order to provide an environment to promote the credit worthiness of local authorities. Appropriate macroeconomic and regulatory policies – especially those which are conducive to improving their debt servicing capacity including long-term savings pools, intergovernmental payment intercepts, guarantees and insurance – all form part of a comprehensive strategy for financing sustainable urban development.



## Facilitating Local and Community-based Economic Development

Financing for shelter development, for infrastructure development and for community development in low-income parts of the city, creates the foundation for future income generation of the urban poor. New municipal finance tools to assist this effort are pre-conditions for sustainable cities and should therefore be considered as an investment in local economic development, employment generation and productivity. Slums and low-income neighborhoods form part of the so-called informal economy. Empirical evidence from recent studies shows that in many developing country cities the informal economy contributes between 50 to 70 percent of local GDP and eight out of every ten new jobs, a large proportion of which is in the form of home-based enterprises. The granting of secure tenure allows homeowners to leverage their house to finance their work. The fact of renting out rooms for income support is well documented. Secure tenure to slum dwellers transforms their homes into a tangible asset. Investment in community improvements and urban infrastructure build value into this tangible asset while improving the productivity of home-based enterprises.

Micro-finance and community finance mechanisms have grown considerably in recent decades both as result of demand and as a result of the failure of conventional financial institutions to cater to the urban poor. The rapid growth of micro-finance agencies in developing country cities is testimony to the ability of the urban poor to direct scarce household funds into various savings schemes and community improvement funds.

Despite this ability, public policy reform and reform of the commercial banking sector continue to be needed since many poor households are still not able to access sufficient credit. Establishing qualifying criteria for the poor to access commercial sources of credit remains a critical challenge. Micro-finance agencies normally concerned with finance for shelter development are increasingly showing interest in micro-finance for more comprehensive slum upgrading programmes. Best practices in this area show such partnerships can be highly effective when a development agency or local government finances improvements in basic infrastructure and services while community-owned micro-finance organisations provide housing improvement loans. Varying experience has been gained in a number of countries, for example with the Slum Networking Project in India and the Local Development Program (PRODEL) in Nicaragua (See Box # 10).

### **Box 10: The Local Development Programme (PRODEL) in Nicaragua**

In order to address the need to improve the physical environment and the socio-economic conditions of the poor in Nicaragua, Programa de Desarrollo Local (PRODEL), a local development programme, established the following kinds of support:

- infrastructure and community works, including the introduction, expansion, repair and improvement of infrastructure and services through small-scale projects costing up to US \$50,000;
- housing improvement through small loans (of between US\$300-\$1500) for fixed and working capital; these loans are directed, in particular, at micro-enterprises owned and operated by women;
- financial assistance to micro-enterprises with small short-term loans (between US\$300-1500) for fixed and working capital; these loans are directed, in particular, at micro-enterprises owned and operated by women; and
- technical assistance and institutional development to strengthen the capacities of local governments and encourage institutionalized financial entities to become involved in non-conventional lending programmes for housing improvements and micro-enterprise loans.

Between April 1994 and December 1998, 260 infrastructure and community projects were carried out in 155 different neighbourhoods, benefiting more than 38,000 families. Total investment has been US\$4.4 million (an average of US\$16,972 per project). Contributions from municipal governments and the beneficiary communities (in kind, cash, materials, tools, labour, administration and supervision) totaled 43.1 per cent, with the remaining 56.9 per cent coming from the programme. Thirty-five per cent of the projects were for improving roads, gutters and sidewalks; 10 per cent for improving and expanding potable water and sewage systems; 14 per cent for rainwater and storm water drainage; 18 per cent for electrification (public lighting and/or household connections); and 23 per cent addressed community infrastructure (including construction, improvement, expansion and repair of primary schools, daycare centres, health centres, parks and playgrounds). The communities contributed approximately 132,000 days of work to these 260 projects, both volunteer and paid, using their own resources.

In five years, more than 4168 loans were given for housing improvements (total disbursed funds reached US\$2.7 million). By 2003, the total had grown to over 11,000 loans and annual disbursements exceeded US\$2.5 million. Families contributed their own resources, construction materials, labour, transportation and project administration to an amount equivalent to at least 15 percent of the total value of the labour, transport and building materials. Seventy percent of the families have monthly incomes of US\$200 or less, including many with monthly incomes below US\$100. In all, more than 12,451 loans to micro-entrepreneurs were allocated to communities in which PRODEL is active, with almost US\$5.5 million being disbursed, benefiting approximately 2400 families. Seventy new micro-enterprises have been created, giving jobs to some 210 people.

Micro-finance agencies normally secure capital for their lending from deposits, donor agencies, various levels of government and the private sector. Though few of these funds exclusively serve women, they are often the predominant borrowers. The majority of micro-entrepreneurs and housing improvement micro-loan recipients in many country studies indicate a predominance of women. In many cases, it is women who gain access to title to the house being upgraded through these funds, so empowerment of women becomes a built-in component to micro-finance. Women gain not just a title, but also an asset that can leverage other loans for business development, and an asset that they can derive rent from in their lifetime as well as future income security in old age.

Community funds are financed through community contributions, and international development agencies, sometimes with seed capital provided by government, international development assistance, and in some instances, commercial financial institutions. Community funds encourage savings through establishing and strengthening local savings groups. They offer small loans to households but the lending is administered by a community organization. Such collective lending schemes enable groups working together to acquire land and invest in basic infrastructure, which otherwise would be beyond the means of individual households. The loans are used for a variety of activities, including land purchase, land preparation, basic infrastructure and services, housing construction and housing improvements. Interest in community funds has grown recently, because of their catalytic role in initiating local development processes and their contribution to building social capital through the social bonds created by collective action. They empower the urban poor by helping to remove one of the key barriers, namely access to credit. Community funds become all the more effective when their efforts are leveraged with external finance, and provide an opportunity for financially strapped local governments to scale up the impact of public expenditures.

Community revolving funds place neighbourhoods at the centre of decision-making on disbursements and implementation of local development projects. Often, communities themselves raise money that is matched by government for the improvement of their community. Local groups can apply to the fund to pay for projects

they have identified in their neighbourhood as a priority investment. The community group then implements and monitors the project. This type of local funding initiative has the intended effect to not only promote local and community based economic development, but is intended to unleash the productive energy of poor citizens and leverage private capital locally.



Participatory planning and budgeting have also proven effective in involving communities in decision-making, and bringing higher degrees of transparency and accountability in municipal finance systems. Pioneered in Porto Alegre in Brazil, this approach has been adopted in many cities throughout the world. The result is to allocate a more significant portion of the municipal investment budget for local and community economic development that is based on priorities determined by neighbourhoods and community groups. Moreover, it promotes equity and social inclusion by ensuring ownership of a process by all stakeholders, inclusive of immigrants, youth, and the urban poor, giving recognition to their role as part of the solution for sustainable urban economic development.

## **(2) Urban Safety and Security: Taking Responsibility**

- *Insecurity and risk undermine the long-term sustainability of cities worldwide, in political, economic and social terms.*
- *The frequency and persistence of violence in cities can create a climate where crime becomes a normal part of daily existence. Crime becomes routinized and citizens begin to incorporate feelings of insecurity as part of the normal routines of everyday life.*
- *Safety, security and justice are often outside the purview of local authorities and are highly centralized. However, many forms of crime in cities cut across local and national boundaries and thus point to the need for cities and national governments to cooperate closely on crime prevention and enforcement. Efforts to create “cities without guns” or to prevent drug-related crime from penetrating city streets, requires that cities “be at the table” in national government discussions of immigration, border security, and gun control legislation.*
- *Devolution of responsibility to the community level enforces many traditional systems of community justice, that take into account local culture and an emphasis on reconciliation and restorative justice as opposed to solely punitive measures. Cities need to involve local communities and in particular, local youth, in designing appropriate solutions.*

### **Introduction**

The public realm in cities worldwide has been steadily weakened due to a deteriorating climate of public safety and security and heightened risks from a new array of sources. Prioritizing investments in the public realm is understandably in competition with the investment of scarce resources in basic infrastructure development and maintenance. However, when people’s well-being and sense of safety in cities is eroded, so are their economic prospects. A city’s prosperity and its ability to attract tourism and investments are heavily conditioned by its climate of safety and security and by the overall quality of the public realm. Insecurity and risk undermine the long-term sustainability of cities worldwide, in political, economic and social terms.

### **Urban Safety, Crime and Conflict: Caring for the Most Vulnerable**

Urban crime and violence in cities erode the long-term chances for socially inclusive and economically vibrant cities. The frequency and persistence of urban violence can create a climate where crime becomes a normal part of daily existence. Crime becomes routinized and citizens begin to incorporate feelings of insecurity as part of the normal routines of everyday life. This can build into a broader urban climate where social capital is eroded, where citizens live in fear, lose trust in others and enter into codes of silence for fear of reprisal. People retreat from their streets and public spaces in the city which worsens the problem by making way for the criminal elements to occupy places once collectively “owned.” Efforts to take back the city’s spaces are gaining in momentum throughout many cities worldwide (See Box #11).

### **BOX #11: Take Back the Park, New York City, USA**

“Take Back The Park” represents a creative departure from previous youth programming in that it is the first project of its kind in New York City that gives young people—all high-risk youth—a lead role in motivating peers and adults in reclaiming community recreational space from drug dealers. Every summer, “Take Back The Park” mobilizes one or more New York City neighbourhoods to reclaim a local park that has been taken away from the community by drug dealing, vandalism, and/or substance abuse. The program mobilizes and trains community coalitions, including representatives from youth, police, parks department personnel, community-based agencies, tenants’ associations and community boards in collaborative community planning. Skilled and experienced youth work with neighbourhood young people to design and co-ordinate “Take Back The Park” activities, conduct neighbourhood needs assessment surveys, and develop a network between community youth and community police officers. Participating youth are provided with 25 hours of youth leadership and community organizing skills training, including topics such as program planning, outreach, community problem-solving and strategies for addressing drug trafficking and substance abuse. All 15 of each “Take Back the Park” efforts remain in action today.

Source: [www.bestpractices.org](http://www.bestpractices.org)

The persistence of crime and the decline of trust in cities have serious implications for governance. Local governments are increasingly regarded as losing control, thus eroding confidence in leadership and raising doubts on the ability to govern. Communities turn to alternative security measures including private companies, vigilante groups, and gated communities to protect themselves.

The list of terms employed to discuss the roots of urban crime is long: lack of opportunity, widening inequity, territorial segregation, economic polarization, social exclusion, lack of good parenting and absence of role models, drugs and organized crime, poor public crime prevention initiatives (including the lack of investment in youth and community centers in crime-prone neighbourhoods, weak policing and enforcement mechanisms, the absence of gun control legislation and weak enforcement mechanisms).

Recent debates on crime in cities focus on the combined effects of polarization and exclusion as the major contributing factors to urban crime and violence, exacerbated by globalization and international migration to cities where communities have not put down firm roots in cities of destination. In addition, recent forms of international terrorism increasingly target cities. These phenomena serve to introduce new layers to our interpretation of urban crime, violence and security, and require new approaches to safety in cities. How do we address this multiple layering and new complexity?

These multiple forms and new manifestations of violence in cities direct us towards more integrated approaches that combine established policies that address urban governance, community policing, and restoring ownership over public space.

In many countries, safety, security and justice are outside the purview of local authorities and are highly centralized. Enhancing the role of local government as well as local communities and in particular the youth of these communities, is recognized as an important first step to improvements in many aspects of safety, security and justice. Safer cities initiatives as in the case of Dar es Salaam help to bring together local community leaders, the city authorities and citizens (See Box # 12)

## **BOX # 12: Safer Cities: Dar es Salaam, Tanzania**

Dar es Salaam, the largest city and major port of Tanzania, East Africa has a population of approximately 780,000 people. Before 1997, the city accounted for over 25% of all crime incidents reported to the police throughout the country raising fear of victimisation among the residents. Safer Cities Dar es Salaam was initiated in March 1997, by UN-HABITAT (Habitat) with technical support from the International Centre for Prevention of Crime (ICPC) in Canada and United Nations Development Programme (UNDP). The initiative was officially launched on 19 August 1998 and aims at co-ordinating and strengthening local institutional crime prevention capacity, changing attitudes and promoting a culture of adherence to the laws and reducing youth unemployment through skills training and cultural activities.

The project works on a bottom-up approach to mobilize the community and local resources in establishing crime prevention initiatives. Community policing and justice is based on the traditional practice of “Sungu Sungu”. This has decentralised the task of dealing with petty crime to the neighbourhood level instead of relying on the conventional justice system, anchoring social justice with community rather than penal values. The project has been successful in sensitising community leaders and citizens on the need for crime prevention initiatives. Many activities have been initiated in the city, establishing awareness as well as successfully promoting and utilising the skills and resources of different partners in crime prevention initiatives. Other cities in Tanzania (Arusha, Mbeya and Morogoro) have approached Safer Cities Dar es Salaam for assistance to support the development of a Safer Cities Initiative in their towns and cities.

Source: [www.bestpractices.org](http://www.bestpractices.org)

However, many forms of urban crime cut across local and national boundaries and argue for cities and national governments to cooperate closely on crime prevention and enforcement. For example, efforts to create “cities without guns” or to prevent drug-related crime from penetrating city streets and neighbourhoods, require that cities “be at the table” in national government discussions on issues ranging from border security to gun control legislation. Similarly, local and national police forces need to collaborate closely and share information and intelligence.

In addition, within cities, devolution of responsibility to the community level enforces many traditional systems of community justice that take into account local culture and an emphasis on reconciliation and restorative justice as opposed to solely punitive measures. Lessons on how cities can best involve local communities and in particular, local youth, in designing appropriate solutions are required.

Community policing, neighbourhood watch groups with well-defined powers and complementary roles to the police in crime prevention, coordination and information sharing between and with private security firms all form part of emerging policies and management systems for addressing urban safety.



Yet these emerging solutions are not without controversy and require greater review and sharing of experiences across cities worldwide. Contestations over city policing and other security services have, for example, raised important questions on the role of non-state forms of social governance. Do these measures undermine state efforts to develop adequate policing solutions? Do they support forms of social capital and improve social cohesion in neighborhoods? Do they mitigate conflict or are there other perverse effects generated? Is it distrust in state capacity to control or prevent crime and violence that drives this movement? Are structural problems with existing police forces and judiciary systems undermining trust by residents in cities? What steps can be taken to build trust, reform judicial systems, and attract a high caliber of men and women to city police services?

Safer cities policies must also focus on the gender dimension of crime in cities and on those citizens at particular risk. The urban poor and other disadvantaged components of the urban population, namely, youth, women and single female-headed households are more at risk in cities and face threats of violence by virtue of their insecure positions in urban society. Women's poverty and gender discrimination mean women are more often the targets of crime. In addition, those engaged in the sex trade are not only at extreme risk for their safety and their health, but are also specific targets of abhorrent crimes.

While it is obvious that each city faces its own unique challenges in addressing urban violence and security and must find solutions that are adapted to its own historical, political and institutional context effective and long-term solutions must be anchored in an empowered city governance approach which acknowledges the respective roles and contributions of a wide array of actors within an overall framework of rule of law. This is because the type and form of crime manifested in cities worldwide is so varied and dependent upon the local conditions, the political and historical settings, the regional and national context and the global connectivity of any one city

## **Risk and Vulnerability Reduction: Integrating Disaster Mitigation into the Development of Sustainable Cities**

When considering how best to integrate disaster mitigation into the development of sustainable cities, we are confronted by a number of potential contradictions. Careful attention must be given to these issues if truly sustainable cities are to be achieved in our future.

It is critical to address how we might balance potentially conflicting goals such as: risk reduction strategies versus affordability concerns; stricter residential building standards for disaster resistance and safety versus flexible standards for incremental housing development by the urban poor; regularization of tenure versus enforcement of construction by-laws on high risk land; self help community development of infrastructure versus adherence to universal standards of water and sanitation services designed to avert risks of contamination in natural disaster situations; centralized versus decentralised disaster preparedness and mitigation services. Such examples begin to reveal the need for deepening the discussion on these topics if the potential contradictions inherent in each are to be overcome in support of more sustainable urban development and disaster mitigation.

High versus low income areas alike have no control over the occurrence or path of natural disasters. Successive hurricanes strike expensive Florida real estate, tsunamis cause devastation to very poor households in Banda Aceh, and flooding has all but destroyed the poorest black neighbourhoods of New Orleans. However, poorer households are usually at higher risk due to weaker structures, less safe city locations and building sites, and weaker resilience of infrastructure to withstand damage. Developing countries are disproportionately affected by natural disasters for similar reasons of vulnerability and weak institutional support and infrastructure systems. For example, many developing countries lack the health facilities to deal with large numbers of injured patients, resulting in higher death tolls than in countries better equipped for disaster. Disasters can paralyse entire cities and regions and permanently destroy their social and economic assets. In Aceh, Indonesia, for instance, the total estimate of damage and losses from the December 2004 tsunami was \$4.45 billion – nearly 97 per cent of the region's GDP.

Natural disasters in 2005 inflicted considerable damage in terms of lives lost and damage incurred around the world. According to a 2005 Worldwatch study, nearly 125 million people were injured, lost their home, or required other immediate assistance as a result of disasters. More than 100,000 people were killed, in addition to the 230,000 who died in the tsunami at the end of 2004. Total economic damages in 2005 reached a record \$200 billion, including \$125 billion in losses from Hurricane Katrina alone.

The single greatest human toll followed the October earthquake in Pakistan and India, the repercussions of which continued for months as affected families weathered out a difficult winter in makeshift shelters.

As the nature of disasters in cities becomes more multifaceted, so must the approach to their management. The occurrence of natural disasters in and around cities requires sound urban management and planning practices, and higher levels of investments in infrastructure, together with better-prepared local governments. How can cities ensure the highest forms of disaster preparedness? What strategies are appropriate?

Hazard mapping makes it now possible to classify lands in urban areas by the degree of vulnerability to land slides, floods, fire and seismic risk. Land identified as high-risk can then be zoned for zero construction or only for buildings of a highly regulated and appropriate standard. While these regulatory steps might be obvious, their implementation is more difficult when high risks zones are already occupied, and different uses, densities and status of occupation exist. Poverty forces many people to settle in areas of high risk and return to hazard-prone land that has already been struck by disasters. Decisions regarding densely populated high-risk zones are inevitably contentious, not to mention costly if city governments need to expropriate with compensation.

Regulatory frameworks and compliance with the highest building standards for vulnerability reduction need to be introduced incrementally and target public buildings as a matter of priority. These include schools, hospitals and factories that pose risks to the environment if damaged during a natural disaster. Improvements to existing housing stock on the other hand, need to be dealt with on a case-by-case basis and strike a balance among compliance, affordability and relocation. This balance raises the critical issue and debate on how affordability and safety can be reconciled.

These debates have recently been addressed by the Secretariat of the International Strategy for Disaster Reduction in their quest to ensure that disaster risk reduction is incorporated into the targets and areas of intervention being outlined by the UN Millennium Project. In seeking to ensure that progress towards the MDGs is insulated against disaster risk, they have suggested that upon close analysis, some interventions may, in fact, be accumulating new disaster risks. They have discussed how best to ensure that MDG based Needs Assessments are sensitive to reducing risk and how to ensure that further investments directed at attaining the MDGs will not lead to the accumulation of new disaster risk.

Given that disaster risk reduction is a foundation for the sustainable development of urban settlements, it is critical that we consider the MDGs in relation to cities and with safety, disaster preparedness and risk reduction in mind.



While natural disasters demand city preparedness, other forms of disaster in cities are arising, first, with respect to international terrorism and the so-called soft targets in cities (from biological threats, to urban air and water supplies, to power plants as economic threats, to bombs in subways and skyscrapers, malls and tourist sites); and second, with respect to health and global infectious diseases that also present particular risks in cities (SARS and the threat of avian flu, for example). Both types of disasters identify different needs for emergency preparedness in cities, and new forms of urban disaster management. With national governments increasingly confronting new and emerging global agendas – pandemics, security, climate change and natural disasters – and because these agendas all place cities at risk, national governments, while negotiating global commitments, must also initiate dialogue and consensus at the city level to ensure that local authorities are part of the decision-making and implementation processes.

The recent attacks on New York, Washington, Madrid, London, Nairobi and Bali, among other cities, have demonstrated how international terrorists are increasingly targeting cities. Urban insecurity is an emerging international issue having devastating financial, physical and psychological impacts on people worldwide. In recent months, cities have also become sites of localized ethnic and religious conflicts and violent manifestations of exclusion. Paris is perhaps the most acute example. Although cities celebrate cultural and ethnic diversity, they are also sites for community unrest and violence when political interests collide, or when governance systems fail to promote inclusiveness and integration. Cities in India experienced tensions and violence in the 1990s, and other cities such as Los Angeles, Belfast, Sarajevo and Mogadishu have all suffered from similar forms of urban violence in recent years.

Cities are also sites for the fall out from other forms of conflicts and crises in war-torn countries. Internally displaced persons usually move towards major urban centres and end up in low-income, poorly serviced settlements or slums. They tend to settle on the periphery, and often outside the political jurisdiction of the city where services are non-existent. In Sudan, for instance, urban areas accommodated two-thirds of the more than six million internally displaced persons (IDPs) in the country in 1998 and almost half of these IDPs moved to the capital city, Khartoum.

## **SUSTAINABLE CITIES: SOCIAL INCLUSION AND COHESION**

### **(1) Achieving the Millennium Development Goals: Slum Upgrading and Affordable Housing**

- ***UN-HABITAT has been assigned the responsibility of “Goal 7 Target 11” in the Millennium Development Goals which is referred to as the “Cities without Slums” target and which seeks to “achieve significant improvement in the lives of at least 100 million slum dwellers.”***
- ***While this World Urban Forum focuses in particular on this target to improve the lives of slum dwellers, all eight of the MDGs are directly connected to the theme of sustainable cities.***
- ***Most countries have recognized that residents in slums and informal settlements are already making significant investments to upgrade their housing and communities, particularly when tenure is secure. They have also shown incredible capacity to leverage savings and make gradual investments into their shelter and services in line with their own personal or household affordability thresholds. An estimated 70% of housing investment in developing countries occurs through this incremental shelter development strategy by the poor.***
- ***At this juncture, and in recognition of this capacity of the poor, countries and cities facing budget deficits and a weak financial sector are increasingly recognizing that they must include the efforts of their citizens and community based solutions in finding sustainable housing solutions. There is a need for a web of relations and partnerships engaging international development assistance, national and local governments and the private sector with the urban poor to support ongoing slum upgrading efforts and to scale up pro-poor housing and urban development to avoid the future development of slums. This strategy is indeed one that fosters, and depends on, inclusiveness.***

## Introduction

The adoption, in the year 2000, of the Millennium Development Goals (MDGs) by the UN Member States, registers a commitment by the international community to development of the poorest regions of the world and to assist the most vulnerable. From this agreement, the UN Secretariat established eight goals, each with a set of quantitative targets and indicators, to ensure a common assessment and to track progress at global, national and local levels towards achievement of the MDGs

### Goal 7 Target 11 “Cities Without Slums”

The United Nations System assigned UN-HABITAT responsibility to assist Member States in monitoring and gradually attaining “Goal 7 Target 11” which is referred to as the “Cities without Slums” target. Goal 7 – to “Ensure Environmental Sustainability” sets out three targets: to reverse the loss of environmental resources; improve access to safe drinking water; and, improve the lives of slum dwellers. The latter, Target 11 specifically reads: “Achieve significant improvement in the lives of at least 100 million slum dwellers by 2020.”

While this World Urban Forum focuses on the target of improving the lives of slum dwellers, all eight of the MDGs are directly connected to the theme of sustainable cities. This Forum will demonstrate that it is the world’s cities and the slums within them that are pivotal platforms for the successful achievement of each MDG. Each of the eight goals finds expression in cities:

1. Eradicate extreme poverty and hunger.
2. Achieve universal primary education.
3. Promote gender equality and empower women.
4. Reduce child mortality.
5. Improve maternal health.
6. Combat HIV/AIDS, malaria and other diseases.
7. Ensure environmental sustainability.
8. Develop a global partnership for development.

In addition, meeting the timeframe and the numerical targets of the MDGs will require a determined focus on cities since the majority of affected women, men and children will be living in urban and peri-urban areas by the target dates of 2015 and 2020.

Goal 7 Target 11 is a call to action to assist people living in the most depressed conditions in the world’s cities. Success in reaching this specific target is dependent upon progress made in achieving each of these other goals and related targets.

As a result of increasing urban poverty, slums are an increasingly common manifestation of life in cities. The urbanization of poverty is particularly evident in the least developed countries. Disaggregated data on urban poverty is lacking which impacts on the ability to target appropriate responses. More than two billion people of the developing world live in urban regions and more than 42 percent of the urban population lived in slums in 2001.

The identification of five conditions characteristic of slums is helping to establish the number of slum dwellers in the world, and establish a set of indicators to monitor progress towards the goal of improving the lives of slum dwellers:

- Insecure residential status
- Inadequate access to safe water
- Inadequate access to sanitation
- Poor structural quality of housing
- Overcrowding

What lessons have we learned across the spectrum of interventions that follow, and how might we move forward over the next decade on each?

- managed self-help programs
- *in situ* upgrading
- enabling policies
- rights based legislation
- legal frameworks – security of tenure
- financial frameworks – housing finance
- asset-based frameworks – infrastructure investments

With roughly 80% of urban residents in the lowest-income countries already living in slum conditions and given the projected demographic trends whereby slum dwellers are expected to double by 2030, alternatives to slums must be developed as of today or there needs to be an urgent realignment of Goal 7 Target 11. Given this twin problem of the existence of massive slums and the projected growth of slums worldwide, meeting the MDG 7 Target 11 must entail a two-pronged approach: upgrading today’s slums to improve the living conditions and the conditions for meeting most of the MDGs, and planning alternatives to slums for the future.

This target is realistic in light of the fact that the urban poor significantly contribute to housing and settlement upgrading. Hence it is recognized that international development assistance, national and local governments and the private sector must be mobilized to partner with the urban poor to support their ongoing efforts and scale up urban poor-led upgrading. (See Box # 13) Reducing poverty is a pre-condition to achieving sustainable urban development.



### **BOX # 13: Upgrading for Sustainable Water Service in Slum Communities, Dhaka, Bangladesh**

Dushtha Shasthya Kendra (DSK), a nongovernmental organization (NGO), helped residents of some of Dhaka's squatter settlements to gain access to public water and sanitation services. The programme started in May 1996 in cooperation with WaterAid, an international NGO dedicated to the sustainable provision of water and sanitation services. By June 2002 DSK had constructed 97 water points in Dhaka and a further five in Chittagong. In addition, other NGOs and the Dhaka City Corporation have since replicated the approach by constructing a further 72 water points throughout Dhaka. The programme's success is largely due to a combination of two innovative features:

First, DSK served as an intermediary between poor urban communities and the water utility agency to negotiate water and sanitation provision at regulated prices. Persuading the Dhaka Water Supply and Sewerage Authority (DWASA) to install water points in squatter neighbourhoods represented a major breakthrough. Previously, DWASA only connected households which could demonstrate legal tenure. As most of Dhaka's poorest neighbourhoods lack such tenure, this effectively barred them from public water provision. In addition, DWASA had no way of recovering its costs in such neighbourhoods.

Second, DSK engaged in building social cohesion and community capacity to manage and maintain the new facilities themselves. This sense of community ownership is critical to the programme's success.

Lessons learned from the DSK initiative and many other similar initiatives point to the urgent need for policy reform. In many developing countries, the policies and practices of public utilities for water, electricity, sewerage and refuse removal are exclusionary. De-linking the right to a service from the status of tenure or the absence of recognised address would remove an important barrier that currently prevents the residents of slum and squatter settlements worldwide from improved health, nutrition and living standards.

Source: A WaterAid Fieldwork Report by Rokeya Ahmed, WaterAid Bangladesh, "DSK: a model for securing access to water for the urban poor" <http://www.wateraid.org.uk>

Most countries have recognized that residents in slums and informal settlements are already making significant investments to upgrade their housing and communities, particularly when tenure is secure. This was not always the case. A combination of low incomes and the high cost of housing forced the poor to settle in informal and sub-standard housing that continued to grow in depth and scale over the past several decades. Misdirected efforts to solve this deepening problem resulted in many cases of forced evictions. While some countries continue on this path, many governments, international agencies and NGOs worldwide have recognized that the urban poor, despite these adversities, have shown tremendous resilience and creativity in creating affordable shelter solutions. They have also shown incredible capacity to leverage savings and make gradual investments in shelter and services in line with their own personal or household affordability thresholds. An estimated 70% of housing investment in developing countries occurs through this incremental process that can, when allowed to do so, ultimately result in decent housing and moderately well-serviced urban communities. In addition to this creative solution, urban poor households have also been creative in their financing techniques. Poor households, not eligible for commercial mortgage finance, typically mobilize funds from family and friends, and borrow from informal credit markets. Communities have also formed their own cooperatives and created revolving funds to finance shelter and community services upgrading.

The challenges facing the urban poor are, however, numerous and the successful scaling up of ongoing efforts and the prevention of the future formation of slums will largely depend on a systemic approach to removing these obstacles. These obstacles include lack of security of tenure, unaffordable and rigid building standards and planning norms, continual harassment and evictions affecting both housing and sources of livelihood, and lack of dialogue and engagement. In developing regions, urbanization has become virtually synonymous with slum growth, especially in Sub-Saharan Africa, Western Asia and Southern Asia, where annual slum growth and urban growth are almost identical.

At this juncture, and in recognition of this capacity of the poor, countries and cities are increasingly recognizing that they will have to rely on the efforts of their citizens and community based solutions. The need for a web of relations and partnerships engaging international development assistance, national and local governments, the private sector and the urban poor needs to be mainstreamed across all spheres of government to support ongoing efforts in slum improvement and to scale up pro-poor housing and urban development.

This strategy is indeed one that fosters, and depends on, inclusiveness. The challenge now is how to best apply this to future settlement planning and development, to ensure an alternative to new slum creation in cities of the future.

## **(2) Public Engagement: The Inclusive Approach**

- ***Engaging people within a city, through an inclusive political process that involves long-term residents, international migrants, the poor, marginalized groups, national minorities and indigenous peoples is the critical base for building safe, liveable and sustainable cities in our shared future.***
- ***Governance invokes more than just political strategy; it also demands attention to social circumstances on the ground and to cultural values, to our understanding of multiculturalism and diversity.***
- ***An inclusive approach to governing cities requires a deepening awareness of the intersection between civil society and government and the creation of new institutions and paths necessary for fostering inclusiveness, empowerment and engagement.***
- ***When citizens are effectively engaged in their city's development, engaged in everyday decisions and in longer-term planning and policy development, then they develop a sense of ownership of, and loyalty to, the city.***
- ***Increased efforts are needed which focus on traditionally marginalized groups of urban citizens and on minorities that have failed to engage with the city. An inclusive city is one where everyone, regardless of wealth, gender, age, race or religion, feels free to participate productively and positively in the governing of the city and in where the pursuit of opportunities that cities have to offer is open and equitable.***
- ***A deepening of the conversation on multiculturalism is required that addresses the meaning of multi-ethnic diversity in cities and the core values we embrace in that multiculturalism.***
- ***While the principle of shared interest in a city might be desirable, and notions of citizenship and civility in cities certainly get promoted on such grounds, a shared common interest is difficult to come by given the reality of contestation over urban space and assets. The nature of a city's political engagement, which brings diverse groups together to articulate their interests and generates varying power formations in this urban political culture, in turn, motivates new openings and political space for different ways of life in the city.***

Cities worldwide, whether rich or poor, confront the challenge of civic engagement and how to foster an inclusive governance process in their local political environment. Processes of fostering inclusion and enhancing good urban governance have been recognized as a key strategy to achieving the slum upgrading target of the MDGs. It has been further recognized that environmental deterioration and social exclusion go hand in hand. Engaging people within a city, through an inclusive political process that involves long-term residents, international migrants, the poor, marginalized groups, national minorities and indigenous peoples is the critical base for building safe, liveable and sustainable cities in our shared future. Governance invokes more than just political strategy; it demands attention to differentiated social circumstances and needs within the community and to accommodating different cultural values and diversity.



How do cities ensure that all citizens are empowered to participate productively and positively in the opportunities that cities have to offer? How do we ensure that all citizens have access to opportunities and are empowered to take part in local decision-making that affects their daily lives? And how do we avoid the opposite trends associated with exclusion, dreariness and hopelessness in cities that breed frustration, fear and violence?

An inclusive approach requires a deeper understanding of the phenomenon of exclusion itself. The dimensions are broad, and include poverty and disadvantage in all their forms, as well as the exclusion of individuals and groups from a city's major economic, social, cultural and political institutions. Many people are excluded by virtue of unemployment, low skill levels, poor health, poor housing. Others are excluded in spatial terms from the city, by virtue of where they live and their ability to move about the city. 'Participating in society' means: having a job, or taking part in training or education to better access labour markets; having a network of family

and social contacts; enjoying collective leisure activities; taking part in community activities; living in confidence and without fear for safety.

An inclusive approach to urban governance requires a deepening awareness of the intersection between civil society and government, and the creation of new institutions and paths necessary for fostering inclusiveness, empowerment and engagement.

There are a number of concrete benefits to inclusive urban governance. Inclusiveness is promoted as a way to increase efficiency in city management. It contributes to a better identification of needs and demands by bridging knowledge gaps between local government and local community stakeholders and therefore enhances greater responsiveness and efficiency in the delivery of urban services. It improves learning and understanding and promotes innovative solutions that combine technocratic expertise with local knowledge and know-how.



Inclusiveness is a key means of deepening democracy and promoting citizen involvement and social cohesion. When citizens are effectively engaged in their city's development, engaged in everyday decisions and in longer-term planning and policy development, they develop a sense of ownership of and loyalty to the city. As a result people feel more empowered to shape their own destinies in the city while embracing and participating in forging a common destiny. This notion of participatory democracy goes beyond the limited notion of representative democracy as embodied in the political process of elections which, for many is reduced to the singular act of voting once every few years. The consequences of exclusion are also well documented and recent experiences in cities worldwide, including upheavals in Paris and London, the proliferation of urban crime in many cities, the growth of violence amongst youth, the persistence of gender inequity, constitute failing indicators of sustainable urban development which, in turn, diminish the competitiveness of cities.

Over the past few decades, efforts to improve urban governance have focused on the essential first step of devolution of power, authority and resources from the central to municipal level. Governed by the principle of subsidiarity, decentralization processes seek to ensure that decisions are taken, and services delivered, at the sphere of government closest to the people while remaining consistent with the nature of the decisions and services involved. Empowering cities to govern effectively remains a key platform for urban reform in countries throughout both the developed and developing countries. The urban agenda in Canada, for example, aimed at empowering cities with new sources of revenue and new powers to govern effectively, remains a priority target by city mayors in their relations with provincial and federal governments. Debates and discussions in the past few decades on how to enhance urban governance have also identified the critical need for central and provincial spheres of government to continue to be

deeply engaged in the cities agenda, in fostering the vital role and contribution of cities in promoting social and economic development and civic engagement. The national level of government in Brazil for example, enacted a new "City Statute" giving municipalities the power, through laws and several urban planning and management instruments, to better control the process of urban development, to democratize local decision-making and to create more inclusive cities (See Box#14). The importance of national recognition and engagement with cities as well as a cooperative and supportive role by provinces/states in urban development has been underlined in many decentralization strategies. A responsible fiscal federalism that positions cities as critical partners in the governing relationship is now being recognized as a pivotal policy platform for both global competitiveness and local responsibility for sustainable and liveable cities.

#### **Box #14: Enactment of a New City Statute in Brazil**

In July 2001, Brazil enacted a City Statute that widens the legal-political role of municipalities in formulating urban planning directives and in managing the process of urban development. The Statute enables municipalities to promote land tenure regularization programmes and to democratize people's access to urban land and housing. In line with this Statute, the Municipality of Rio de Janeiro is implementing a regularization process to give legal status/tenure to the over one million of the city's inhabitants who presently live in over 700 favelas (highly consolidated invasions of public land developed by the poor themselves that are spread across the city) in illegal housing with insecure tenure.

The needs of the larger favelas in this city of 11.5 million people are being addressed through a major programme called "*Favela-Barrio*", which aims to integrate favelas into the social and physical fabric of the city, while the interventions in smaller favelas are carried out through a project called "APD-Rio" (Support to Disadvantaged Population in Rio Metropolitan Region).

The groundbreaking City Statute transforms a long-standing tradition of civil law and establishes a new legal-political paradigm for urban land use where the social, cultural and environmental interests of all income groups are catered for, thus making cities more inclusive. The municipalities are given the power, through laws and several urban planning and management instruments, to control the process of urban development through the formulation of territorial and land use policies. The Statute also aims to democratize local decision-making processes, thereby aiming to create a new socially-aware and inclusive urban order.

Sources: UN-HABITAT 2005; Souza 2002; UN-HABITAT/DPU 2003; United Nations 2005.

Movements to enhance urban governance worldwide have also come to recognize that the devolution of authority designed to strengthen the ability of cities to govern is a prerequisite for inclusive governance but it is not a sufficient condition on its own. Corruption in local authorities and senior levels of government has

a tremendous negative impact on urban governance. Cities must take successive steps in governance reform, in building transparency particularly in expenditures and allocation, and in the creation of new institutions that foster community empowerment and engagement.



Engaging citizens in the running of their city can take many forms and experiences in cities worldwide are being well documented. Typical steps include public consultations, public hearings and meetings, appointing citizens to advisory bodies inside municipal authorities, and designing community councils with a stakeholder voice at municipal council sessions. Valuable research and evaluations have been undertaken of recent experiments involving citizen engagement in environmental and neighborhood impact studies, in the establishment of people's councils, in the inclusion of non-governmental organizations and other representatives from the private sector on local service boards and development councils, in preparing development programmes, allocating funds, and participating in planning and design initiatives for communities, in popular initiatives to put forward urban laws, and in the practice of participatory budgeting. This research is a valuable base for considering next best steps in addressing inclusiveness in cities as it informs a deeper awareness of the intersection between civil society and government and improves our understanding of potential new institutions and paths necessary for fostering inclusiveness, empowerment and engagement in cities globally.

However, increased efforts are needed which focus on traditionally marginalized groups of urban citizens and on minorities that have failed to engage with the city. An inclusive city is one where everyone, regardless of wealth, gender, age, race or religion, feels free to participate productively and positively in the governing of the city and in where the pursuit of opportunities that cities have to offer is open and equitable. Urban policies and investment strategies that determine the delivery and accessibility of goods and services to neighbourhoods directly affect the well-being and livelihoods of those urban communities.

Investment in the public realm for positive shared space in cities such as squares, green space, neighbourhood sports centres, and convivial gathering places are also vital contributors to inclusiveness in cities. Pro-poor policies for urban development, such as investment in infrastructure support to low-income households and businesses, influence the creation of wealth in cities and the ability of all citizens to prosper.

Removing barriers for women to gain access to assets such as land, providing women-headed households with secure tenure, opening their access to credit, introducing affirmative action and pay-equity into local administrative practices, all enforce inclusion of women in urban development.

Inventing new norms of practice and reforming institutional procedures in cities can effectively enhance civil society involvement and create a politics and culture of inclusiveness that is essential in framing strong local governance.

Cities and the urban societies that are being fostered by virtue of multi-ethnic diverse groups of people coming together to live in close proximity to each other in cities worldwide raise serious challenges in the context of local governance. A deepening of the dialogue on multiculturalism is required that addresses the meaning of multi-ethnic diversity in cities and the core values we embrace in that multiculturalism. We must come to terms with what is permissible in the society that cities make up, and what is to be excluded as unacceptable by all members of that society. We must also improve understanding of urban political culture. While the principle of shared interest in a city might be desirable, and notions of citizenship and civility in cities certainly get promoted on such grounds, a shared common interest is difficult to come by given the reality of competing demands for urban space and assets, and the reality of groups in cities that are excluded or marginalized from everyday decision-making and opportunities in the city. While political culture in a city might help elaborate means of engagement and expose potential connections between diversity within the urban milieu, it must also be understood as an iterative force. The nature of the engagement itself, which brings diverse groups together to articulate their interests and generates varying power formations in the urban political landscape, in turn, motivates new openings and political space for different ways of life in the city.

The Second Session of the World Urban Forum in Barcelona focused on issues related to inclusiveness and integration, stressing the important task facing a globalizing world to prepare for living in a multicultural society. While it was emphasized that cities are at the crossroads of cultures and despite some outstanding examples of cultural pluralism in cities, it was noted that there is still no agreement on how to approach the fundamental issues of multiethnic and multicultural societies in an increasingly globalizing and urbanizing world. We do know however that the promotion of participatory and inclusive systems of local governance has proved to be an effective means of enhancing not only efficiency of urban management, and enhancing feelings of belonging and rights to the city, but overcoming negative consequences of social diversities, and overcoming problems of urban poverty.

Committed and engaged citizens together with strong, open and inclusive democratic local governments are the basis for sustainable cities in our future.

## NOTES



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