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**FOLLOW-UP TO THE UNITED NATIONS CONFERENCE ON HUMAN SETTLEMENTS
(HABITAT II): LESSONS LEARNED FROM BEST PRACTICES AND PARTNERSHIPS
IN THE ACHIEVEMENT OF ADEQUATE SHELTER FOR ALL AND SUSTAINABLE
HUMAN SETTLEMENTS IN AN URBANIZING WORLD**

Report of the Executive Director

Summary

The Habitat Agenda calls for all partners to document best practices as one of the two key instruments for monitoring and assessing progress made in the implementation of national and local plans of action. ^{1/} Since the inception of best practices, as defined by the Preparatory Committee for the United Nations Conference on Human Settlements (Habitat II) in 1995, ^{2/} over 1,150 initiatives from 125 countries have been peer-reviewed and documented by United Nations Centre for Human Settlements (Habitat) and its partners. Together with similar efforts undertaken by associations of local authorities and other international organizations, a wealth of information on who is doing what at the regional, national and local levels has been collected and used as a knowledge base in support of the implementation of the Habitat Agenda and Local Agendas 21. The purpose of the document is to highlight some milestones and lessons learned in terms of promising policy options and their capacity-building implications. The analysis contained in the present document is also based on several national, regional and international conferences and seminars on best practices and lessons learned organized since 1996, culminating with the Chengdu International Conference on Urban Construction and the Environment and the Chengdu Declaration in October 2000.

The analysis covers: first, the process of identifying and documenting best practices and their application to ongoing policy and capacity-building activities; and second, lessons learned in terms of the strategic objectives of the Habitat Agenda. Finally, the document presents recommendations for national

* HS/C/18/1.

^{1/} Para 240 of the Habitat Agenda.

^{2/} Decision II/7 of the Second session of the Preparatory Committee for the United Nations Conference on Human Settlements (Habitat II).

governments, local authorities and their partners and the international community to make fuller use of best practices and their lessons learned in support of the implementation of the Habitat Agenda.

I. SUBSTANTIVE OVERVIEW

A. Processes for documenting and disseminating best practices

1. Awareness-building

1. Best practices have proven to be an effective means of raising awareness of issues, problems as well as promising solutions. Combined with an awards process, best practices capture the attention of a large cross-section of partners and stakeholders. Governments, local authorities, non-governmental organizations/community-based organizations, academia and professional associations have been actively engaged in identifying and documenting successful solutions. Best practices also capture the attention of the media, creating awareness of human settlements issues while advocating for more enabling policies and legislation.

2. Fostering policy dialogue and participation

2. Several Governments, national committees, local authorities and their partners have heeded the call of the Habitat Agenda to organize national competitions and/or exhibitions on best practices. Such activities have proven to be effective means of facilitating broad-based policy dialogue. Since 1996, countrywide initiatives have been initiated or strengthened in Brazil, China, France, India, Italy, Kenya, Spain and the United States of America. At the regional and international levels, best practice initiatives include those of the European Union, the International Labour Organization (ILO), the United Nations Environment Programme (UNEP), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and an extensive network of partners and institutions in Latin America and the Caribbean. Partners' initiatives focusing on specific thematic areas include: International Council for Local Environmental Initiatives (ICLEI) and CityNet for local authorities; the efforts of the city of Vienna on urban environmental technologies; and "Our Practices" of the Huairou Commission for grassroots women's groups.

3. At the global level and in preparation for the special session of the General Assembly for an overall review and appraisal of the implementation of the Habitat Agenda, the Ministry of Construction of China, the Municipal Government of Chengdu and UNCHS (Habitat) organized an international conference on urban construction and the environment for the twenty-first century in October 2000. The conference focused on lessons learned from a global selection of best practices and resulted in, *inter alia*, the Chengdu Declaration.^{3/} The declaration points to specific recommendations for integrating lessons learned from best practices in urban and environmental planning and management, access to land, shelter and finance, governance and international cooperation.

4. Also at the global level, UNCHS (Habitat) plays a coordinating role and attempts to promote the harmonization of criteria, reporting guidelines and dissemination efforts. The combined impact of these efforts has been the establishment of an unprecedented knowledge base of initiatives and practices covering the substantive areas of the Habitat Agenda. This knowledge is being disseminated and used by partners to inform planning, decision-making and project design processes, and to foster debate on promising solutions and policy options.

3. Capacity-building

5. The demand for applying best practices and their lessons learned to capacity-building activities has grown substantially since 1996. More than 40 institutions worldwide have since adhered to a global network

^{3/} See Chengdu Declaration: www.bestpractices.org.

designed to share and exchange information, case studies, analytical tools and instruments. The monitoring of the use of the best practices database and related databases shows that the biggest users are educational institutions followed by networks, the private sector, local authorities and professional associations and governments. This pattern of use closely reflects the degree of connectivity of partners, particularly in developing countries.

4. Networking and use of information and communication technology

6. The exponential growth in the use of information and communication technology worldwide in recent years has enabled partners to be linked through the Internet and to reach out to existing and new constituencies. The monitoring of the use of information and communication technology for sharing and exchanging best practices and lessons learned shows that non-governmental organizations and community-based organizations and academic institutions have been the most active in making use of such technology. Local authorities and government agencies in developing countries and countries with economies in transition, however, are still experiencing a considerable lag in connectivity.

5. International cooperation

7. The most significant development since 1996 has been the attempt by local authority associations and training institutions to make use of best practices as a means of facilitating decentralized cooperation and peer-to-peer learning. Citynet, with initial support from the United Nations Development Programme (UNDP) and UNCHS (Habitat), now facilitates peer-to-peer exchanges in Asia based on the prior matching of demand for expertise and experience with supply of lessons learned from best practice experience. This has led to the development of a first set of guidelines, which are now being tested in and adapted to Latin America. ^{4/}

B. Priority concerns and emerging issues

1. Global concerns

8. An analysis of more than 1,150 peer-reviewed practices from 125 countries ^{5/} provides an empirical basis for analysing concerns and emerging issues. Together with other sources of information, they indicate the following order of priorities at the global level:

- (a) Environmental management including Local Agendas 21, representing 18 per cent of all submissions;
- (b) Access to shelter, land, finance and basic infrastructure and services, representing 18 per cent of all submissions;
- (c) Urban governance including city-wide management and planning, representing 17 per cent of all submissions;
- (d) Social development and poverty reduction, representing 16 per cent of all submissions;
- (e) Economic development, representing 16 per cent of all submissions;
- (f) International cooperation, use of information and other categories representing 15 per cent of all submissions.

^{4/} See: HS/C/18/4: International cooperation and the review of mechanisms for monitoring the implementation of the Habitat agenda.

^{5/} See: www.bestpractices.org.

2. Environmental management

9. Major concerns in environmental management at the global level include air and water quality, waste management, congestion and emissions, and the more efficient use of energy. Industrialized countries tend to focus their efforts on alternative transport and communication, cleaner fuels and energy consumption. Examples include the Spanish Greenways Programme which has rehabilitated disused former railway lines for non-motorized routes for cyclists, walkers and persons with reduced mobility; and Hamilton-Wentworth's involvement of local stakeholders and business in the monitoring of air quality, resulting in considerable savings to the municipal budget, and paving the way for multi-stakeholder implementation of air quality measures. As a result of investments in rail infrastructure in Japan, more than 53 per cent of the population in metropolitan Tokyo and 91.6 per cent of passengers in downtown Tokyo commute by rail.

10. In developing countries, efforts tend to focus on the provision of basic infrastructure and services for water and sanitation, drainage and waste management. In El Salvador, the Municipality of San Salvador with nine other municipalities joined efforts with various actors to implement an integrated solid waste management programme, to cope with critical environmental problems caused by solid waste. The comprehensive revitalization of Fu and Nan Rivers in Chengdu, China and the accompanying improvement in urban environment has seen over 30,000 households being re-housed in new, fully equipped housing estates. The vacated land on the rivers' banks has been used to create a continuous green space replete with parks, gardens, recreational and cultural facilities.

3. Governance

11. Practices in urban governance vary considerably between developed and developing countries and between regions. A growing trend in Europe and North America is embodied in the concept of “community visioning” involving broad-based participation of stakeholders in defining desired future states of the city, the region or the community. A significant trend has also been the emergence of “electronic democracy”, generally defined as attempts by governments and local authorities to make information and services more accessible to people, to mobilize democratic participation and to reduce the digital divide.

12. In developing countries, governance practices have marked a significant rise since 1996, although they vary considerably in scope and content according to region. Innovative approaches to financing infrastructure and facilities development in Asia underlie the entrepreneurial spirit of many local authorities to strengthen their leadership role in local development. Local authorities attempting to attract foreign and domestic investment are also increasingly adopting more transparent and accountable contracting and tendering processes. Equally significant are emerging practices by local authorities to involve civil society organizations in the delivery of public services, thereby giving civil society a greater voice in decision-making and planning. The participatory budget in Porto Alegre, Brazil, has proved that democratic and transparent management is the best way to avoid corruption and mismanagement of public resources. Popular participation has fostered efficient management of public expenditures and the allocation of 10 per cent of the municipal budget to priorities determined by community groups, resulting in more than \$700 million in urban infrastructure development for previously disadvantaged and disenfranchised neighbourhoods.

13. Similarly, a participatory approach to managing the Colombo Municipal Council in Sri Lanka helped bring about a paradigm shift from traditional non-responsive and bureaucratic public administration to quality-oriented public management involving civil society and the private sector in the management process. This revolutionized service delivery to residents, improved the level of infrastructure provision and instituted an open-door policy for residents to the council.

4. Access to land, shelter, finance and basic services

14. “Shelter for all” remains a top concern and priority for all developing regions. Practices range from efforts by local authorities and civil society to integrate informal settlements through the provision of basic infrastructure and services, to financing shelter and basic services through microcredit. In Africa, practices in providing access to shelter and secure tenure are often led by civil society organizations as part of poverty reduction efforts involving income-generating opportunities, particularly for single-female headed households. The lack of land mapping and registers and more enabling legislation to regularize informal settlements remain, however, key obstacles. In Asia, the replication of microcredit initiatives appears to be a growing trend, particularly among women while many of the practices in Latin America focus on the integration of previously excluded informal settlements within the city or metropolitan administration. Both the Maweni initiative in Voi, Kenya, and the Tanzania-Bondeni resettlement scheme have identified suitable land and facilitate the provision of low-cost housing to the informal settlement dwellers. The squatters have secured tenure, mobilized finance, and are now producing building materials, constructing low cost housing and generating income. In Teresina, Brazil, slum areas have been integrated and consolidated into neighborhoods with basic urban services, especially for the poor, resulting in improvements to physical infrastructure, housing, community development, education, employment and income generation for more than 110,000 poor inhabitants.

15. Access to information plays an important contributing role to success. For the urban poor, knowledge of legal rights, methods of recourse, planning procedures and by-laws can make a critical difference in gaining secure tenure, avoiding unnecessary evictions and presenting their legitimate demands to government authorities.

16. A major concern in developed countries remains social exclusion and the situation of inner city slums, often targeting ethnic minorities and the persistently under- or unemployed. Practices in this area are frequently integrated with inner city revival, job creation and training. Many cities in Europe and North America have also been witnessing rising prices in housing that exceed inflation and growth rates, making housing less affordable to low and lower-middle income families. This rising concern has not yet elicited widespread policy responses, although several local authorities have taken it upon themselves to mediate and avoid evictions and to limit the displacement of owners and tenants from gentrification. In Vienna, FAWOS, a non-governmental organization, provides counseling services for those threatened with the eviction. Timely and efficient assistance has allowed the majority of tenants at risk to solve their problems after receiving the necessary information, legal advice and support. The Union de Vecinos of Mississippi, comprises mainly single mothers in a large public housing estate who had been threatened with eviction to pave way for a mixed-income community with less housing for the poor. Following active lobbying and participatory community meetings the decision to redevelop the estate was shelved by the local authority

5. Social development and poverty reduction

17. Since 1996, poverty reduction, gender equality and responsiveness to needs of women and social inclusion have been ubiquitous features of an increasing number of documented practices. Local authorities are increasingly becoming aware that what is “good for business” can also be good for people; that effective policies and solutions to reducing crime, joblessness, homelessness and improving infrastructure and services are the chief ingredients to boosting investment potential. Three-way partnerships between public, private and civil society organizations appear to be highly effective in reducing social exclusion, helping the poor gain access to services and to re-integrate the work force. The “Amica–Priateljice” partnership in Bosnia and Herzegovina is involved in the healing and recovering of traumatised women and children and educating women to reintegrate the work force. The “Credit for production and vocational enterprises” programme, in Jordan, established by the Housing and Development Corporation is a self-managed credit scheme whereby loans are used for improving income-generating activities. Women are given priority in the granting of loans with emphasis on sustainable professional and vocational activities.

II. PROMISING POLICY OPTIONS AND THEIR CAPACITY-BUILDING IMPLICATIONS

A. Decentralization and capacity-building for improved governance

18. The analysis of best practices clearly shows that local authorities are at the forefront in implementing innovative and comprehensive approaches towards more sustainable urban development, including sectoral initiatives in the areas of environmental management, infrastructure development, housing and basic services. More and more success stories appear to be those where cities have embraced comprehensive city-wide development strategies dealing with a host of social, economic and environmental issues. Their success lies invariably with multi-stakeholder dialogue, partnerships with the private and civil society sectors and participatory planning and decision making. One of the key lessons learned is that the private and civil society sectors are less concerned with sectoral policies and their resulting piecemeal approaches to development. They are willing, however, to invest in coordinated and well-planned responses and solutions where a multitude of initiatives and resources are implemented and mobilized within a comprehensive framework. Furthermore, they are willing to help bring about immediate and tangible improvements to living conditions and to business environments.

19. “Community visioning” exercises are an increasingly effective planning instrument to bring about the necessary changes to attitudes and behaviour, policies and practices to tackle issues of air and water quality, traffic congestion, waste recycling and reuse, as well as poverty and crime reduction in a concomitant manner. Three-way partnerships involving local authorities, the community and industry are also leading the way in mobilizing and harnessing human, financial and technological resources to reduce pollution and “green” the city. Such partnerships provide a major incentive for as well as a means of improving transparency, accountability and responsiveness of the public sector to needs and priorities of people. Owing to the shared ownership of such initiatives, the resulting policies and strategies are also less subject to political and leadership changes by providing a balance between representative and participatory democracy.

20. While numerous examples abound of how these innovative approaches and partnerships are being implemented in all regions, they remain, for the most part, isolated initiatives. With the exception of some northern European countries and China, lessons learned at the local level are rarely integrated within national policies and sectoral strategies. ^{6/} The privatization of public services, often essential to improving accountability and performance, provides a typical case in point – it has rarely been pursued within the overall context of more sustainable urban and settlement development.

21. The mainstreaming of local action plans in support of more sustainable urban development requires a concerted effort by national governments and the international community to empower local authorities and their partners to train civic leaders and improve municipal management systems to engage in multi-stakeholder and multisectoral consultative processes and planning.

B. Partnerships and participation for more effective delivery of housing, infrastructure and services

22. While many countries have adopted the enabling approach to shelter, land and basic services, the majority of developing countries have yet to translate such an approach into well targeted strategies to improve housing conditions for the majority of their populations. The urban poor and those living in informal settlements are still largely left to their own devices to secure land and to have their settlements formally integrated and recognized within local administrative boundaries. Examples abound of community-led approaches to settlement and slum upgrading with the most successful ones having negotiated effectively with government authorities to gain the “right to the city”.

^{6/} See: HS/C/18/4.

23. The barriers and obstacles, however, remain formidable for the majority of the urban poor. They include the often prohibitive costs of surveying informal settlements, protracted legal and administrative paper work to register plots and obtain title deeds, compliance with building codes, norms and standards. While many initiatives have been successful and clearly demonstrate that the granting of secure tenure provides the basis for substantial investments by the urban poor in improving their immediate living environments, the lessons learned are rarely used to make the necessary adjustments to policies and legislation, on the one hand, and to changing administrative and bureaucratic procedures, on the other.

24. With a few exceptions, success stories in partnerships and participation in the area of shelter, land and basic services and slum upgrading are largely led by civil society organizations, sometimes with the assistance of external support agencies. While these success stories validate the principles of enablement, they also demonstrate that enablement by itself is insufficient. Much more needs to be done by Governments to scale up such efforts at a sufficient pace to keep up with growing demand for shelter, land and basic services. Nor do successful efforts in slum upgrading appear to have the necessary clout to bring about the much needed changes in overall land-use patterns, land market systems and infrastructure and communication policies that too often negatively affect the urban poor.

25. Partnerships with the private sector have, in many instances, demonstrated their effectiveness in improving the efficiency in the delivery of urban services and in larger scale real estate development efforts requiring capital investments in infrastructure. Build-operate-and-transfer schemes are becoming more common not just for toll roads and bridges but also for real-estate development, particularly in Asia. Such partnerships also play an important role for the supply of rental housing, an essential component of a buoyant housing market, especially in rapidly growing cities. Lessons learned from such practices tend to demonstrate several prerequisites: the existence of respected urban development and/or land-use plans together with transparent land market systems and regulatory instruments; availability of construction finance; and estate management offices and bureaus.

C. Monitoring, evaluation and knowledge management

26. The impact of globalization and the exponential growth in the use of information and communication technology has, since 1996, led to radical changes in the creation of knowledge and the sharing and exchange of expertise. The area of human settlements is no exception, witnessed by an equally exponential growth in electronic conferences, Websites, electronic newsletters and networks. This growth, however, has largely occurred in a horizontal manner, i.e., between practicing professionals, mayors, sectoral specialists and civil society organizations. The use of information and knowledge management has yet to occur in a vertical manner – between local experience and national policy making – and between local experience and strategies for international co-operation.

27. Despite recent attempts by some countries and international agencies to reduce the “digital divide” and to render information pertaining to public services more transparent and user-friendly, in most countries the “knowledge divide” between lessons learned from experience and macro policy-making appears to be increasing. A typical case in point can be found where apparently successful inner-city safety strategies result in corresponding increases in crime in the suburbs. This “knowledge divide” indicates the necessity for national policy-making machinery to strengthen monitoring and evaluation on the one-hand, and to formulate policies less on a sectoral basis and more on a holistic approach, on the other. It has also prompted the recent efforts by international agencies to make use of information and communication technology to harness both internal and external sources of value-added information in support of their advocacy and capacity-building activities. In the human settlements arena, lessons learned from best practices point to several areas where this “knowledge divide” needs to be addressed. These include:

(a) A concerted effort at capacity-building, particularly in the methods and approaches to partnership-building, multi-stakeholder consultative process and participatory planning;

(b) Policy dialogues and consultations at the national and regional levels based on lessons learned from success stories and best practices;

(c) Technical cooperation using peer-to-peer learning and city-to-city transfer methods based on the prior matching of demand for expertise and advisory services with lessons learned from success stories and best practices;

(d) The intensive use of information and communication technology to facilitate the above and ensure cross-fertilization, south-south, north-south and south-north transfers of experience;

(e) The need to focus all of the above, further to the special session, on:

(i) More comprehensive approaches to formulating city development strategies to overcome narrowly defined sectoral approaches to urban development;

(ii) More systematic approaches to land tenure, access to shelter and basic services as an explicit global strategy for reducing poverty and promoting gender equality and social inclusion;

(f) The need to firmly establish the use of best practices and policy indicators as a monitoring and evaluation tool through its widespread use and dissemination at the national level and by incorporating the systematic documentation and dissemination of good policies and enabling legislation.

III. RECOMMENDATIONS

1. Governments

28. The following recommendations pertain to Governments:

(a) Governments should fully integrate sustainable urban development within national sectoral policies and priorities;

(b) Governments should fully integrate access to land, secure tenure, shelter and basic services as an explicit strategy for reducing poverty and promoting gender equality and social inclusion;

(c) Governments should adopt decentralization policies and instruments of empowerment of local authorities to enable the latter to engage in multi-stakeholder partnerships, participatory planning and multi-year budgeting and investment planning;

(d) Governments should revisit their national shelter strategies and enabling housing policies with a view to strengthening the role of local authorities to engage in participatory planning and partnerships with civil society and the private sector and to provide access to land, housing finance, shelter and basic services;

(e) Governments should establish systematic and countrywide best practice competitions, awards, networks of "Illustrative Cities" and databases as a means of documenting successful solutions and raising awareness of successful solutions. They should also integrate the use of best practices and lessons learned within the national curricula for training, education and leadership development;

(f) Governments should establish policy round tables, seminars and training courses based on lessons learned from best practices and the analysis of policy and capacity-building implications for the massive scaling-up of comprehensive city development strategies, good urban governance and access to shelter, land and basic services.

2. Local authorities and their partners

29. Following recommendations pertain to local authorities and their partners:

(a) Local authorities and their national, regional and international associations should organize more peer-to-peer learning and city-to-city transfers based on the prior matching of demand for problem-solving with the supply of best practices experience and expertise;

(b) Local authorities should engage their civil society partners in “visioning exercises” and participatory planning and budgeting to address the issues of sustainable urban development and access to land, shelter and basic services;

(c) Local authorities should adopt comprehensive city development strategies in partnership with the private sector and representatives of civil society as a means of harmonizing sectoral policies and strategies, of stimulating civic engagement and responsibility, and in mobilizing people and their communities to contribute to their own safety, environmental health and social and economic development.

3. Role of international cooperation

30. The following recommendations pertaining to the role of international cooperation:

(a) The international community should support and encourage capacity-building, training and educational programmes to make systematic use of best practices and lessons learned;

(b) The international community should integrate peer-to-peer learning and city-to-city transfers based on the matching of demand for problem-solving and policy development with supply of best practices expertise and experience;

(c) The international community should harmonize its existing efforts to document and disseminate best practices, success stories and city development strategies, to facilitate the sharing and development of lessons learned from experience and to foster the development training courses, education and awareness-building and leadership development activities based on lessons learned from experience.
