

Falana for my

Statement by H.E. Olívio Dutra, Minister of Cities of Brazil, on the occasion of the Opening Ceremony of the II World Urban Forum - Barcelona, September 13-17, 2004

H.E. Ms. Maria Antonia Trujillo, President of the II World Urban Forum,
H.E. Ms. Anna Tibaijuka, Executive Director of UN-Habitat,
Heads of Delegations attending this Forum,
Partners of the Habitat Agenda,
Ladies and gentlemen,

I feel highly honored by the invitation to co-chair this II World Urban Forum here in Barcelona. I shall do my best to perform this task with devotion and dedication.

Ladies and gentlemen,

The central issue today in the globalized urban space is the urbanization of poverty. In other words, the poorest are now increasingly concentrating in cities, under conditions of social exclusion.

In the year 2000, the world urban population amounted to 2,85 billion inhabitants, 80% of them living in cities of developing countries. From that total, one third, or 1 billion, lived in informal settlements. This is clear evidence that this process of "urbanization of poverty" is in full swing.

Since the level of urbanization in Asia and Africa is still low, the prospects of an explosion of urbanization of poverty for the next decades are dreadful.

The prevailing urban policy in the 1990s did not contribute to preclude the trend of social exclusion of millions of people from the urban facilities that had been brought about in the preceding years.

President Lula's Government created the Ministry of Cities in Brazil, whose innovative role is to formulate and implement a true national policy of urban development by integrating the sectors of housing, sanitation, transportation, urban mobility and planning.

This policy is taking place on the basis of principles and guidelines that were outlined during the National Conference of Cities in Brazil. Sectorial themes in this context are being detailed by the Cities Council, created in 2004, with 71 representatives both from civil society and the levels of Government: federal, state and municipal, elected through a process involving 3,547 of the 5,561 Brazilian municipalities

Resources and programmes for urban development are allocated on a priority basis to families earning up to five minimum wages, where 92% of the deficit of 6,6

million new houses is concentrated. However, in order to make the access to sanitation and housing universal, we would need for example to invest U\$ 6,6 billion per year for the next 20 years from now on.

Still, the Brazilian central government alone cannot afford the resources or means to change this scenario. It has, however, consistently worked so that the other levels of Government -- i.e. state and city administrations, as well as the private sector --, join up and multiply their efforts in this civic collective work aiming, in the next 20 years, for the universalization of adequate housing and environmental sanitation. We cannot and we will not accept a policy that, in the past, left 83 million Brazilians with no access to potable water and 15 million with no adequate housing.

Ensuring universal access to housing and sanitation calls for the configuration of a new paradigm that seeks the answers to the existing limits and obstacles to its achievement. This new, inclusive and democratic paradigm -- which I would call "Cities for All" -- requires the revision of the policies and strategies adopted in the 1990s. We need to build up an international pact according to which investments in housing and sanitation are not to be deducted from the primary surplus of the indebted developing countries.

The "cost recovery" concept is to be understood in terms of economic return with a social guarantee, which require considerable subsidizing. These resources obviously will not be made available by the market, which will require ample participation by the State -- that is, the democratic State under social control, including the its poorer segments.

Moreover, without a new concept of urban planning that puts in the center of its agenda the issue of access of the poor to well located urban land, it will be extremely difficult to prevent the occurrence of more informal settlements. Finally, more than to compete among themselves, cities/municipalities will have to cooperate among themselves as well as with the remaining Governmental units, thereby strengthening their managing capacities in a globalized world.

Today, more than ever, power needs imagination and creativity. It is urgent to reappraise the road that we have travelled, to reaffirm goals and priorities, as well as redefine strategies. This is the challenge that we face ahead. I invite everyone to face this challenge in this very Forum by reflecting on new, feasible alternatives which may allow us, more than fulfilling the Millennium Goals, ensuring the right to the city to all that live in it.

Let us fight the good fight.

Thank you very much.