

# UN HABITAT

Address by  
Mrs. Anna Tibaijuka  
Under-Secretary-General of the United Nations  
and Executive Director of UN-HABITAT  
on the occasion of the fourth session of the  
World Urban Forum  
in Nanjing, China,  
Monday 3 November 2008

Your Excellency, Mr. Dejiang Zhang, Vice-Premier, People's Republic of China

Honourable Prime Ministers, Ministers and Heads of delegations,

Your Excellencies, Mayors and Parliamentarians for Habitat,

Distinguished Veterans of the 1976 Habitat 1 Conference,

Colleagues,

Ladies and Gentlemen,

Welcome to the World Urban Forum. It is most auspicious indeed that we hold this fourth session of the world's premier urban conference right here in this ancient yet modern and very harmonious Chinese city of Nanjing!

Allow me, at the onset to thank our generous hosts, the Government of the People's Republic of China and the Government and people of the City of Nanjing for making this Forum a reality.

It is with a warm heart that I thank the Honourable Prime Ministers and ministers who have decided to join us here today. Your presence is a clear indication of the importance of the issues that are being discussed and the ideas and actions that are being put forward.

It is most auspicious too that this fourth session of the World Urban Forum takes place the same year as the Beijing Olympics.

It was a once-in-a-lifetime opportunity for me to run with the Olympic flame in my home country Tanzania, and then a few weeks later to have the honour of attending the opening ceremony of the games in Beijing. The opening ceremony reminded us of the long and continuous history of China.

We are again reminded of this history today. Nanjing, which in Chinese means Capital City of the South, served as the seat of power of China in the past. It is no

coincidence that this year, for the first time, the highest award conferred by the United Nations system in this field – the *Special Citation of the Habitat Scroll of Honour* – goes not to an individual, but to the Chinese city of Nanjing.

### ***A word of thanks to our sponsors***

Allow me also to take this opportunity to thank some of our generous sponsors and supporters for this event.

### ***Government of Norway***

I would like to acknowledge the support of the Government of Norway. Oslo has generously provided a grant of two million dollars to help us launch a new *Opportunities Fund for Urban Youth-Led Development* at this session of the World Urban Forum in Nanjing. I also wish to acknowledge Norway's assistance in ensuring the participation of civil society organizations and for helping make the journey to Nanjing possible for young people from some of the world's poorest countries.

### ***Bahrain***

My special thanks also go to the Government of Bahrain which has provided both a grant to the Forum as well as sponsoring the Khalifa bin Salman Al Khalifah Award, which will henceforth become a standing feature of the World Urban Forum.

### ***Participants***

I would also like say a special word of appreciation to everybody here in this most distinguished audience: your presence here today shows how strongly committed you are in our joint quest in pursuing sustainable urbanisation and harmonious cities – the theme of this Forum.

And so let us pause for a minute and give all of our supporters a big hand.

>>>> Thank you.

### ***Honourable Ministers, Ladies and Gentlemen,***

We are gathered here today in most unusual of circumstances.

Since the end of last year, we have witnessed a succession of crisis, the scale and pace of which took all of us by surprise. The year started with a fuel and food crisis, followed by a financial crisis.

I stand before you today, having just come from UN headquarters in New York, where I attended a meeting with all the heads of UN agencies chaired by the Secretary-General, Mr. Bam Ki-moon.

There is no doubt that the crisis we are facing today will impact all countries, developed and developing. There is also great concern that the most serious repercussions will be felt by those who are the least responsible – the poor in general, and in developing countries in particular.

The sudden rise in energy and food prices earlier this year have already caused immense hardships and lowered the standard of living in a large number of countries.

The financial crisis, the threat of global recession and the huge swings in commodity prices further threaten the foundations of globalization that have underpinned global growth for the past decade.

We are witnessing a resurgence of protectionism combined with credit contraction that can further exacerbate and deepen a global recession.

I wish therefore to convey this message to you: The United Nations system remains committed to its mission, namely the cause of peace, justice and development, and the protection of the poor and the vulnerable.

It expresses its full commitment to support the international community and to play its fullest part in addressing and alleviating the negative repercussions of this crisis worldwide.

But the most urgent message I convey from the Secretary-General is that immediate action is needed to protect people, jobs, shelter and livelihoods.

While collective efforts are underway to restore the much eroded trust in financial markets and to avoid the collapse of the marketplace, the United Nations system will do whatever it can to ensure that the poor, the vulnerable, and particularly the 1 billion people living in urban slums around the world, do not become the casualties of this crisis.

As we look to the 2015 deadline for attaining the Millennium Development Goals, we must ensure that hard-won gains by countries are not reversed. We call on you, as leaders of your countries, cities and communities to help safeguard the norms and values of human solidarity and the values that define the multilateral system.

***Honourable Ministers, Distinguished Ladies and Gentlemen,***

We gather here just days before the G-20 summit meets on the 15<sup>th</sup> of November in extraordinary session to discuss these problems. In seeking to strengthen the international financial architecture, we must avoid the shortcomings of the past.

We simply cannot lose sight of our common quest for a more prosperous, just and equitable society for all.

Every effort has to be made to maintain the momentum we have generated to attain internationally agreed development goals and to strengthen our commitments to and efforts in mitigation, adaptation and technology transfer to face the challenges of climate change.

In the face of the current crisis, international solidarity and official development assistance have become more important than ever before.

### ***Ladies and Gentlemen,***

While hindsight is always perfect, there is one common thread and underlying cause to the current global crises. This thread is rapid and chaotic urbanisation. [NICK OTHERS SAY THIS A BIG NO-NO AND WE SHD DELETE HENCE REPLACEMENT PARAS IN BELOW.THE CRISIS HAPPENED FOR OTHER REASONS]

As we gather here, just an afternoon's drive down the new superhighway from Shanghai, the road from Vancouver in the mid-seventies to Nanjing today has seen us change from being a predominantly rural world to an overwhelmingly urban world. [GESTURE TO THE POWERPOINT SCREEN]. It is a change that is irreversible, and we must take full advantage of everything our new urban era has to offer with its technology, scientific, political, and economic advances.

We must stop being afraid of urbanisation, and be ready for it. After all, cities are our greatest legacy. Despite the unacceptable high levels of urban poverty that prevail in the world today, we know too that welfare – like technology, and internationally enshrined human and civil rights – is better today than ever before when it comes to meeting the poverty reduction goals, income growth, access to electricity, information, communications, water, sanitation, health and education.

While cities are the engines of economic growth in a globalized world economy, they also consume 75% of our energy and contribute to an equally significant proportion of all wastes, including green house gas emissions.

But just as importantly, the process of urbanisation is bringing about irreversible changes in the way we use land, water, energy and other natural resources.

In the highly urbanised north, urbanisation is largely characterised by suburban sprawl, competing with agriculture for land and water, and placing constant demands for more energy to fuel individual motorised transport.

In the rapidly urbanising south, much of the urban demographic growth is resulting in informal, unplanned settlements and slums. These settlements lack basic services such as clean water and decent sanitation.

The living conditions in these slums and informal settlements constitute a vicious cycle of poor health, poor nutrition, poor safety and poverty. Most of their inhabitants also lack access to modern energy supply which forces them to rely on biomass to meet their energy needs. The combined impact is deforestation and pollution which, in turn, threaten watersheds and local food supply.

Last but not least, the current financial crisis has its origins in over-extended housing finance systems – the so-called sub-prime mortgage instruments. In the name of facilitating access by low income people to housing, risky practices in

lending and borrowing were used. These have resulted in multiple adverse effects on people, the housing sector, the global financial markets, and the global economy.

While this crisis has exposed pervasive weaknesses in national and global financial systems and regulatory frameworks which need to be urgently addressed, it also serves as a potent reminder that housing is both a market product and a social good.

Housing finance systems must be seen, in this context, both as a means of harnessing market forces to increase housing supply, as well as a means of fostering affordable housing and equitable urban development.

The pursuit of either of these goals at the expense of the other has proven to be unsustainable.

We have seen, in the past, the shortcomings of heavily subsidized public housing programmes that resulted in growth-arresting distortions of the market place.

We are witnessing today the folly of having allowed predatory speculation in the housing market undermine trust in our financial markets.

It is paradoxical, to say the least, that in order to restore a modicum of trust in our financial markets and systems, we have resorted to massive public sector intervention in the market place.

### **Excellencies,**

Never before, has the housing and urban development agenda been more central to the social, economic and environmental pillars of sustainable development.

Never before has the Habitat Agenda been more relevant to the challenges we are currently facing.

Let me conclude by saying that your contributions in this week's deliberations will enable me to submit a detailed report back to the Governing Council – that body of Member States of the United Nations which oversees our work programme and budget. It next meets in late March. It will forward your recommendations to the UN General Assembly, and thus ensure that your voices contribute to the global decision making.

Allow me once again, to state my sincere appreciation and gratitude to the Government and the people of China, and Nanjing City and to all of you.

Thank you for your attention.