

Address by
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and
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*At the Special African Ministerial Conference on Housing and Urban Development
(AMCHUD)
Nairobi, 3 -4 April, 2006*

Honourable Vice President of Kenya Mr Moody Awori,
Chairperson of AMCHUD, Minister Dr. Lindiwe N Sisulu
Hon. Minister of Construction of the People's Republic of China, Mr. Guangtao Wang
Hon. Ministers Present
Excellencies
Distinguished guests,
Ladies and Gentlemen,

It is my great honour and privilege to be present here this morning to welcome you to UN-Habitat on the occasion of a special session of AMCHUD to discuss “Achieving the Millennium Development Goals in Africa: Strategies for the Realisation of the World Summit Commitments on Slums”.

Last February, when African Ministers responsible for housing and urban development, met in Durban, e-Thekwini, South Africa, the African Ministerial Conference on Housing and Urban Development (AMCHUD) took shape. I must congratulate and applaud the efforts made by the Chair of AMCHUD, H.E. Minister Sisulu, and the Government of South Africa, for providing leadership and commitment to ensure that AMCHUD becomes a platform for all the governments in Africa to put the issues of housing and urban development at the centre stage of national policy deliberations. The governments of Senegal, Chad, Algeria, and Kenya, as the bureau members of AMCHUD have also worked hard, since the Durban meeting to give concrete shape to AMCHUD. I must recognise, in particular the contribution of the Government of Kenya, in its capacity as the rapporteur of AMCHUD, for its suggestion to hold this meeting in Nairobi. UN-Habitat is pleased to host this conference at its headquarters here in Nairobi, and to provide the necessary support to AMCHUD and looks forward to working with you all in our common quest for sustainable urbanisation in Africa.

Excellencies, Distinguished guests

Let me take a few moments to share my views on the challenges and opportunities before us in realizing the outcomes of the World Summit in Africa. As you may recall, in September 2005, world leaders reaffirmed their commitment to the Millennium Development Goals and resolved to meet all the targets by developing national action plans. You may also recall World Summit resolution 56 (m) in which world leaders committed themselves:

“To achieve significant improvement in the lives of at least 100 million slum-dwellers by 2020, recognizing the urgent need for the provision of increased resources for affordable housing and housing-related infrastructure, prioritizing slum prevention and slum upgrading”

Although, this is the only target of the MDGs that specifically addresses the issue of urban poverty, it is important to recognise that the urban context is critical to meeting all the MDGs. By improving the lives of slum dwellers, we are also combating malnutrition and diseases, many of which are directly linked to overcrowding and to the lack of clean water and improved sanitation. By the same token, slum improvement helps improve environmental sustainability and addresses gender inequality in the most efficient manner.

One of the biggest challenges we face in attaining the MDGs is the process of rapid urbanization. Indeed, much of Africa’s future depends on how we manage the urbanisation process. The Commission for Africa established by UK Prime Minister Rt. Hon. Tony Blair,

of which I was privileged to be a member, identified urbanisation as an important challenge. It states that any strategy for growth and poverty reduction in Africa must take the issue of urbanisation seriously. Africa is the fastest urbanising continent in the world – twice as fast as Latin America and Asia. We must wake up to the fact that by 2030, Africa will be a predominantly urban society. We must also recognise that Africa's cities are, in their current state, ill-equipped to provide the jobs, the housing and the basic services to enable its citizen's to live productive lives. In the last 15 years, the number of slum dwellers in the region has almost doubled from 101 million in 1990, to 199 million in 2005. At current slum growth rates in the region, the number of slum dwellers is projected to double by 2020, reaching nearly 400 million. This phenomenon implies that that African cities and towns do not act as engines of economic development. They are not linking local and international markets, nor are they attracting industrial investment. As a result, they are unable to be centres of opportunity and creativity. Instead they are fast becoming centres of misery, squalor, poverty, crime, violence, insecurity and social exclusion.

Excellencies, ladies and gentlemen,

The urbanization of poverty and the formation of slums worldwide is the result of failed policies and misplaced priorities. On the one hand, limited government investment in providing basic urban services to an ever-expanding urban population impoverishes the lives of the urban poor. On the other hand, inconsistent policies and outdated planning practices have rendered access to land and housing unaffordable for the majority of the urban population, forcing many of them to live in informal settlements.

Slums are but the physical expression of the informal urban economy which accounts for nearly 80 percent of non-agricultural employment in sub-Saharan Africa, and 50 percent in North Africa. Although the urban informal sector contributes to almost one-third of gross domestic product it is subject to constant harassment and evictions. Such policies contribute to a vicious cycle of poverty, exacerbated by the fact that up to three-fourths of Africa's urban population living in slums do not benefit from the advantages and opportunities offered by cities. Children living in a slum are more likely to die from pneumonia, diarrhoea, malaria, measles or HIV/AIDS than those living in non-slum areas within the same city. In many cases, poor sanitation and overcrowded living conditions make children and women living in slums more vulnerable to respiratory illnesses and other infectious diseases than their rural counterparts. Last but not least, the way we compile our statistics are often misleading. They tend to show that urban populations are better off than their rural counterparts. But they often hide the true picture of urban poverty and deprivation. They overlook the fact that many slum dwellers live in life-threatening conditions and hazardous locations. They disguise the fact that in many slums up to 200 people share a single toilet. They ignore the reality that proximity to schools and hospitals does not mean access to those same schools and hospitals. They may reveal the presence of a standpipe but do not account for the fact that there may not be water most of the time. At the same time, slums are entrenching a culture of impunity, where town planning laws and building codes and standards are ignored, to the detriment of sustainable development, and leading to wasteful investments since many investments are done in an up-hazard manner and will have to be demolished someday.

Ladies and Gentlemen,

We can meet the goals of slum upgrading and slum prevention if we make a political resolve. A recent study by UN-Habitat suggests that while many countries in Africa are not on track to meet the slum upgrading and water and sanitation targets of the MDGs, there are a few countries that are making good progress and are implementing innovative approaches. Several countries, particularly in West Africa, are engaging in slum upgrading programmes. Northern African countries achieved a reduction in the proportion of slum dwellers from 38% to 28%, between 1990 and 2005. In East Africa, a number of cities have discarded the rigid master planning approach and are developing Strategic Urban Development Plans. These include long-term visions and strategic short-term initiatives developed in a collaborative and participatory manner with the urban poor.

A common feature in these countries is that there was a high degree of political commitment at the level of national government. Countries doing well in managing slum growth are those where central governments have adopted pro-poor urban policies and legislation to tackle basic shelter deprivations. These governments have set up institutional arrangements, allocated important budgets, and enabled stakeholders to implement projects to effectively meet their targets and commitments. For example, the government of Kenya has launched KENSUP – the Kenya Slum Upgrading Programme, and provided funds in the national budget.

Yet much remains to be done to bring all countries in Africa up to speed. Indeed even in the pilots we have cited, such as KENSUP, actual houses are yet to emerge. For this to happen, we need to learn from the success stories of those countries that are present here amongst us, and have actually constructed houses and delivered infrastructure such as water and sanitation in actual fact. We would wish to move beyond discussing work and start doing it.

UN-Habitat is ready to work with all countries through our various regional and national programmes. We have established Habitat Programme Managers in 30 African countries to ensure that they work closely with national governments, the UN system and multilateral agencies to support your efforts in putting the urban agenda in your respective national action plans. And in this regard, let me urge you honourable Ministers that if housing and urban development issues are not part of your country's UNDAF or PRSP, whatever applicable, then you and us are not successful. We cannot deliver the habitat agenda and the slum and water targets without these issues being central issues in such macro-economic policy and investment guide documents. I urge you to examine this issue and see how we can work together to make sure that habitat issues become central rather than peripheral to government business at all levels. We have to challenge the Ministers of Finance that unless they invest their money in places where people live, increasingly in cities and towns, sustainable development will be hard to achieve. We have to impress upon them that the road to sustainable development is through sustainable urbanization.

The Water and Sanitation Trust Fund of UN-Habitat currently supports the efforts of 14 countries in Africa under the Water for African Cities programme. An important priority is given to “quick impact” initiatives such as the model-setting exercise in the Lake Victoria region in East Africa. The focus of this initiative is to attain the water and sanitation targets of the MDGs in poor communities in secondary towns within a span of 3 to 4 years. I am pleased to announce in this context that I signed a Memorandum of Understanding with President Donald Kaberuka of the African Development Bank to bring more than USD 590 million in follow up investment to our activities in water and sanitation in Africa. Of this USD 250 million will be in grants and USD 350 million in loans to African cities and towns

over the next five years. UN-HABITAT's Water and Sanitation Trust Fund and the African Water Facility will work together in the implementation of this agreement.

The Slum Upgrading Facility (SUF) of UN-Habitat aims to help raise domestic capital to invest in pro-poor housing and urban development. While this facility does not provide loans, what it does is to reduce the risk perceived by financial institutions in investing in slum upgrading through a combination of technical assistance, capacity-building, seed capital for housing loan guarantees, and the mobilisation of community-based micro-credit.

Excellencies,

Let me be absolutely clear here: the Slum Upgrading Facility is not another call for more charity. It is intended to help the domestic private sector in Africa understand that slum upgrading is something bankable. The poor are only too willing to invest their meagre savings in improving their own living conditions. We have seen this happen in many countries in Asia and Latin America. I have invited the Minister of Construction of China to this august gathering precisely for this reason, for him to explain what his country is doing to boost domestic as well as foreign investment in housing and urban development.

We know that pro-poor housing finance is economically viable because most slum dwellers are already paying exorbitant rents for the shacks in which they live. They also pay up to twenty times more for water than the better-off whose homes are connected to subsidised municipal supplies. The urban poor do not need free housing or utilities. They require a level playing field where their efforts in building a home, even though it may start off as a shack, can be recognised as a house, as a tangible asset, and as a true stake in society. The purpose of the Slum Upgrading Facility and the Water for African Cities programme is to show how this can be done and how to bring such initiatives to scale.

Establishing viable urban development strategies and attracting investment in pro-poor housing means, however, that we need to tackle the critical issues of governance and capacity building. The first step is security of tenure, both to stop forced evictions and to remove the very threat of forced evictions. This entails working with and empowering local authorities to engage urban poor communities in participatory planning and decision making. It also requires political will and confidence building to encourage pro-poor investment.

Friends,

Africa is culturally, socially and economically diverse. Our problems and needs are equally diverse. One size definitely does not fit all on this continent. However, we are gathered today to discuss how to address a common challenge. We want AMCHUD to be a vehicle for slum prevention and upgrading in Africa. Our destination is clear –sustainable, thriving, and inclusive cities. How we drive the process is up to us. Over the next two days, let us discuss, develop and agree on a basic framework of action that reflects our values and principles but also requires our integrity in implementation. In concluding, I encourage all of you to seek the best way forward for the women, men and children of Africa.

And I am pleased that you are already operating under the framework of the African Union, through which you can deliver your deliberations to the Heads of State who are the patrons of the poor.

I believe that this outcome of this meeting will finally translate into practical policies, programmes and projects in your respective countries.

I look forward to seeing all of you in Vancouver, 19-23 June, 2003, at the 3rd Session of the World Urban Forum, where you shall continue to share experience with the rest of the World

Thank you for your kind attention.