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Economic and environmental questions: human settlements

Coordinated implementation of the Habitat Agenda

Report of the Secretary-General

Summary

The present report highlights some of the strategic actions that the United Nations Human Settlements Programme (UN-Habitat) has taken to become a catalyst in the coordinated implementation of the Habitat Agenda. This has entailed a shift towards enabling, empowering and entrusting existing and new partners to partake in decision-making, priority-setting and implementation. This approach was used to establish and launch the World Urban Campaign, which spearheads the efforts of UN-Habitat to work closely with Habitat Agenda partners to elevate the importance accorded to sustainable urbanization in public policy and in public and private investment. Inspired by the World Urban Forum, the World Urban Campaign is coordinated by UN-Habitat but wholly owned by Habitat Agenda partners. In the space of less than a year, over 55 partners representing networks of major stakeholder groups, United Nations organizations and the business sector agreed on a set of goals, principles and priority actions to be completed in time for the launch of the campaign at the fifth session of the World Urban Forum.

Other highlights of the reporting period include landmark decisions by the Governing Council of UN-Habitat at its twenty-second session, including a proposal for the General Assembly to consider the convening, in 2016, of a United Nations Conference on Housing and Sustainable Urban Development (Habitat III); World Habitat Day celebrations in Washington, D.C.; the coming of age of the World Urban Forum; and progress in forging innovative financing options for affordable housing.

The report concludes with two recommendations based on the growing recognition that sustainable urbanization is key to sustainable development in a rapidly urbanizing world.

* E/2010/100.



I. Introduction

1. The present report has been prepared pursuant to paragraph (c) of Economic and Social Council decision 2009/238.

II. Decisions of the Governing Council of the United Nations Human Settlements Programme

2. A key decision by the Governing Council of the United Nations Human Settlements Programme (UN-Habitat) at its twenty-second session was to recommend to the General Assembly that the Assembly consider convening in 2016 a United Nations Conference on Housing and Sustainable Urban Development (Habitat III).

3. Two major arguments underscore the rationale behind this recommendation. The first is the changing nature of social, economic and environmental challenges caused by rapid urbanization. On the social front, whereas poverty has heretofore been considered largely as a rural phenomenon, one of the major consequences of the demographic shift to cities is the urbanization of poverty and deprivation. Similarly, on the economic front, the ability of nations to engage in robust economic development and to provide sustainable livelihoods and reduce poverty depends increasingly on two factors, namely, how well cities are managed, and how sectoral policies for health, education, welfare, safety, housing and basic services are brought to bear within an integrated and spatially coherent urban development framework.

4. The second argument lies in the increasingly critical role and contribution of cities to environmental sustainability at all levels, including the global level. With just over half of the world's population living in cities, urban areas already consume 80 per cent of global energy, generate an equal proportion of all waste and contribute directly to more than 60 per cent of greenhouse gas emissions. This argument led to another important resolution of the Governing Council, entitled "Cities and climate change". The Council acknowledged that cities are major contributors as well as primary victims of climate change and recognized the important role and contribution of cities in devising and implementing climate change mitigation and adaptation strategies.

5. The Governing Council further recognized that both the short-term impact of the global financial crisis and the medium to longer term impacts of climate change on cities were likely to have substantial consequences for the attainment of the Millennium Development Goals. The Council noted that one of the consequences of the financial crisis was the reduced capacity of local authorities to extend and provide basic services and that the urban poor, especially women, were particularly vulnerable to the negative impacts of climate change on housing and basic infrastructure and services.

6. Similar concerns were reflected in other resolutions adopted by the Governing Council on, inter alia, affordable housing finance, strengthening the development of urban young people, and guidelines on access to basic services for all. A common thread throughout these resolutions is the need for new policies, new strategies and new partnerships at the national and local levels to ensure more sustainable

urbanization, as well as changes in the focus and priorities of international cooperation.

7. This was notably the case with resolution 22/8, in which the Council requested UN-Habitat to develop, in coordination with the Habitat Agenda partners, training instruments to assist interested Governments to adapt the guidelines on access to basic services to their national context, and to prepare a global assessment report. Representatives of Member States, United Nations organizations and stakeholders met during the fifth session of the World Urban Forum in Rio de Janeiro, Brazil, to review the complementarity of the guidelines with those on decentralization and to engage in a consultative process for the global assessment report.

8. The guidelines on access to basic services for all were incorporated into the list of tools for the implementation of the social protection floor initiative of the United Nations System Chief Executives Board for Coordination to promote the social floor agenda in country activities and to stimulate inter-agency collaboration through normative and operational country support activities.

III. Responses at the global level

World Habitat Day

9. The global observance of World Habitat Day was celebrated in Washington, D.C., in October 2009. The observance comprised seven days of affiliated events organized by non-State actors in what became “world habitat week”. This event marked a major milestone in terms of elevating the importance and visibility accorded to the Habitat Agenda and, indeed, to sustainable urbanization, by a country of the global North. In a video message, the President of the United States of America acknowledged that no country could meet all the challenges of sustainable urbanization alone and stressed the necessity to work with the United Nations to meet the needs of the present while securing the future.

World Urban Forum

10. The coming of age of the World Urban Forum was, without a doubt, the highlight of the reporting period. Over 10,600 people from 150 countries representing all major groups congregated in Rio de Janeiro for the fifth session of the Forum. Heads of Government, including the Presidents of Brazil and Uganda, the Prime Minister of Haiti and the Vice-Presidents of the Philippines and Spain, opened the Forum.

11. In a trend that first emerged at the fourth session of the World Urban Forum, in Nanjing, China, Heads of State and their ministers, parliamentarians and mayors, young people and women, professionals and slum-dwellers, the media and the private sector engaged with one another in a true meeting of minds and in extensive dialogue and exchange to learn from each other’s experience in forging a more sustainable urban future.

12. The open and often frank debate on the main theme, “Bridging the urban divide”, produced a fresh range of ideas, policy options and promising practices in the realization of the ideals and principles enshrined in the Habitat Agenda. High on the agenda was climate change, with the huge impacts of disasters on cities and the need to reduce the unsustainable footprint of cities.

13. The theme “Bridging the urban divide” proved to be both timely and pertinent to the concerns of citizens and decision makers from the North and the South. Citizenship and the “right to the city” emerged as recurrent themes in what appeared to be a growing consensus and concern for more equitable and inclusive development.

14. Indeed, the non-legislative format of the Forum reaffirmed the event as a unique vehicle for international exchange and cooperation at every level and, in particular, across social and economic divides. Government ministers from many countries met with representatives of civil society to engage in frank and open discussions on the problems of a rapidly urbanizing world. These discussions provided unparalleled opportunities to discuss new policies, innovative strategies, cutting-edge business models and emerging modalities of cooperation including North-South, South-South and city-to-city cooperation. The World Urban Youth Assembly and Gender Equality Action Assembly were held for two days before the opening of the Forum. They now form an integral part of the World Urban Forum in compliance with UN-Habitat Governing Council resolutions 22/4 and 22/7 respectively.

15. The Government of Bahrain offered to host the sixth session of the World Urban Forum, to be held in 2012.

World Urban Campaign

16. A highlight of the Forum was the launch of the World Urban Campaign, designed to elevate to a new level the drive by UN-Habitat and its partners for better, smarter, greener and more equitable cities. It was launched by the Executive Director of UN-Habitat in what underscores one of the main objectives of the medium-term strategic and institutional plan of UN-Habitat: that of forging effective partnerships between and with the public, private and civil society sectors to enable UN-Habitat to fulfil a truly catalytic role.

17. In the months preceding the launch of the World Urban Campaign, a steering committee of major partners and groups was established on the basis of shared ownership and common vision and mission. More than 50 partners representing global and thematic networks of cities, professionals, civil society and the private sector committed themselves to a free exchange of knowledge, expertise and experience in support of sustainable urbanization. In addition, five United Nations organizations (the International Labour Organization (ILO), the World Health Organization (WHO), the Universal Postal Union, the secretariat of the International Strategy for Disaster Reduction and the International Telecommunication Union) are playing an active role in the Campaign by associating their respective campaigns on decent work and livelihoods, on smart cities, on healthy cities, on addressing the world and an address for everyone, and on resilient cities to the World Urban Campaign.

18. Representatives of national and local governments, grass-roots organizations, professionals, trade unions, the media, the business community and women signed a compact in support of the World Urban Campaign to work together as one in elevating the importance accorded to sustainable urbanization in public policy and public and private investment.

19. A key activity of the World Urban Campaign is its 100 Cities Initiative, which builds on the concept of best practices but focuses on the sharing, exchange and transfer of lessons learned from experience. The initiative will include a 100 Cities Summit, to take place one year after the fifth session of the World Urban Forum, in Alicante, Spain.

20. By virtue of its membership, which includes all of the key stakeholders participating in the World Urban Forum, the World Urban Campaign is also poised to serve as an informal intersessional mechanism, whereby partners can capitalize on the wealth of the actionable ideas generated at the Forum, and also help partners to better prepare for future sessions of the Forum.

Shanghai World Exposition

21. The Shanghai World Exposition, which will be held from May to October 2010, is without a doubt the single biggest contribution to the mainstreaming of the Habitat Agenda and of the sustainable urban development agenda in recent history. UN-Habitat assumed its leadership role in coordinating the participation, presence and inputs of all interested United Nations agencies, funds and programmes for the United Nations pavilion at the Shanghai Exposition.

22. Under the banner of “Better City Better Life”, the entire Exposition and the United Nations pavilion is dedicated to ideas, experiences, innovations, tools, technologies, know-how and forms of expression that portray a positive vision of an urbanizing world, which is one of the key objectives of the World Urban Campaign. The Exposition is expected to attract 70 million visitors, many of whom will be very interested in the United Nations pavilion and the work of the Organization.

Global parliamentarians

23. The Global Parliamentarians on Habitat organized a number of regional and global conferences and events to sensitize parliamentarians on their role as law makers in adopting relevant laws and policies to promote pro-poor housing and slum upgrading, including access to basic services.

24. Global Parliamentarians on Habitat organized a three-day conference on sustainable urbanization in Rio de Janeiro just before the World Urban Forum. The focus of the conference was on climate change, urban-rural linkages and the participation of the population in city life. The deliberations were summarized in the form of a declaration.

25. During the World Urban Forum, a round-table meeting of parliamentarians was organized by Global Parliamentarians on Habitat on climate change and human settlements. Panellists representing all major regions of the world took stock of policies and legislation that are being implemented in their respective countries with the aim of mitigating the impact of climate change on human settlements.

26. The Global Parliamentarians on Habitat further highlighted their support for the World Urban Campaign and signed a compact to that effect.

Associations of local authorities

27. Collaboration with associations of local authorities was also consolidated during the reporting period. In February 2009, UN-Habitat jointly convened a

meeting of mayors of African capitals and major cities. The meeting addressed the challenges facing such cities, which are bearing the brunt of rapid urbanization.

28. Support to the global observatory on local democracy continued with UN-Habitat providing financial and technical inputs. Members of United Cities and Local Governments participated in several technical forums organized by UN-Habitat, and technical backstopping was provided to the summit of African local authorities held in Marrakech, Morocco, in December 2009. Similarly, a joint initiative is being executed with the Commonwealth Local Government Forum involving the provision of technical support to local authorities in Southern Africa to monitor progress in improving systems of local governance.

29. The three global associations of local authorities played an active role in the World Urban Campaign. United Cities and Local Governments, Metropolis and ICLEI-Local Governments for Sustainability, are members of the World Urban Campaign steering committee and are working collaboratively with each other and with other networks and entities from the private, professional and civil society sectors to elevate the importance of sustainable urbanization in public policy.

Habitat Professionals Forum

30. The Habitat Professionals Forum and its constituent members, including the International Union of Architects, the International Federation of Surveyors and the International Society of City and Regional Planners, played a very active role in the preparatory phase of the launch of the World Urban Campaign. The combined membership of the Habitat Professionals Forum is estimated in the tens of thousands of people who, for the most part, play a significant role in shaping our cities and communities and in advising local decision makers.

IV. Responses at the regional level

Regional ministerial conferences

31. Standing conferences of Ministers of Housing and Urban Development in various regions have also continued to serve as effective vehicles for exchange of experiences on implementing the urban agenda. These conferences are also promoting a shared concern about urgent global issues such as urban sustainability and achieving the Millennium Development Goals. In July 2009, the eighteenth Assembly of Ministers and Senior Authorities for Housing and Town Planning from Latin America and the Caribbean (MINURVI), convened in Montego Bay, Jamaica. Among other agenda items, the Assembly addressed the issues of decent housing and universal access to basic urban services as critical elements to the well-being of urban populations and as key strategies for urban poverty reduction. The final declaration highlighted the decline of available resources for housing and urban development as a consequence of the current economic crisis. In recognition of the growing and debilitating impacts of climate change and natural disasters on the region, the meeting also recommended the preparation of natural disaster risk and vulnerability maps as collective measures for disaster prevention and mitigation. The Assembly also supported the preparation by UN-Habitat of the first regional report on the state of Latin American and Caribbean cities.

32. In the African region, consultations were held with the secretariat of the African Ministerial Conference on Housing and Urban Development on launching the monitoring and review framework and tool in support of the Millennium Development Goals related to human settlements. The Government of Mali has expressed an interest in hosting the next Ministerial meeting.

33. The Asia-Pacific Ministerial Conference on Housing and Urban Development has been following up on the action plan adopted at its second meeting, held in Tehran. Arrangements are being finalized for convening the third meeting, to be hosted by the Government of Indonesia, in Solo, in June 2010. That Conference will address the theme of “Empowering communities for sustainable urbanization” and aims to develop a knowledge hub on sustainable human settlement development in the Asia and the Pacific region.

34. In collaboration with the African Ministerial Conference on Water, UN-Habitat participated in the preparation of the African regional position paper on water and sanitation and the organization of the Africa Day session at the fifth World Water Forum, held in Istanbul, Turkey, during which the document was launched. Support was also extended to the preparatory process and the organization of the second Africa Water Week under the auspices of the African Ministerial Council on Water in Johannesburg, South Africa, in November 2009.

Regional development banks

35. Partnership with the African Development Bank under the Water for African Cities Programme resulted in critical pre-investment capacity enhancement for the Zanzibar, United Republic of Tanzania, and Harar, Ethiopia, water and sanitation authorities. In Kenya, UN-Habitat’s pre-investment capacity-building activities helped to fast track approval of a \$71.15 million loan provided by the Bank. In Mali, the demonstration of appropriate sanitation facilities in Niono to complement a \$15.72 million project by the Bank has yielded positive results.

36. Under the Lake Victoria Region Water and Sanitation Initiative, a project formulation study, funded by the African Water Facility, to scale up the programme to another 15 towns in 5 countries is nearing completion. A total funding package of over \$150 million is envisaged with the African Development Bank to finance follow-up investments. A new partnership with the European Investment Bank is laying the groundwork for increasing investment flows to the larger cities around Lake Victoria.

37. In Asia, UN-Habitat has continued to provide technical assistance under a \$10 million grant fund to enable local authorities to access up to \$1 billion in follow-up investment by the Asian Development Bank. The joint annual consultation meeting, held in Manila in February 2010, identified new opportunities for collaboration in projects and knowledge management.

38. Arrangements have been put into place with the Inter-American Development Bank under the Water and Sanitation Programme for Latin American and Caribbean Cities. In the Plurinational State of Bolivia, UN-Habitat initiated the first steps in 2009 towards a proposed project on water in peri-urban areas by the Inter-American Development Bank in the cities of La Paz, Cochabamba, Santa Cruz and Tarija. Similar collaborative projects are being developed in Colombia and El Salvador.

V. Responses at the inter-agency level

Armed violence Prevention Programme

39. The Armed Violence Prevention Project was signed in 2009 with the United Nations Children's Fund (UNICEF), the United Nations Development Programme (UNDP) Bureau for Crisis Prevention and Recovery, the United Nations Office on Drugs and Crime, the Office for Disarmament Affairs of the Secretariat, WHO and UN-Habitat for reducing threats related to arms availability and violence. This is a proactive partnership of UN-Habitat with several important United Nations organizations, for common objectives. In this context, a common workshop was held in Nairobi in December 2009 with the Department of Economic and Social Affairs and the Office for Disarmament Affairs on "Armed violence and youth in Africa". Collaboration was maintained with the Department of Economic and Social Affairs, the UNDP Oslo Governance Centre and other partners in the development of tools for measuring and promoting urban social cohesion.

40. As part of a global network for safer cities, a youth-led platform and a police platform for urban development initiated integration of young people and the police in urban development activities, in particular, urban safety. The police platform was launched in Barcelona, Spain, in November 2009. Agreement has been reached with the Swedish National Police Board, the Institute of Public Safety of Catalonia, the Montreal Police, the Nigerian Police, the United Nations Office on Drugs and Crime and the United Nations Institute for Training and Research on an annual joint workplan for the platform.

Cities and climate change

41. The Cities and Climate Change Initiative, launched in 2009, works with a wide range of external partners to produce measurable results. Coordination begins with local partners in undertaking activities in the initial four pilot cities under the Initiative: Kampala, Maputo, Sorsogon City, the Philippines, and Esmeraldas, Ecuador. In Kampala, UN-Habitat has teamed with Makerere University to carry out a city climate change assessment, as well as to formulate and begin implementing a climate change action plan. Similar arrangements are being established with local partners in several cities in Africa and Asia that have recently joined the Initiative.

42. In partnership with Local Government Denmark, UN-Habitat maintains a climate action map. This map now features a number of case studies on city-level climate change experiences.

43. Under the Cities and Climate Change Initiative, UN-Habitat has partnered with ICLEI-Local Governments for Sustainability to prepare a capacity-building tool on cities and carbon finance, and with the International Institute for Environment and Development to formulate a tool for developing local climate change plans. UN-Habitat also joined forces with the World Bank, the United Nations Environment Programme (UNEP) and the Cities Alliance under the Initiative to address cities and climate change. This collaboration contributes to a more coordinated and focused response on issues facing cities, particularly in developing countries. The collaborating organizations released a common standard for measuring city greenhouse gases for public comment at the fifth session of the World Urban Forum. Other products envisaged through this collaboration include an

online catalogue to facilitate access to available studies and research related to cities and climate change, and a common urban risk assessment methodology.

44. Finally, within the Cities and Climate Change Initiative UN-Habitat is exploring a new form of collaborative implementation with the Netherlands-based infrastructure and environment firm ARCADIS. ARCADIS recently signed a memorandum of understanding with UN-Habitat as a corporate sponsor of the World Urban Campaign, by which their staff will provide a significant level of work without charge in the coming years in support of UN-Habitat development initiatives.

Global Land Tool Network

45. The Global Land Tool Network is an initiative led by UN-Habitat with global partners aiming at the development of land tools, land policy and land reforms that can strengthen security of land rights for the poor, among other things. The Network already has 42 regional and international partners that include multilateral and bilateral organizations such as the World Bank, FAO, the Swedish International Development Cooperation Agency, the German Agency for Technical Cooperation and others, and members of international civil society, professional associations and research and training institutions such as the International Federation of Surveyors, the International Land Coalition, the Centre of Housing Rights and Evictions, Hakijamii, the Huairou Commission and Shack/Slum Dwellers International.

46. During the reporting period, Global Land Tool Network partners developed a gender evaluation criteria that has been piloted in three different countries (Brazil, Ghana and Nepal). This was the highlight of the reporting period. The preliminary results were presented during the fifth session of the World Urban Forum demonstrating the success of the Tool in assessing the gender sensitiveness of public policies towards land rights.

Human settlements and crises

47. UN-Habitat continues to support activities in countries both prone to and recovering from human-made and natural disasters. Support to projects in Colombia, the Democratic Republic of the Congo, Kosovo, Madagascar, Mexico, Mozambique, Nepal, Pakistan, southern Sudan and Darfur and Uganda have shown how a human settlements perspective can strengthen the transition between relief and development.

48. UN-Habitat continued to support the secretariat of the International Strategy for Disaster Reduction and other partners in the global campaign “Making cities resilient” collaborating with UN-Habitat’s World Urban Campaign as well as provision of coordination in the development of normative products assisting partner cities in risk reduction and urban resilience programming.

49. Through partner consultations, UN-Habitat has strengthened the application of the guiding principles on sustainable relief and reconstruction by partners, including the Huairou Commission, Grassroots Organizations Operating Together in Sisterhood, the International Federation of Red Cross and Red Crescent Societies, and the International Strategy for Disaster Reduction, among others.

50. Within the framework of the European Chemicals Agency and the Inter-Agency Standing Committee, UN-Habitat is increasingly collaborating with

the Office for the Coordination of Humanitarian Affairs of the Secretariat, the Office of the United Nations High Commissioner for Refugees (UNHCR), UNDP, the International Federation of Red Cross and Red Crescent Societies and the International Organization for Migration to support recovery efforts of countries in crisis.

51. New partnerships have also emerged with non-governmental organizations, including the Emergency Architects Foundation, Oxfam, the Norwegian Refugee Council and the private sector. A major focus has been on integrating a human settlements perspective into the earliest stages of emergency relief to ensure that key decisions regarding land use, environmental issues, housing, infrastructure and livelihoods can be taken to facilitate transition to early recovery and reconstruction.

52. UN-Habitat and the International Federation of Red Cross and Red Crescent Societies continue to address emergency shelter needs of populations affected by natural disasters, with UN-Habitat providing technical expertise to make the coordination role of the Federation more effective. This partnership has been effectively implemented recently in Haiti, Indonesia, Mozambique, Myanmar and the Philippines.

53. As the Inter-Agency Standing Committee focal point for housing, land and property, UN-Habitat continues to lead a group of 10 organizations to strengthen the housing, land and property response in emergencies. UN-Habitat and UNHCR have cooperated directly on addressing land-related issues in the context of complex emergency resolution and mitigation in the Democratic Republic of the Congo and Darfur, the Sudan. Technical support in resolving land and property rights following disasters and conflict is ongoing in Colombia, Nepal and southern Sudan, and most recently with the International Conference on the Great Lakes Region.

54. These and other lessons have enabled UN-Habitat to continue to engage UNDP, FAO, UNICEF and UNHCR in joint programming. They have led to collaborative arrangements with UNHCR and the International Federation of Red Cross and Red Crescent Societies in the emergency shelter cluster, and with UNDP, FAO and ILO in the early recovery cluster, to produce a range of shelter, housing, land and property assessment tools, methodologies, guidelines and training materials in support of more effective responses to settlements in crisis, post-conflict and post-disaster situations.

International Labour Organization and United Nations system joint crisis initiatives

55. UN-Habitat participated in the preparation of the United Nations system-wide plan of action for the Second United Nations Decade for the Eradication of Poverty (2008-2017). The plan is prepared under the theme “Full employment and decent work for all”. The plan of action consists of awareness-raising, capacity-building, best practices and integration of decent work aimed at poverty eradication into national and international policies and programmes.

56. ILO participated actively in the fifth session of the World Urban Forum. It implemented a training event on slum upgrading with a focus on livelihood strategies and a networking event on decent jobs, which was organized jointly with Building and Woodworkers International (BWI). Both ILO and BWI have been active members of the steering committee of the World Urban Campaign, and BWI

signed a compact in support of the World Urban Campaign at its launch during the World Urban Forum.

United Nations Educational, Scientific and Cultural Organization Decade of Education for Sustainable Development

57. UN-Habitat and UNEP jointly hosted the annual meeting of the Inter-Agency Committee for the United Nations Decade of Education for Sustainable Development in September 2009 in Nairobi. The United Nations Educational, Scientific and Cultural Organization (UNESCO), as the secretariat for the Decade, briefed participating organizations on the outcome of the UNESCO Conference on Education for Sustainable Development, held in Bonn from 31 March to 2 April 2009, where the strategies for promoting education for sustainable development during the second half of the Decade were discussed. The Inter-Agency Committee members identified areas for collaboration and opportunities for joint activities and events, including the eighteenth session of the Commission on Sustainable Development, and resolved to enhance information exchange and coherence. The meeting was preceded by a one-day symposium on the theme of “Climate change education and sustainable cities”.

United Nations Housing Rights Programme

58. Under the United Nations Housing Rights Programme, an initiative jointly implemented by UN-Habitat and the Office of the United Nations High Commissioner for Human Rights, Fact Sheet No. 21 on “The Right to Adequate Housing” was distributed in various languages during the fifth session of the World Urban Forum.

59. Documentation on national and international housing rights legislation was updated on the website of UN-Habitat. As part of the focus area in the strategic plan of UN-Habitat on “Land and housing”, a new six-year programme on providing adequate housing for all enabled UN-Habitat, together with its partners such as Shack/Slum Dwellers International, the Habitat International Coalition, the Centre on Housing Rights and Evictions, the Asian Coalition for Housing Rights and others to begin the implementation of a global eviction monitoring database.

Permanent Forum on Indigenous Issues

60. Migration and urbanization are increasingly affecting the lives of many indigenous peoples. Cities may generate and intensify social exclusion of indigenous peoples and other marginalized groups. Indigenous women and young people are usually the worst affected by discrimination in such cases. Many of the indigenous persons living in urban areas are among the most impoverished. UN-Habitat continued to work towards improving the living conditions of indigenous peoples as part of its contribution to the five main objectives of the Second International Decade of the World’s Indigenous People.

61. UN-Habitat co-chaired with UNEP the Inter-Agency Support Group on Indigenous Issues and submitted the report of the Group to the Permanent Forum on Indigenous Issues at its ninth session in New York in April 2010. It also contributed to the joint paper prepared by the Inter-Agency Support Group on development with culture and identity, and stressed the challenges faced by indigenous peoples in urban areas.

62. A new report prepared under the auspices of the United Nations Housing Rights Programme, *Urban Indigenous Peoples and Migration: A Review of Policies, Programmes and Practices*, was officially launched at the round table on “Indigenous peoples, sustainable urban development with culture and identity” during the fifth session of the World Urban Forum.

UN-Water

63. UN-Habitat chairs the UN-Water task force on wastewater management, whose members include UNEP, the Advisory Board on Water and Sanitation, FAO, the Department of Economic and Social Affairs, UNDP, WHO and the secretariat of the United Nations Framework Convention on Climate Change, among others. The task force is responsible for highlighting issues surrounding wastewater management, increasing awareness by Governments and strengthening collaboration in the United Nations system on activities related to wastewater management. As part of the 2010 work programme of the task force, UN-Habitat and UNEP launched a rapid assessment report, *Sick Water? The Central Role of Wastewater Management in Sustainable Development*, during the global celebrations of the 2010 World Water Day in Nairobi.

World Health Organization and Joint United Nations Programme on HIV/AIDS

64. Relations with WHO were sustained through joint efforts in promoting the urban health agenda. As a follow-up to the report of the Commission on the Social Determinants of Health, of which the UN-Habitat Executive Director was a member, the two organizations agreed to work on a joint global report on urbanization and health. Through a process of sharing information and data, as well as the convening of expert group meetings, the report is now in the final stage of completion and is expected to be released in June 2010. In addition, WHO has devoted World Health Day on 7 April 2010 to the theme of “Urban Health Matters”. A series of campaign events to promote urban health are planned throughout the year.

65. As part of the joint effort to promote the urban health agenda, the International Conference on Urban Health was held in Nairobi in October 2009. This was the first time the conference, which was attended by over a thousand participants, was held outside Europe or North America.

66. The relationship of UN-Habitat with the Joint United Nations Programme on HIV/AIDS (UNAIDS) has been further solidified with the signing of a letter of agreement in March 2010. The goal of the collaboration is to conduct a research study to compile a more robust body of evidence and a focused pool of information to better support targeted programming on urban slum settlements and HIV. The collaboration will also seek to enhance partnerships between urban slum and HIV actors to foster a more effective response to the HIV epidemic in urban slums.

67. The planned activities include the production of a joint working paper on HIV in urban squatter settlements; a meeting of experts on urban slum issues and HIV/AIDS will be convened in Nairobi to provide input for the joint working paper, to validate the paper and to galvanize future partnerships on the issue. During the fifth session of the World Urban Forum, a networking session was held on the theme “Exploring the interface of HIV and urban informal settlements”.

World Bank Group and Cities Alliance

68. Partnership with Cities Alliance continued through joint efforts to raise awareness on urban challenges and on advocacy and policy issues. Ongoing implementation of the joint UN-Habitat and Cities Alliance workplan for 2008-2010 aims at furthering the collaboration between the two organizations while improving coordination.

69. In parallel, the medium-term strategy of Cities Alliance is currently in its implementation phase. Regular discussions, particularly annual bilateral consultations, have provided a good opportunity to review the role of UN-Habitat in implementing the medium-term strategy within the context of the medium-term strategic and institutional plan of UN-Habitat.

70. The tenth anniversary of Cities Alliance is an opportunity for its partners to take part in an important reflection on the role and direction of the Alliance after its first decade. These discussions continue with active participation by UN-Habitat, as one of the joint funders of the Alliance, and it has become evident that the two entities have a solid basis to seek synergies and strengthen collaboration in urban issues.

United Nations system coordination mechanisms

71. In order to promote a more effective coordinated implementation of the Habitat Agenda, UN-Habitat continued its collaboration with the United Nations system on policy and programme coordination, including policy coherence, institutional arrangements and programme implementation at the country level. It has also participated and contributed to inter-agency coordination mechanisms, including the United Nations System Chief Executives Board for Coordination, the Executive Committee on Humanitarian Affairs, the Executive Committee on Economic and Social Affairs and the United Nations Development Group and its various support and working groups.

VI. Emerging responses with the private sector

72. Working relationships with the private sector marked a new shift in 2009 with significant efforts to integrate the private sector in policy and advocacy activities, as well as direct co-investment in the delivery of social and affordable housing and infrastructure. This is a result of the medium-term strategic and institutional plan that has placed the private sector as a prominent strategic partner of the United Nations, moving beyond the realm of corporate social responsibility to look at core business practices for sustainable urbanization.

Experimental reimbursable seeding operations

73. Since April 2009, UN-Habitat has continued to develop its catalytic role in facilitating cooperation between domestic banks, local authorities and urban poor organizations to mobilize and package domestic capital, public investment and community savings for practical slum upgrading activities.

74. The experimental reimbursable seeding operations revolving loan programme is working with local banks, microfinance institutions and international financial institutions in the Lao People's Democratic Republic, Nepal, Nicaragua, Palestine,

Uganda and the United Republic of Tanzania. A local finance facility approach under way in Ghana, Indonesia, Sri Lanka and the United Republic of Tanzania offers credit enhancements and technical support to communities and domestic financial institutions to stimulate private investment in housing and basic services to underserved populations. Both approaches are actively developing innovative models showing how financing for affordable housing can be undertaken by combining the efforts of the private sector, microfinance and community financing arrangements.

75. Active partners among international finance institutions and from the private sector include the Overseas Private Investment Corporation, the International Finance Corporation, the Middle East Investment Initiative, the World Bank, the Palestine Investment Fund, CHF International, HSBC, Azania Bank in the United Republic of Tanzania, DFCU in Uganda, Lao Development Bank, the Palestine Capital Markets Authority, Bank of Palestine, Cairo Amman Bank and a range of domestic banks in Ghana, Indonesia and Sri Lanka that are providing loans to projects being developed through local finance facilities.

76. The revolving loan fund is emerging as an effective tool to reach underserved populations from the thirtieth down to the eighty-fifth income percentiles and is highly complementary to the local finance facility approach, which reaches populations from the seventieth income percentile to the bottom of the income pyramid.

77. Current transactions under the experimental reimbursable seeding operations revolving loan programme will result in the construction of new affordable housing units in Palestine, the creation of serviced plots in the United Republic of Tanzania, new and upgraded homes for the poor in Uganda, secondary lending for housing microfinance loans through microfinance institutions in Nicaragua, credit extension to save-and-build credit cooperatives in Nepal and the creation of a mortgage market in the Lao Peoples Democratic Republic. Projects being developed through partnerships and with technical assistance and credit enhancement from local finance facilities are well positioned to reach over 10,000 households by 2014. More importantly, however, lessons learned are helping to inform policies and strategies that have the potential to benefit millions of urban poor who currently do not have access to formal credit facilities.

Habitat Business Forum

78. UN-Habitat intensified its advocacy work, in particular with the launch of the Habitat Business Forum, the first international forum on better cities dedicated to the private sector. It was launched in July 2009 under the theme, "Innovative cities: showcasing and debating urban challenges and solutions". It provides a new platform to debate urban challenges and solutions and present best practices and innovation for sustainable cities.

79. UN-Habitat also organized the first Habitat Business Award in order to recognize and publicize outstanding private sector achievements contributing to sustainable urbanization. The Award was presented during the Habitat Business Forum to five global companies for their outstanding achievements seeking to create and sustain responsible business practices that foster economic, environmental and social well-being in cities.

80. UN-Habitat also strengthened its ties with the private sector by establishing substantive working relations with companies through peer learning working groups to review business models and governance issues. The groups addressed in particular the themes of “Business at the bottom of the pyramid for urban sustainability” and “Good urban governance: towards an effective private sector engagement” and issued key recommendations for improving business practices for better cities which were presented at the fifth session of the World Urban Forum.

81. UN-Habitat successfully mobilized a number of private sector partners in the World Urban Campaign sharing a common objective to promote sustainable urbanization in all spheres of public policy and public and private investment. These companies are committed to sharing their expertise in communications and outreach, knowledge management and tools and methods to support strategic initiatives designed to better inform policy dialogue and development.

Service providers

82. Operational projects in the area of water and sanitation, including mechanisms to monitor achievement of the Millennium Development Goals in partner countries, are being implemented with private sector firms such as Google, Coca Cola, BASF Corporation and Lane Xang Minerals Limited.

83. The Global Water Operators’ Partnerships Alliance entered into an agreement with the Abu Dhabi Water and Electricity Authority through which the Authority will contribute 1 million dollars annually to the operational budget of the Alliance for three years, and will host the representative office of the Alliance to the Arab States in Abu Dhabi.

VII. Mainstreaming gender and empowering young people and civil society

Gender equality action plan

84. UN-Habitat’s gender equality action plan (2008-2013) ensures that gender perspectives are fully integrated into all of the organization’s work. The plan recognizes that partnerships and participatory processes are central to making progress towards gender equality within the context of rapid urbanization and widening inequalities in cities. UN-Habitat hosted three partner consultations in the drafting and development of the action plan. The Governing Council approved the plan in April 2009 at its twenty-second session.

85. In December, UN-Habitat and the Inter-Agency Network on Women and Gender Equality launched a web feature on gender equality and sustainable urbanization. The feature is a compilation of research and information from a wide variety of United Nations sources.

86. During the fifth World Urban Forum, Government ministers, councillors, mayors, urban planners, architects, researchers, campaigners, gender experts and representatives of women’s networks and non-governmental organizations met in the Gender Equality Action Assembly to track progress and challenges in the implementation of the gender equality action plan.

87. In June 2009, UN-Habitat and the United Nations Development Fund for Women signed a memorandum of understanding focusing on the new Global Programme on Safe Cities Free of Violence against Women, which includes partnerships between local women's groups and local governments on improving women's safety and security in cities.

88. UN-Habitat is working with land access trusts for women in Burundi, Ghana, Kenya, Uganda and the United Republic of Tanzania to enable women entrepreneurs, mostly working in the informal sector, to obtain financing to buy their own homes and gain ownership to land. Other partners in this work include Governments, which have donated land, private construction companies and financial institutions.

Empowerment of global civil society

89. To determine how best to pursue partnerships with its partners in the Habitat Agenda, UN-Habitat prepared a partnership strategy which was submitted to Habitat Agenda partners for their inputs and consideration. This strategy requires a shift in how UN-Habitat interacts with its civil society partners and calls for partners to be more involved in decision-making.

90. To that end, in 2009 UN-Habitat successfully involved a greater number of civil society partners by launching a discussion series that is held three times a year. It brings together UN-Habitat's Nairobi-based and international civil society partners to discuss topics they have chosen. Topics have included "Social justice and the right to the city", and "The role of civil society in achieving sustainable urbanization". This is a unique initiative as it puts the partners in charge of selecting the topics and leading the discussion.

91. On the same basis, UN-Habitat's civil society discussions at the 2010 World Urban Forum were also led by the partners. A well-attended civil society round table discussed "The right to the city and social justice". A coalition of civil society organizations from Latin America organized and led discussions at a special session of consultations on Latin America during the Forum. This was a new initiative that will be repeated at subsequent sessions of the World Urban Forum to provide civil society organizations the opportunity to present the issues that most affect them.

Youth

92. Young people as Habitat Agenda partners participated actively in the formulation of sustainable urbanization policy. A number of activities have been undertaken within the context of the medium-term strategy and institutional plan focusing specifically on advocacy, monitoring and partnerships. Key steps to facilitate the participation of young people have been undertaken through the World Urban Youth Assembly and at the UN-Habitat Governing Council.

93. In response to calls from young people's organizations and subsequent endorsement by the Governing Council, the report, *State of the Urban Youth 2010/2011: Levelling the Playing Field*, was launched at the World Urban Youth Assembly in Rio de Janeiro, Brazil, in March 2010. UN-Habitat partnered with 12 youth organizations to facilitate participation of over 500 young people to exchange and share good practices and policies.

94. The UN-Habitat Youth Advisory Board representing young people from Africa, Asia, Latin America, North America, Asia and the Pacific continued to engage in decision-making processes with regard to the implementation of the Youth Fund. Its representatives also participated in meetings of the steering committee for the World Urban Campaign. At the municipal level, UN-Habitat has partnered with city municipalities such as those in Kampala, Kigali, Dar es Salaam, United Republic of Tanzania, Freetown and Nairobi to strengthen the capacity of local authorities to effectively engage young people and their councils to undertake youth development programmes.

95. To date, UN-Habitat has partnered with and given 67 grants to youth beneficiaries from Asia, Africa and Latin America. The Youth Fund has created an enabling environment for pro-poor investment in youth in developing country cities, with a particular focus on employment.

VIII. Flagship reports

State of the World's Cities 2010/2011

96. The *State of the World's Cities 2010/2011: Cities for All — Bridging the Urban Divide* highlights the unprecedented challenges associated with urbanization which confront the world's cities today. These challenges include grinding poverty, environmental degradation, income inequalities, historical socio-economic inequalities, marginalization and various forms of social and political exclusion.

97. The report noted that between 2000 and 2010, 227 million people in the developing world had been lifted out of slum conditions. Collectively, Governments have exceeded the Millennium Development Goal target by at least 2.2 times. This achievement is not uniformly distributed across regions however. Success is highly skewed towards the more advanced developing countries, while poorer countries have not done as well. In the course of the same period, the number of slum-dwellers increased by 6 million every year. Based on these trends it is expected that the world's slum population will reach 889 million by 2020, if no corrective action is taken. There is therefore no room for complacency.

98. The report identifies five policy steps for integrating the poor and marginalized into mainstream urban life. These are: (a) assessing the past and measuring progress; (b) establishing new, more effective institutions, or strengthening existing ones as needed; (c) building new linkages and alliances among various tiers of government; (d) developing a sustained, comprehensive vision to promote inclusiveness; and (e) ensuring an equitable redistribution of opportunities.

Regional reports

99. At its twenty-first session, in 2007, the Governing Council mandated UN-Habitat to start preparing a series of reports on the state of cities by region in order to probe more deeply into the precise details of issues and mega-trends at the global level. As a result, the UN-Habitat regional offices for Africa, Asia and Latin America and the Caribbean, and more recently also the regional office for Eastern European States, embarked on preparations for these regional reports.

100. The Regional Office for Africa and the Arab States launched the first report, *State of African Cities 2008: A Framework for Addressing Urban Challenges in Africa*, at the fourth session of the World Urban Forum, in Nanjing, China, in 2008 and it is now preparing a 2010 version to be launched at the African Ministerial Conference on Housing and Urban Development, scheduled to be held in October 2010.

101. The Regional Office for Latin America and the Caribbean launched its first *State of Latin American and Caribbean Cities 2010* report during the fifth World Urban Forum in March 2010. The Regional Office for Asia and the Pacific is expected to launch a first State of Asian and Pacific Cities at the Shanghai World Exposition on World Habitat Day in 2010.

102. The first State of European Cities in Transition report is scheduled for launching during the first quarter of 2011, while preparations are under way for a first State of Arab Cities report, due to be launched at the sixth World Urban Forum, in Bahrain.

Global Report on Human Settlements 2009

103. The *Global Report on Human Settlements 2009: Planning Sustainable Cities* assessed the effectiveness of current urban planning systems in both developing and developed countries. It identified a number of broad policy directions that must be promoted, as follows: (a) Governments should increasingly take on a more central development role in cities; (b) reformed urban planning systems must fully and unequivocally address the current and emerging urban challenges, including climate change, rapid urbanization and poverty, shrinking cities, ageing, multicultural composition of cities, informality and safety; (c) countries should formulate national urban policies in order to address urban challenges and prospects more systematically; and (d) capacity to enforce urban planning regulations, which is seriously lacking in many developing countries, should be given very high priority and should be developed on the basis of realistic standards.

104. The report further suggested that, in order to integrate the green and brown agendas in cities, urban local authorities should implement a comprehensive set of green policies and strategies encompassing urban design, energy, infrastructure, transport, waste and slums.

105. Finally, with respect to planning, the spatial structure of cities and provision of infrastructure, the report suggested that strategic spatial plans linked to accessibility and public transport as well as other types of infrastructure should be used to promote more compact forms of urban expansion. As part of this, urban local authorities should formulate infrastructure plans as key elements of strategic spatial plans. Regional governance structures should also be put in place to manage urban growth that spreads across administrative and jurisdictional boundaries, which is increasingly the case in all regions of the world.

106. In preparing these and other reports, UN-Habitat worked with many partners, especially urban researchers and professional institutions from all regions of the world. These included 56 authors from 48 institutions and 49 international expert advisers from 40 institutions. Several partner universities and professional institutions also launched the report on behalf of UN-Habitat, including in Canada, Chile, India, Lebanon and South Africa. The Royal Town Planning Institute in the

United Kingdom of Great Britain and Northern Ireland and the American Planning Association in the United States made particularly important contributions during the launching of the report.

IX. Recommendations

107. For historic reasons, the international and national debate on sustainable development has been divided between two tracks, namely the environmental protection or so-called “green agenda” and the human settlements or so-called “brown agenda”. The accelerating demographic shift to cities has made sustainable urbanization synonymous with sustainable development. In a rapidly urbanizing world, social, economic and environmental issues can no longer be addressed independently of the spatial context in which they evolve. This spatial context is the city or the urban conurbation where irreversible changes are taking place in the way we use land, energy, water and other natural resources.

108. The convergence between these two agendas argues for major changes in public policy, resource allocation and decision-making. It argues for new approaches to development. The conventional social, economic and environmental pillars of sustainable development need to factor in local considerations and contexts including issues of culture, local government and governance and technology.

109. For the above reasons and others it is recommended that a third United Nations Conference on housing and sustainable urban development (Habitat III) be convened in 2016 as proposed in the resolutions of the UN-Habitat Governing Council (resolution 22/1) and the General Assembly (resolution 64/207). Such a conference would provide the necessary opportunity for the international community to define the new paradigms, new policy frameworks and new mechanisms for international cooperation that are required to guide sustainable development in an urbanizing world.

110. It is also recommended that Member States participate actively in the World Urban Campaign by organizing national habitat committees, if they do not already exist, and by taking advantage of World Habitat Day celebrations each year to mobilize a wide range of stakeholders to celebrate success stories and explore new policy options to meet current and future challenges associated with rapid urbanization. As World Habitat Day 2010 will coincide with the timing of the high-level segment of the Shanghai World Exposition, it is recommended that Member States and the United Nations family use this opportunity to renew their commitments to the coordinated implementation of the Habitat Agenda.