

Sustainable Urban Development in the 21st Century: A Multi-Stakeholder Approach to Making the Transformation Happen

KEY MESSAGES

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Background

On 25th September 2015, the United Nations formally adopted the **2030 Agenda for Sustainable Development** and its **Sustainable Development Goals** (SDGs), including SDG11 to “Make Cities and Human Settlements inclusive, safe, resilient and sustainable.” This new universal, integrated, and transformative framework, builds on the Millennium Development Goals and includes 17 SDGs and 169 targets aimed at eliminating poverty, fighting inequality, and addressing climate change over the next 15 years. In parallel, the urban development community is stepping up the preparations for the United Nations Conference on Housing and Sustainable Urban Development - Habitat III, where the New Urban Agenda will be adopted in October 2016.

On 28th September 2015, the Communitas Coalition Secretariat and its core partners - ICLEI, nrg4SD, Tellus Institute and UN-Habitat – convened a **high-level multi-stakeholder gathering** of the Urban SDG Campaign and the World Urban Campaign, in collaboration with the Ford Foundation, the Federal Ministry for Economic Cooperation and Development (BMZ) of Germany, the Global Task Force of Local and Regional Governments, Cities Alliance and the UN-Sustainable Development Solutions Network.

In this pivotal moment of unprecedented opportunity for social justice, poverty eradication and sustainable development, we invited participants to engage in a multi-stakeholder reflection on the key drivers and actions for a transformation that will empower, enable and operationalize our collective commitment to sustainable urban development in the 21st century. Urban development, with its power to trigger transformative change, can and must be at the forefront of human development. Cities are home to half of the world’s people and three quarters of its economic output, and these figures will rise dramatically by 2050. We must therefore align goals, plans, finance, partnerships, governance models and monitoring and review systems with the scale of our ambition.

This high-level event celebrated the successful efforts over the past three years of Urban SDG Campaigners for achieving the recognition of sustainable urban development as a driver for human development in the horizon of 2030. More importantly, this gathering constituted a key turning point towards the challenges of successfully implementing SDG11 in an integrated approach with other SDGs, as well as of localizing the 2030 Sustainable Development Agenda. In addition to initiating strategic discussion on implementation, the convening aimed at furthering the engagement of the urban development community in the **Habitat III Conference**.

This document presents Key Messages from the event. For those interested in the full proceedings of the the event, a companion **Outcomes Report** describes the presentations and discussion and is available at:

<https://docs.google.com/document/d/16f8EMJTQYpnc0IX-ZxZjEyqEF16MikVSkCuw7NkWmUc/edit#heading=h.gjdgxs>.

Key Messages

1. Sustainable urban development will only be a reality on the ground if inclusive, multi-stakeholder engagement is empowered and enabled, involving all levels of government, grassroots and non-governmental organizations, the private sector, as well as academic and philanthropic institutions.

Engagement of all stakeholders – across cities and regions, sectors, ethnic and religious groups, income levels – is necessary to develop strategies and programs that can effectively address the targets of SDG11 given local capacities and constraints. Planning and implementation efforts must go beyond short-term participation opportunities and need to institutionalize inclusive approaches to ensure ongoing engagement of all stakeholders. Localizing the SDGs with coordination among different levels of government is key for building the broad support for successful implementation.

Critical **drivers** for the transformation are:

- Procedures to operationalize meaningful and timely engagement of all stakeholders, including subnational and local authorities, in the preparatory process to Habitat III and at the Conference.
- National and subnational implementation plans anchored on inclusiveness and meaningful institutionalized engagement of stakeholders.
- Cooperation among jurisdictions and levels of government.
- Cross-departmental strategies for implementation at all levels of government.
- Participatory planning and budgeting.

2. Sustainable urban development is a key driver for human development in the 21st century.

Today cities are home to half of the world's population and three quarters of its economic output, and these figures will rise dramatically over the next couple of decades. With the prominent vertical and horizontal inclusion of the urban dimension (SDG11 and beyond) in the 2030 Agenda for Sustainable Development, the international community is recognizing that urban development, with its power to trigger transformative change, can and must be at the frontline of human development for poverty eradication, inequalities reduction, sustainable prosperity, and environmental sustainability.

Critical **drivers** for the transformation are:

- National urban policies.
- Spatial planning at the city-region scale.
- Financing commensurate with the challenges and the opportunities, including through increased mobilization of resources at the local level.

3. SDG 11 is integrally linked with the other SDGs and its achievement requires an integrated approach that addresses the range of social, environmental, economic, and institutional concerns of the full set of 17 SDGs.

Cities do not exist in isolation; they are located within specific regions and nations, and are linked through the global economy as well as information and communications technology. Cities are also integrally connected to and dependent on surrounding peri-urban and rural areas for food, energy, water, and a host of ecosystem services. Reflecting the international community's adoption of the SDGs as an indivisible and integrated framework, sustainable

urban development at the city and subnational scale is understood as inextricably interlinked with the other drivers for sustainable human development.

Critical **drivers** for the transformation are:

- Territorial approach to sustainable development.
- Integrated planning and policy frameworks and indicators at all levels.
- Partnerships and integrated approaches for the implementation of all SDGs at the local and subnational levels.

4. The power of urban development to trigger transformative change needs to follow a two track approach – long term planning combined with short term action.

In addition to long-term planning activities around land use, infrastructure development and related activities, quick actions that show change is possible and give hope for a better urban future are critical for demonstrating the transformative potential of urban development. This can be realized through different targets, including sustainable transport, public space, resilience, etc. and is often driven by pressure/demands from urban dwellers. Cities can lead the way, prompting nations to act.

Critical **drivers** for the transformation are:

- Piloting technical and social innovation and sharing solutions to scale-up “best practices.”
- Decentralized cooperation around sustainable urban development priorities.
- Grassroots partnerships and community-led initiatives

5. Place matters: sustainable urban development requires integrated geospatial planning based on an inclusive process.

To effectively lead to sustainable urban development, the planning process must be integrated, systematic, inclusive, and (a) reflect local/subnational conditions, priorities, and cultures; and (b) recognize the important linkages between cities and their surrounding peri-urban and rural areas, including food supply and food security. With rapid urbanization, particularly in South Asia, Africa, and Latin America, 60% of the land projected to become urban by 2030 is yet to be built. Geospatial planning is therefore essential for efficient land use, guiding settlement patterns, providing adequate basic services, protecting important regional ecosystems, enhancing resilience in the face of climate change and other crises, and ensuring universal and safe access to employment, education, green space and other critical opportunities.

Critical **drivers** for the transformation are:

- Capacity building at subnational level.
- Geospatial technology as a tool for spatial planning and management.
- Cooperation among jurisdictions and levels of government.
- Interlinkages with many other SDGs, in particular SDG6 water, SDG7 energy, SDG8 jobs and economic growth, SDG9 industry innovation, infrastructure, SDG10 inequality, SDG13 Climate.

6. Sustainable urban development is a key source of employment and economic growth but requires adequate financing to deliver its potential.

Cities generate 75% of global economic output, are centers of innovation, employment opportunity, and culture, and provide a range of basic services. Yet the question of financing sustainable urban development remains to be properly addressed at the international and national levels. Local and subnational/state governments across the globe are responsible for the

provision of housing, public services and utilities such as water and sanitation, transport, waste management, etc. that are essential for a livable and just community, yet often lack the resources to adequately maintain and update existing infrastructure. Moreover, many cities face the costly struggle of adapting to increased vulnerability to climate change and natural disasters. The revenue and expenditure share of subnational authorities is not commensurate with the financial burden these realities impose on them.

Critical **drivers** for the transformation are:

- National and international institutional environments that enable the mobilization of finance for and at the local level.
- Partnerships between local and subnational governments and financial institutions.
- Increased subnational and local authority to generate additional revenues through taxation and other mechanisms.
- Tailor-made subnational and local funds and access to municipal development.
- Risk assessment and credit rating of the public sector that internalizes sustainability parameters.
- Creditworthiness of local and subnational governments to access external funding.
- Green banks and green bonds.
- Capacity building in subnational and local governments for bankable infrastructure project development.

7. Effective governance is the backbone of sustainable urban development.

The capacity of city and subnational governments to plan and implement sustainable urban development varies widely across the globe. Beyond the basic capacity for operating existing infrastructure and services, many cities and regions, particularly smaller ones in developing countries, do not have the capacity to drive sustainable urban development. This is partly due to the lack of personnel and financial resources for undertake long-term planning, infrastructure development, maintenance and upgrading of existing assets, etc. It also reflects inadequate legal, regulatory, and administrative structures that minimize corruption, facilitate broad stakeholder participation including by poor urban residents, and promote transparency and trust. In addition, improved collaboration between local/subnational and national governments is required, recognizing the role of subnational governments as front-line implementers of the SDGs.

Critical **drivers** for the transformation are:

- Multi-level governance and respect the principle of subsidiarity, whereby decisions are made by the most local level feasible
- Participatory governance for empowering the disempowered and grassroots movements from conceptualization and decision-making to implementation and monitoring.
- Legal and regulatory frameworks at all levels of government with transparency, accountability and participation as overarching principles.
- Capacity building for local and subnational governments and peer-to-peer learning.
- Adequate financial resources.

8. Cross-sectoral multi-stakeholder partnerships are critical for operationalizing sustainable urban development.

The involvement of all relevant governmental and non-governmental stakeholders, including an institutionalized role for urban dwellers themselves, will be central to implementing the sustainable urban agenda. Adequate inclusion of impacted populations in a people-centered

approach will require adaptation and reconfiguration of practices to date. Achieving effective private-public partnerships requires strong institutional governance mechanisms and controls on the part of all levels of governments.

Critical **drivers** for the transformation are:

- Partnerships and integrated approaches for the implementation of all SDGs at the local and subnational levels.
- New 'terms of reference' for public-private partnerships.
- Decentralized cooperation strategies that involve local partners and grassroots initiatives.
- Effective monitoring mechanisms for assessing the effectiveness of partnerships.

9. Consider establishing an Intergovernmental Panel on Sustainable Urbanization (IPSU).

An Intergovernmental Panel on Sustainable Urbanization could bring together the best research from around the world to build a strong knowledge platform that documents urbanization trends and impacts, conducts meta analyses, enhances understanding of policy and programmatic alternatives to address key urbanization challenges, and serves as a repository of best practices and tools (e.g., for stakeholder engagement, participatory planning and budgeting, geospatial planning, local data collection and monitoring) to augment and strengthen policy relevant information for decision-making. As a global platform, it would be a source of scientifically credible and independent information on key urban questions – its work would be policy relevant not policy prescriptive. It would also foster important dialogue among decision-makers and researchers about gaps in knowledge to be addressed. Such a panel would serve as a resource for member states to tailor their approaches based on their respective needs.

Critical **drivers** for the transformation are:

- Strong collaboration among critical disciplines within the urban constituency and with other SDG constituencies.
- Broad-based advocacy campaign aimed at United Nations Member States.
- Clear mandate and financing.
- Support from respected and knowledgeable academic institutions and practitioners.

10. Monitoring and review of the SDG 11 implementation is critical.

Effective governance also entails a set of meaningful indicators that can track progress not only at the national level, but over space and time at the city/subnational level. The indicators must be easy to compile, intuitive to understand, policy-relevant, and globally comparable. Equally important is the existence of efficient monitoring and review mechanisms that honor the principles of transparency, accountability and participation. Effective monitoring and reporting allows for adaptive management by various levels of government and other stakeholders to modify plans and programs for achieving the targets of sustainable urban development. To supplement national monitoring efforts and provide a more detailed, geographically disaggregated understanding of implementation progress and challenges, it is crucial to enhance the capacity of subnational governments to effectively monitor implementation, including through technical assistance and the provision of adequate financial resources.

Critical **drivers** for the transformation are:

- Robust monitoring and review framework adaptable to the local and subnational context.
- Indicators that can be disaggregated at the local and subnational scales.
- Geospatial technology.
- Third-party and citizen-driven data.

- Transparent and openly available data system.