

Key Recommendations of Local and Regional Governments towards Habitat III

MARCH 2016

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I. Context: where local governments stand

The world is facing, not only rapid urbanization, but also the increasing fragility of human settlements due to climate change, land grabbing, natural and human-made disasters, including armed conflicts that are pushing thousands of people to move away from their homes. The impacts of the financial and economic crises, changes in models of production, increasing unemployment and inequalities, are realities that are changing the way life is conducted in cities around the world.

Cities have huge potential to be engines of growth and development. Equally many cities and local governments face major challenges; governance and democracy is increasingly complex, with rapidly growing populations who feel remote from decision-making; infrastructure is often outdated and in poor condition; public transport is limited; jobs and livelihoods are scarce and resources and capacities are often inadequate to meet local needs.

Local and regional governments are at the forefront of tackling all of these issues in our daily work. We have a fundamental role in ensuring the safety, security, livelihoods and wellbeing of our communities. However, in many cases policy development at national, regional and global level does not take local realities sufficiently into account.

The 2015 agreements establishing the Sustainable Development Goals (SDGs), the Addis Ababa Agenda for Action (AAAA), and the COP21 commitments for climate change, mark a historic moment and an opportunity for global change. The New Urban Agenda should complete this process and put in place mechanisms that enable local governments to contribute to our full potential by creating an environment for decentralization and multilevel, multi-partnership governance that ensures skills and resources at all levels are harnessed.

II. Recalling the spirit of Habitat II

Habitat III should build on the fundamentals of Habitat II (1996). The Habitat Agenda recognized local authorities' as the **“closest partner” and “essential” in the implementation of the Habitat Agenda** (*Istanbul Declaration* paragraph 12). Furthermore, Art. 102 of the Habitat Agenda already states that “The municipal level of government can be an effective partner in making human settlements viable, equitable and sustainable, since its level of administration is closest to the people. **Governments must recognize the essential role of local authorities in providing services and empowering people.**”

In 1996, Member States recognized that sustainable human settlements could be achieved through “the **effective decentralization of responsibilities**, policy management, decision-making authority, and sufficient resources... to local authorities, closest to and most representative of their constituencies.” (Art. 177).

We call on national governments to “intensify their cooperation with associations and networks of local and regional governments, non-governmental organizations, voluntary groups and community associations, and the private and cooperative sectors in adequate shelter and sustainable human settlements development.” (Art. 211 (d) of the Habitat Agenda).

III. A single universal agenda

The outcome of Habitat III, the New Urban Agenda, must be truly universal. Policy recommendations and solutions should take account of a range of different realities, cultures and contexts. There will be no one-size-fits-all approach.

Habitat III should encourage a holistic approach to urban agenda making, avoiding sectoral or segmented approaches. The New Urban Agenda should reinforce the achievement of the SDGs, the COP 21 commitments on the Climate Agenda, the Sendai Framework for Disaster Risk Prevention and the Addis-Ababa Action Agenda on Financing for Development (AAAA). It should be grounded in the principles of the Universal Declaration of Human Rights and on the 1966 Covenants on Civil and Political Rights and on Social, Economic and Cultural Rights (1948), especially the right to an adequate standard of living. It should further build on the UN International Guidelines on Decentralization and Access to Basic Services, and the UN International Guidelines on Urban and Territorial Planning.

The New Urban Agenda should relate to all types of human settlement, the territories and spaces where people live, to build livelihoods and citizenship.

IV. Ensuring the links between the 2030 Agenda and the New Urban Agenda

The Habitat III Agenda must be an action-oriented agenda that reinforces and builds on the achievement and localization of all of the 17 SDGs, with a particular focus on the governance and local finance issues not adequately reflected in the 2030 Agenda, specifically Goal 11.

The New Urban Agenda should go beyond technical and sectoral solutions and lay the groundwork for governance and management structures that emphasize inclusive, participatory decision-making as a basis for resilient, inclusive, safe and sustainable cities and human settlements (Goal 11).

Strengthening governance from the bottom up and developing a new, collaborative relationship among governments at all levels, civil society, the private sector and citizens will be instrumental in ensuring effective and responsive urban development and capable and accountable institutions in all human settlements (Goal 16).

Habitat III will serve as a rallying point for local and regional governments to prepare for the implementation of all the inter-connected 17 Goals, in particular Goal 11. All the SDGs have a local dimension that is essential to their achievement. We, as political leaders, with a direct mandate from citizens, have a responsibility to contribute to the achievement of all of the SDGs.

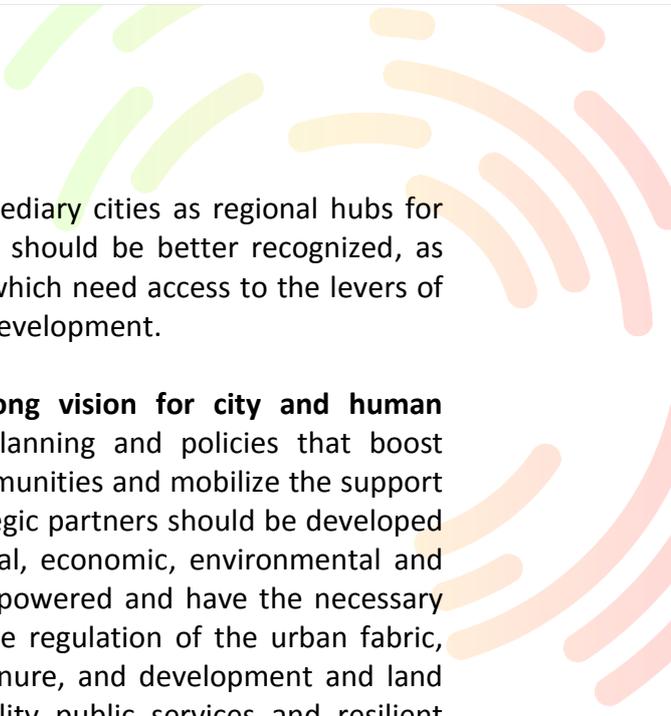
V. Cornerstones of the New Urban Agenda: leading local coalitions to drive sustainable development.

Local and regional governments are uniquely placed to take forward the New Urban Agenda, putting people and human rights at the centre of the development agenda:

To fulfil this role, we propose taking action in **seven areas**:

1. **“Build a stronger and accountable local and regional government to drive inclusive and sustainable development”**: Elected local leaders are well-placed to develop and test new models of leadership and participatory governance in expanding metropolitan areas, intermediary cities and small towns, to ensure democratic ownership and a collective vision for local development.

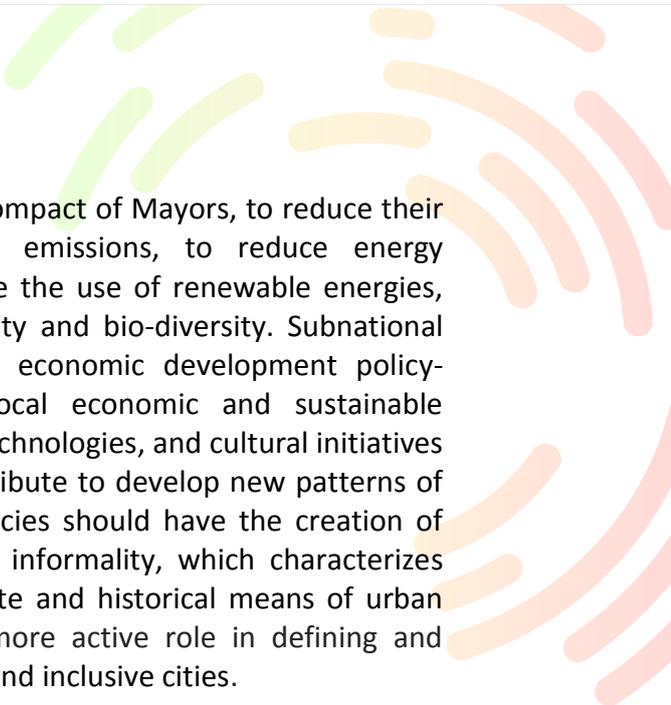
Local and regional governments are strategic partners of national governments to build a strong national system of cities and more balanced territorial development. National urban and territorial policies and effective decentralization should be the pillars of an appropriate multi-level governance framework, based on respect for the principles of subsidiarity and the recognition of local-self-government. National policies should pay special attention to promoting more balanced territorial development and equitable urban-rural linkages; as well as integrating regions, small towns and rural areas into broader territorial networks by strengthening their



links with intermediary cities. The role of intermediary cities as regional hubs for regional development and in emerging corridors should be better recognized, as should the role of metropolitan and megacities, which need access to the levers of metropolitan development, especially economic development.

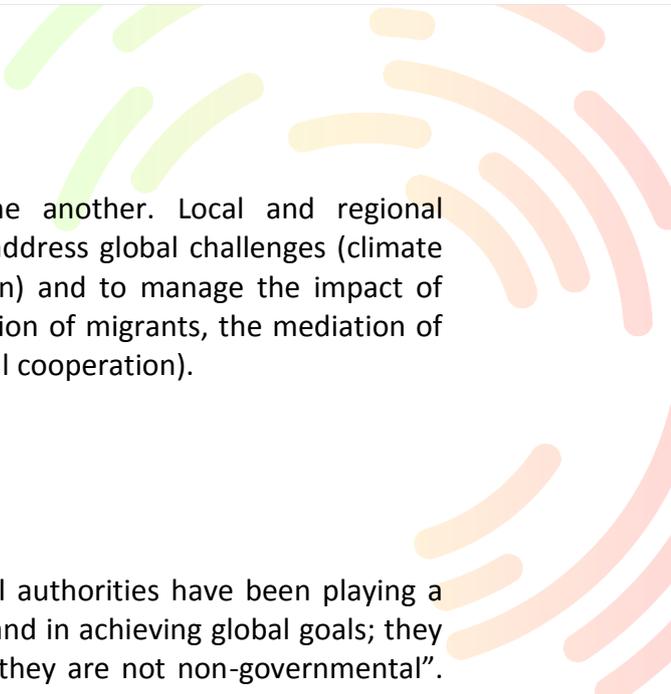
2. **Strengthen strategic planning: ensuring a strong vision for city and human settlement development.** Flexible integrated planning and policies that boost greater participation and ownership by local communities and mobilize the support of different levels of government and other strategic partners should be developed to help cities to adapt faster to a changing social, economic, environmental and cultural context. Local governments must be empowered and have the necessary resources and data to play a stronger role in the regulation of the urban fabric, through social policies, housing rights, secure tenure, and development and land use planning. Ensuring universal access to quality public services and resilient infrastructures is central to the New Urban Agenda.
3. **“Renew the social contract, putting the Right to the City at the heart of the urban agenda”:** local and regional governments are on the front line of strengthening democracy, accountability and transparency at the local level, to support a buoyant and engaged civil society. They play also a very important role in the protection, fulfilment and promotion of human rights¹. Because of their proximity to citizens when providing public services, local governments are crucial actors in the promotion and protection of human rights such as education, health, housing, environment and law and order, as well as the right to water and the right to culture. It is often local governments who work to prevent discrimination against minorities. Local governments are in a unique position to promote autonomous citizen participation in the management of local affairs, particularly the inclusion and empowerment of women in local public life. They can also facilitate the participation of young people, minorities, immigrants, migrants and other marginalized groups. By supporting democratic debate and multi-stakeholder dialogue, local and regional governments can define and implement policies and strategies to tackle different forms of exclusion and reduce inequalities. Policies to promote slum-upgrading and social housing, and to reduce violence and discrimination, are critical to the fight against the development of fragmented cities. The Right to the City, as a cross cutting approach, should pervade all the dimensions of the New Urban Agenda, ensuring cities as common assets for all, sharing the resources and benefits of urban life, within the principles of equity, democracy, sustainability and subsidiarity.
4. **“Unlock the potential of territories to promote sustainable local economic and environmental policies to protect our planet”:** local and regional governments can mobilize local actors and seize the opportunities in cities and regions to boost economic development and environmental sustainability. Many cities and regions

¹ Report of UN Human Right Council Advisory Committee on the Role of Local Government in the promotion and protection of Human Rights (A/HRC/30/49)



are taking part in initiatives, such as the Global Compact of Mayors, to reduce their environmental footprint and greenhouse gas emissions, to reduce energy consumption, fossil-fuel dependence, to promote the use of renewable energies, and to preserve their environmental sustainability and bio-diversity. Subnational governments are increasingly involved in local economic development policy-making and delivery. Stronger policies for local economic and sustainable environmental development, better use of new technologies, and cultural initiatives for more innovative and creative cities, can contribute to develop new patterns of production and consumption. Inclusive local policies should have the creation of decent jobs at their core and should recognize informality, which characterizes urban development in many cities, as a legitimate and historical means of urban production. Local governments should take a more active role in defining and driving the development of prosperous, dynamic and inclusive cities.

5. **Rethinking local financing systems in order to make cities sustainable:** Local governments must have access to adequate funding to deliver their mandates. Fiscal decentralization and ensuring access to own-source revenue is the basis for successful effective decentralization and a well-functioning system of multi-level governance. Efforts to guarantee a minimum of at least 20% of national resources to local government should be explored. Sub-national fiscal policies (local revenues and transfers, coupled with equalization mechanisms) should guarantee local and regional governments the means to assume their responsibilities and to deliver to citizens. Local governments should be strengthened with adequate fiscal powers to mobilize part of the wealth created within their territory, through diversified taxation and land added-value capture mechanisms. National policies should facilitate adequate access to responsible borrowing for subnational governments, as well as access to private finance through appropriate mechanisms such as bonds, loans and public private partnerships. Access to climate financing should be facilitated. In this regard, important reforms may be necessary to adjust the legal framework.
6. **Build local and regional governments capacities in risks and crisis management process:** Fragile and crisis-stricken areas are a major challenge for the New Urban Agenda. Local and regional governments, because of their proximity to citizens and their legitimacy, are on the front line when a crisis breaks out. Local governments can contribute to the crisis management with appropriate actions to create a continuum between emergency relief and reconstruction planning toward sustainable development. With adequate support from international community, they can facilitate the reconciliation process in countries facing regular conflicts, facilitate access to basic services, help to assess and plan to reduce risks and vulnerability, fostering the development of resilient territories.
7. **“Building the spirit of solidarity”:** local and regional governments are committed to building on their legacy of decentralized cooperation and international solidarity. Through this cooperation, the links between local and regional governments are strengthened and citizens gain shared values and understanding of the importance



of peace, human dignity and respect for one another. Local and regional governments should share expertise on how to address global challenges (climate change, peace-building, development cooperation) and to manage the impact of global phenomena at the local level (the integration of migrants, the mediation of globalizing economic and the promotion of cultural cooperation).

VI. A seat at the global table

As recognized in 2004 in the Cardoso Report: “local authorities have been playing a growing role in both United Nations policy debates and in achieving global goals; they are a key constituency for the United Nations, but they are not non-governmental”. Despite the important steps forward that have been seen in recent policy making processes, there is still a need for a more structural inclusion of local and regional governments in global mechanisms.

The changing paradigm of an increasingly urbanized world calls for an enhanced partnership between local governments and the international community, characterized by inclusive consultation and decision making. In order for this relevant constituency to be able to fully contribute to the success of global policy, the relationship must include a seat at the policy-definition table.

We would like to propose that the following concrete initiatives be taken into account:

1. Joining the call of other Habitat partners, we too call for a **decade of sustainable urbanization**, building on a common action agenda.
2. Local government should be recognized as a full partner of central government in defining, leading, and achieving the New Urban Agenda.
3. **A renewed global governance mechanism post Habitat III.** This could include the creation of a liaison unit of elected local representatives; a committee of local and regional governments linked with ECOSOC; or a strong UN Agency dealing with local development and urban issues, bringing on board non-member state partners, following the model of the International Labour Organization.
4. Definition of an **action agenda post Habitat III.** Local governments are committed to ensuring a tangible and implementable legacy for Habitat III. We call on Member States, the UN and international institutions, civil society and professionals to build a common road map, building on existing initiatives and linked with the 2030, Climate, AAAA and Sendai Agendas, to ensure implementation at local, national and global levels.

5. We call for **an inclusive and participatory follow-up and monitoring process that supports a strong urban data collection effort** building on the initiatives set up by local, regional governments and their associations and UN Agencies. (e.g. UN Habitat Urban Observatories, Global Observatories on Local Democracy, on Local Finance, Social Inclusion, Carbon Climate Registry, Climate Compact and the Global Partnership for Sustainable Development Data), and support complementary initiatives.

6. We call for **local, national and regional coalitions** to be set up to achieve the New Urban Agenda

Local government is committed to contribute fully to the New Urban Agenda and is mobilizing local and regional government leaders and their organizations to champion the implementation of Agenda 2030 through a strong global urban agenda and renewed stronger partnerships at local, national, regional and global level.

