



UNITED
NATIONS

HS



Commission on
Human Settlements

Distr.
GENERAL

HS/C/18/13
9 November 2000

ORIGINAL: ENGLISH

Eighteenth session
Nairobi, 12-16 February 2001
Item 9 of the provisional agenda*

**THEMES FOR THE NINETEENTH AND FUTURE SESSIONS
OF THE COMMISSION**

Report of the Executive Director

Summary

1. The present report is submitted to the Commission in accordance with standing practice regarding the preparation of special themes for consideration by the Commission at its next and future sessions.
2. Following the successful design and launch of the Global Campaign for Good Urban Governance and the Global Campaign for Secure Tenure,^{1/} the secretariat proposes two themes which are central to the implementation of the Habitat Agenda: pro-poor shelter and urban development strategies; and the rural dimension of sustainable urban development. These two themes have been chosen because they are crucial to the role envisioned for the United Nations Centre for Human Settlements (Habitat) through its revitalization process. The first theme is central to the issue of urban poverty reduction and highlights the role of women in the development process, while the second focuses on the impact of urbanization on rural development and revisits the linkages between urban and rural areas.
3. As further detailed in the attached outline, the first theme paper will help define the contours of an approach to slum upgrading and city development strategies. The theme paper will review past and current approaches to these topics, while attempting to propose new thinking and identifying opportunities for partnerships between local and national governments, non-governmental organizations as well as organizations directly representing the interests of the urban poor.
4. The second theme paper, relating to resolution 17/10 of 14 May 1999 of the Commission on Human Settlements, will question the rationale for treating poverty in urban and rural settings through different and unrelated approaches. It will, in addition, explore the policy issues that have relevance in both rural and

* HS/C/18/1.

^{1/} HS/C/PC.1/CRP.6, of 26 February 2000 – Good urban governance: a normative framework;
HS/C/PC.1/CRP.8 of 29 March 2000 – Secure tenure: a normative framework.

HS/C/18/13

urban contexts and identify their relationships. It will further serve to identify the need for strategic partnership and alliances for attaining balanced and sustainable patterns of rural and urban development.

THEME 1: PRO-POOR SHELTER AND URBAN DEVELOPMENT STRATEGIES

Introduction

5. The theme paper will commence with an assessment of the most dominant approaches to development that have been applied in the past in different parts of the world, whether through national, bilateral or multilateral agencies.

6. Notwithstanding the formalization of international bilateral and multilateral assistance since the Second World War, the number of persons that suffer from social exclusion and poverty has continued to increase, both in absolute terms and, in many cases, as a percentage of the national population.

7. Approaches to international assistance have evolved over time, although such changes and modifications have been undertaken largely at the instigation of the donor countries and agencies, rather than in response to the priorities of the recipient countries or communities or in the absence of a comprehensive national development strategy.

8. In many cases, the effect of assistance has been constrained either by its inappropriate form, or because it is not a priority for the recipient country. Examples abound of decisions taken involving significant capital investment, but without due regard to the organizational, human and administrative resources required to maintain such an investment

A. Approaches to slum upgrading and urban development

9. The theme paper will examine the major approaches to shelter delivery, slum upgrading and sustainable urban development that have been used over the past decades, and attempt to assess the major features associated with each approach.

10. It will also briefly consider extraneous factors that have impinged upon approaches to development assistance. These would include such global factors as the cold war, which introduced strong ideological themes into international aid, and a tendency for overseas development assistance to be used as an instrument of foreign policy.

11. Additional factors that will be briefly examined include donor-driven development models, such as the dominance of development assistance targeted at rural development in preference to urban development, a feature still in evidence within several bilateral agencies. Furthermore, the paper will briefly identify some of the administrative and bureaucratic supply-side requirements that impact upon development, such as donor budget cycles, especially where the imperative of disbursing funds can lead to hasty developmental decisions.

B. Definitions of sustainable development

12. The main sections of the paper will address the issue of sustainable development which has become widespread albeit at a superficial level sometimes. The essential elements of sustainability will be identified and examined from the perspective of the urban poor themselves.

13. It is largely accepted within the development community that an element of community consultation is necessary and desirable for the successful implementation of development projects and programmes. This has been based on the premise that, for development to meet the requirement of sustainability, the views of the recipient community need to be solicited and incorporated.

14. The language and style of such a limited approach have been welcomed and, indeed, appropriated by parts of the development community, who have successfully managed to assimilate the language and symbols of “community” and “consultation” and have created a new breed of expert and consultant, extolling the virtues of capacity-building.

15. This approach can be characterized as a belief that, before a given community can actively and meaningfully engage in development processes, such as the physical upgrading of projects or wider matters of governance, it first needs to be “capacitated” or empowered.

16. Over the past two decades, this approach has spawned a whole new industry of largely donor-driven international programmes, dominated by external consultants, providing support and advice to impoverished communities all over the developing world. In turn, this has sparked the emergence of community organizations and intermediaries claiming to represent the poor.

17. One of the significant features of the above trend is the fact that such a generalized approach has allowed for its application irrespective of the actual project or programme. Thus, the term “capacity-building” has ultimately become the product, and has too often benefited the suppliers more than the recipient communities themselves.

C. Emerging pro-poor development strategies

18. Challenging this approach is the emergence of organizations created by the poor themselves, and which are based on the premise that to achieve real developmental change, the poor need to become development actors themselves, rather than mere passive recipients of external assistance.

19. In many cases, such movements have spawned from activism and confrontational politics, but have now matured in confidence and are able to engage with national and international development agencies directly.

20. A marked feature of these movements, which are largely urban in nature, is that they are based on mobilization through savings, having been excluded from access to credit through the formal financial institutions. This focus on savings has led to the emergence of women as the dominant organizing group, represented not just in numbers but also in positions of leadership.

21. Within and between these organizations, donor-driven capacity-building has been replaced by people-to-people exchange, a form of horizontal learning, through which the poor exchange ideas and strategies of survival and development, and build national and international networks.

22. International aid agencies and experts continue to have a role in this process, although their roles have been redefined, laying emphasis more on supporting rather than leading and facilitating rather than directing.

23. The theme paper will examine the potential impact of this approach to the issues of slum upgrading and urban development strategy, both of which are directly relevant to the interests of the urban poor, and to the wider global challenge of sustainable development.

D. Role of international cooperation in promoting pro-poor policies

24. International cooperation on this issue will be examined at a number of levels, including at the following:

- (a) At the local level, to support the interaction between non-governmental organizations, community-based organizations and local government and their respective roles in promoting pro-poor development;
- (b) At the national level, to support the normative approach adopted by Governments in terms of providing an enabling environment, with due attention to institutional roles and legal frameworks;
- (c) At the international level, with respect to technical assistance and decentralized cooperation for the promotion of innovative global strategies.

THEME 2: THE RURAL DIMENSION OF SUSTAINABLE URBAN DEVELOPMENT

Introduction

25. The world is becoming increasingly urban, with the developing world's urban population expected to almost double to 3.4 billion in 2020. This urban population increase in developing parts of the world arises as much from natural increases in existing urban populations as from inward migration. Urbanization trends have particular characteristics however. Latin America, for instance, is already predominantly urbanized; in South-East Asia urbanization has been driven by urban economic growth; and, in Africa, it is largely driven by declining agricultural productivity. Asian and African rural areas are overcrowded in relation to productive requirements. Rural people migrate to cities to find better jobs.

26. Patterns of urbanization also differ in other ways. In Africa, which will have to manage a projected urban growth rate of some 3.9 per cent over the next twenty years, much of the urbanizing population will settle in small and medium-sized towns, which will have neither the carrying capacity, nor the revenue base to meet such a demand. In sheer terms of numbers China and India face unprecedented urbanization demographics with Asia projected to account for almost one half of the world's mega-cities by the year 2020.

27. In designing the policy responses to these challenges, there is a very clear need to avoid any attempts to compartmentalize poverty into urban and rural spheres, as echoed by the Commission on Human Settlements in its resolution 17/10 by which it "requests that urban-rural interdependence be taken into consideration in the execution of the work-programme of the Centre... given the strong synergy between urban and rural areas".

A. Definitions of poverty in rural and urban contexts

28. The purpose of this theme paper will be to specifically identify the essential elements of poverty as manifested in different settings and to highlight the very significant areas of commonality. This will not only immediately expose the limitations of attempting to deal with urban or rural development as separate and unrelated processes, but also demonstrate the clear policy linkages that are combined within the concept of sustainable development, and the need to tackle poverty systematically.

29. The proposed theme paper will specifically explore the policy issues that have relevance in both rural and urban contexts and identify the relationships.

30. Equally important, it will be appropriate to identify policy issues that are specific to different contexts. Both of these exercises will have direct relevance to the operational and normative activities of UNCHS (Habitat), and may serve to identify the need for strategic alliances, both within and without the United Nations.

31. A longer term objective will be to encourage public policy to promote a more balanced pattern of rural and urban human settlements development, promote local economic development, create productive employment opportunities and raise income levels for the poor people in the rural and urban areas. This may also usefully serve to assist bilateral and multilateral agencies formulate more targeted programmes of assistance, reflecting real need rather than donor preference.

B. Essential elements of sustainable development

32. In addition, the theme paper will explore the human settlements dimensions of overall sustainable development, encompassing both rural and urban areas. One important element will be the enormous progress that has been made in establishing a normative framework through the United Nations global conferences of the last decade. Focus should be on the coordinated follow-up of these conferences.

33. As a central platform for the revitalization of UNCHS (Habitat), a more focused approach to the implementation of the Habitat Agenda highlighted the issue of urban poverty reduction, within the framework of the two themes of adequate shelter for all and sustainable human settlements development in an urbanizing world.

34. This approach has directly raised two concrete policy issues: the right of the poor to have access to the resources and assets necessary for daily life and production, particularly land, and their right to a direct and meaningful say in how they are organized, represented and governed. These issues are promoted through Habitat's global campaigns and, as was noted in the Strategic Vision for Habitat, both issues "...have as strong a rural resonance as they do urban".

35. Land and tenure reform and rights to resources are issues common to both rural and urban areas and are prominent in the deliberations and resolutions of the Commission on Sustainable Development, the Commission on Social Development, the World Food Summit, the United Nations Convention to Combat Desertification in those Countries Experiencing serious Drought and/or Desertification, particularly in Africa, the Beijing Platform for Action and the Convention on Biological Diversity.

36. Even in countries committed to improving access to land and security of tenure, implementation is often slow, delayed or manipulated by the power of lobby groups, vested interests and the landed class. In other cases, the lack of beneficiary participation has limited the impact and sustainability of reform efforts.

37. Likewise governance issues, particularly in local government, bear some commonalities in rural and urban areas. Issues at stake include the need for strategic visioning, intergovernmental fiscal transfers, equitable access to decision-making processes, efficient delivery of basic services, the need for public feedback mechanisms, and ensuring security for individuals and their living environment.

38. Sustainable urban development means that towns and cities can manage their growth to the benefit of present and future generations. In many countries with high rural population densities, further population increase means declining rural productivity and incomes. If cities can absorb not only their natural increase but also rural population in excess of agricultural needs they will contribute directly to rural development. This is what occurred in Europe during the first half of the twentieth century.

39. Urban and rural people depend on each other for their economic, social and environmental needs. Urban-rural linkages exist in the form of concrete flows of people, goods, capital and information. In order to increase the potential for rural economic growth and poverty reduction there is a need for the creation of a balanced urban network combining large cities, small and medium-sized towns. These are essential to provide markets for agricultural products and create added value for manufacturers of primary inputs. In particular, the key role of medium-sized towns in the urban network has been insufficiently promoted.

40. An additional factor that hampers the formulation of proper policies is the common belief by some Governments that urbanization trends can be arrested or even reversed by a combination of rural incentives and urban disincentives. This view will be examined in order to assess whether it has or could have any credibility. At the current time, however, there is no evidence to support it and even authoritarian social engineering and brutal repression, when tried, have merely deferred the urbanization process.

C. Role of international cooperation in promoting balanced development

41. International cooperation on this issue will be examined at a number of levels, including at the following:

(a) At the local level, to support local authorities, community-based organizations and non-governmental organizations dealing with issues of rural and urban development and their linkages;

(b) At the national level, to support the normative and enabling role of Governments in promoting a balanced development, and their ability to create legal and institutional frameworks to improve urban-rural synergies;

(c) At the international level, including from the United Nations system, in the form of technical cooperation, exchange of experience and dissemination of best practices, for the purposes of defining global strategies.
