

Address by  
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UN-HABITAT

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Honourable Chair, Professor Cecile Jackson, President of the Development Studies Association,  
Professor Ian Diamond, Chief Executive of the Economic and Social Research Council,  
Colleagues,  
Distinguished Ladies and Gentlemen,

It is a great honour to address you today as we come to the end of the year 2005, the Year of Africa. As a member of the Commission for Africa and as Under-Secretary-General of the United Nations for human settlements, I thank you for calling this meeting to see how we *move beyond 2005 and turn promises into policy*. Having devoted considerable effort to the report of the Commission for Africa, I am most anxious to ensure follow through and longer term commitment. We cannot abandon those living in poverty, often in the shadow of conflict, disease, and hunger, in a rapidly urbanising continent that provides so much of the world's strategic resources.

### ***Introduction***

The year 2005 has been a watershed for Africa. This is largely thanks to the efforts of the Prime Minister, Mr. Tony Blair, the Right Honourable Mr. Gordon Brown, Mr. Bob Geldof, my fellow Commissioners and many others. They have helped bring Africa's development plight to the fore of the international agenda, and made it headline news. The same goes for the many celebrities, journalists, artists, civil society organisations and ordinary people who share our concerns, and who believe so profoundly in Africa's future.

Even in the sometimes-jaded corridors of the United Nations, which produces report after report, we in the Commission for Africa were congratulated at the highest level for one of the most comprehensive studies yet produced on Africa's development problems. Indeed our report published in June has been instrumental in highlighting Africa's shortcomings and progress on meeting the goals of the Millennium Declaration, and helping chart the way forward.

Let us not underestimate the report's impact on Africans and the political process leading up to the G8 summit that was so tragically marred by the terrorist bombings in London. At the last African Union summit in Libya on the eve of the Gleneagles meeting, Heads of State welcomed the report and called for the implementation of its recommendations. Thousands of children across Africa signed letters of support. There was a groundswell of interest even among people living in slums. What united them all was the hope that finally, the world was waking up, and starting to listen to Africa, not just as a means to an end, but for its own sake.

### *Africa after 2005*

Ladies and Gentlemen,

We are gathered here to pursue that vision. We are gathered here to see that the excitement and hope generated by the visits of celebrities and politicians to slums in places like Kenya and South Africa will not be in vain.

During the course of the day, experts, many of them better informed than I, will discuss a wide range of topics. These include Africa's future in our globalising world, the need to understand the local conditions on the ground, and how trade can help reduce poverty. I lived through the optimism of the independence years only to be confronted by the harsh reality of African development. Indeed, as a woman who comes from the now impoverished rural villages of Africa, I know what poverty is all about because I have experienced it. But I also know, that with opportunity and support – with empowerment – poverty can be eradicated.

### *The report*

Some recommendations of the Commission have been over simplified into a call for extra capital investment and debt relief. But from the outset, I want to point out that this report carries a far more complex and coherent package for Africa – much of it painstakingly solicited in discussions with many leaders at the national and local level, civil society organisations and ordinary people including slum dwellers. It is as much their report as ours.

Africa was colonised for slaves and raw materials. After independence, many countries were mismanaged by international and local elites. Its transport infrastructure was export-driven, its resources exploited and exported, often cheaply. In recent decades, unbridled global market forces have failed to deliver socially sustainable development.

The Commission for Africa report calls for a Marshall Plan to redress this. It prioritises five major areas of concern: Capacity-building and governance; the need for peace and security; investing in people; going for growth and poverty reduction; more and fairer trade. It concludes with an analysis of where the money will come from and how to establish a new development partnership for the continent.

### ***Governance***

The report is blunt: Without progress in governance, transparency and fighting corruption, all other reforms in Africa will have limited impact. It says the management capacity of national and local governments has to be improved. It also says governments must be helped to establish more inclusive constitutions.

The African Union and the New Partnership for Africa's Development (NEPAD) have both passed resolutions calling for better governance. In Libya, the AU urged African leaders to support the CFA development agenda, and to report back at next year's summit meeting.

Yet, despite such political will, the situation on the ground remains uneven. For every Ugandan and Ethiopian political crisis, there have been other more positive developments. A recent example is the extraordinary case of the constitutional referendum in Kenya. In fact, the elections that peacefully ousted President Moi and the constitutional process in Kenya, show that the Kenyan public is now much better educated in the process of governance; they know what to demand and what to expect of their leaders. The public in African countries like Kenya will no longer support Government policies if they believe they are wrong. They have learned to exercise their power. At the same time, the African political elite is learning the limits of power and the need for negotiations and compromise. The era of winner-takes-all is giving way to a new dispensation of compromise and power sharing. Slowly but surely, progress is being made in the right direction.

### ***Peace and security***

The report notes that Africa holds the dubious world record for the most conflicts and crises in the world. Of 16 UN peacekeeping missions currently in force, eight are in Africa: Sierra Leone, Burundi, Côte d'Ivoire, the Democratic Republic of Congo, Liberia, Sudan and Western Sahara. And as we meet, Eritrea has this week ordered the expulsion of the UN monitors along its border with Ethiopia.

The Rwandan genocide will forever be a blight on the world's conscience. Sudan should be a regional breadbasket, but again as we meet here, women are being raped daily as a policy of murderous ethnic cleansing in Darfur that has all the makings of a new genocide. The conflicts in Liberia, Sierra Leone and Côte d'Ivoire have affected neighbouring countries. Conflicts over the minerals and forest resources of the Congo have taken an uncounted toll in human lives and caused untold suffering. Small arms and

land mines proliferate, Angola and Somalia being cases in point. This has brought farming to a stop in many places, and thus people flee to the cities, and end up in the burgeoning slums.

The report states bluntly too, that this destruction has taken place at the same time as other countries, most of them in the developed world, profit greatly from the trade in arms, diamonds, precious metals, ivory, wood and other spoils of African wars and exploitation. If the world is genuinely concerned about stopping conflict in Africa, then politicians in developed countries must start by changing domestic policies. Tighter legislation is a weapon against the trade in the spoils of war.

For Africa's part, it must find better ways to prevent and manage conflict. African armies are playing an increasingly important role in peace keeping. The AU is planning to establish the African Standby Force, thanks to the support of Prime Minister Blair and other donors. Hopefully it will be established next year.

It is important to understand that the scenario is not entirely one of doom and gloom. I am delighted that Liberians had the good sense to elect Ellen Johnson-Sirleaf as Africa's first woman president. We are all so proud of her courage, perseverance and leadership. Mozambique has shown the world how well the wounds of brutal conflict can be democratically healed. Botswana provides free drugs, treatment and counselling to all AIDS sufferers. And South Africa is literally looking light years away, having just unveiled the largest single lens optical telescope in the southern hemisphere. It is capable of detecting the light of a candle on the moon! And let us not forget that South Africa pioneered the world's first heart transplant.

With the right policies, Africa will rise to its potential.

### *Investing in people*

We must keep the candle of hope burning for poor people in Africa by investing in them and by consulting them. The report echoes a view long held at the United Nations that poverty is as much about material deprivation as it is about the exclusion of the poor from decision-making, education, health, and from basic services. This is both a violation of their human and civil rights, and a failure of sound economic policy.

This is why our report highlights access to basic education and better public health services. This includes funding for improved water and sanitation and for fighting the AIDS pandemic. It recommends that over half of the extra aid for Africa be spent on health, education and HIV/AIDS prevention.

I am pleased to inform you here that the Department for International Development, together with the World Bank, has since started talks with Kenya to invest over 50 million dollars to repair all existing fourteen thousand schools, build over four-and-a-half thousand primary schools, and introduce new HIV/AIDS training programmes.

The Chancellor of the Exchequer, Mr. Gordon Brown, as you all know, worked hard and has been successful in persuading donors to fund the Global Alliance for Vaccines and Immunization, raising nearly US \$ 4 billion dollars to bring life saving vaccines to millions of people.

### **Growth and poverty reduction**

But turning to growth, it is a sad truth that there has been little or no investment in major infrastructure projects in Africa. Nowadays, as in colonial times, railway networks only deliver minerals from extractive industries to ports. Roads, often in a sad state of disrepair, rarely connect productive rural markets to nearby towns. Barely 4 percent of the land in Africa is irrigated as opposed to 40 percent in Asia. Recently, transport ministers from 18 African countries agreed to improve road and transport facilities and to integrate them into their national poverty reduction strategies.

### ***Trade***

On trade, Africa is caught in the double trap: Barriers and subsidies of rich nations, and an the inability to produce enough for export because it lacks the investment in infrastructure.

Based on a thorough understanding of the turn around of countries like China and India, the Commission called on Africa to reform excessive bureaucracy, like cumbersome customs procedures. I am delighted that Britain, the Commonwealth, the European Union, and the United States seem to be heeding its call for an end to trade subsidies. It is my fervent hope that all these positive signs will translate into action sooner than later.

In the build-up to the Hong Kong WTO round, newspapers are full of the political and economic impact of such measures. But there is little mention of the Least Developed Countries and the Commission's call to provide funds and resources so that they can adjust to new opportunities in the evolving world trading regime. I need not point out to this distinguished audience that *trade presupposes the production of goods and services to be exchanged*. Productive capacity is key to render real meaning to trade concessions and fairer policies.

### ***Finding the resources***

To support the changes recommended will require that African economies grow at the rate of 7 percent a year. In order to kick start this, the Commission called for an increase in aid with an additional US \$ 25 billion per year to be implemented by 2010 and then, after further review, 25 billion per year until 2015.

The strategies to raise the level of funding include debt relief. They also remind donor countries of their commitment in Monterrey to provide annual funding for development to the tune of just 0.7 percent of their gross annual income. Most importantly, as with the

immunization facility, Mr. Brown has sought to do this through contributions to a new International Finance Facility.

This then is the road map set out by the CFA. It is clear there is no magic solution. We have to take the best globalisation can offer and link it to what local people can contribute. We have to continue advocacy work, winning hearts and minds until we achieve our objective.

Distinguished Ladies and Gentleman,

I now wish to provide you with a quick case study from the field that I am best acquainted with, the field of urbanisation. The Commission considers urbanisation of poverty as the second greatest challenge facing Africa behind AIDS.

Africa is the fastest urbanising continent in the world today. The annual average urban growth rate is 4 percent, twice as high as Latin America and Asia. Already, 37 percent of Africans live in cities, and by the year 2030 this is expected to rise to 53 percent.

Research conducted by UN-HABITAT, the UN Agency for Cities and other Human Settlements of which I am the Executive Director, shows that sub-Saharan Africa has the world's largest proportion of urban residents living in slums. These slums are home to 72 percent of urban Africa's citizens. That percentage represents a total of 187 million people. These figures show that the locus of absolute poverty in Africa is shifting to urban areas. In fact, slums are among the most dangerous living environments in the world. For example, it is estimated that there are around 90 infant deaths per 1,000 in urban slums as compared to 76 in rural areas, and 57 in the rest of the city.

Slums are a hub of rising crime and violence. We must remember that in this global village, someone else's poverty very soon becomes one's own problem: of lack of markets for one's products, illegal immigration, pollution, AIDS, other diseases, insecurity, crime, fanaticism, terrorism.

### ***Zimbabwe, the tip of the iceberg***

If anyone has reservations about the urgency of the urbanisation of poverty in Africa, they need only look at the crisis in Zimbabwe. As you may well know, I was sent to Zimbabwe as the Secretary General's Special Envoy on Human Settlements Issues. What I found there is well known. But less publicized is that my report pointed out that Zimbabwe was the tip of the iceberg. If we do not address the problems of rapid urbanization, we may well be in for many more mass evictions and human misery in other African countries. Sadly, evictions of the urban poor from their dwellings are common in many African cities. The difference in Zimbabwe was the scale of the evictions.

### ***Slums and the MDGs***

The crisis of slums has been taken up at three major international meetings of the United Nations – at the Millennium Summit, the Commission for Sustainable Development, and most recently at the World Summit in New York. On each occasion, our leaders reaffirmed that UN-HABITAT should work towards the prevention of slums, and do all it can to lead the way in meeting Target 11 of Millennium Development Goal number 7. It calls for *achieving significant improvement in the lives of 100 million slum dwellers by the year 2020* and to attaining the ideal of *cities without slums*.

Many African governments still have not woken up to the realities of urbanization. This is why UN-HABITAT has been working with NEPAD to establish the NEPAD City programme for inclusive cities with security of tenure for the urban poor. At the same time, UN-HABITAT has just helped establish, for the first time, the African Ministerial Conference on Housing and Urban Development (AMCHUD) under the auspices of the African Union. At their inaugural meeting in Durban, South Africa in February this year, the African Ministers called for greater investment in urban infrastructure.

To do achieve the slum target, African governments and municipalities need training and resources. They must be encouraged to allow greater participation from non-governmental organizations, the private sector and the poor themselves.

### ***The Slum Upgrading Facility***

Few if any African countries have mortgage facilities that could provide for the urban poor. This is one of the reasons that the Commission strongly recommends the financing of a Slum Upgrading Facility as part of the International Finance Facility. The aim is to help poor people find the money to invest in their own housing and utility services. The SUF would not itself give loans, but will provide technical assistance to poor communities to prepare bankable projects and provide municipalities and housing groups with the start-up capital to establish housing loan guarantees. It would act as a credit enhancement facility for those who otherwise cannot get access to commercial loans. It is estimated that such an initiative will require in the region of US\$ 250 million per year for five years.

Let me be absolutely clear here: Investing in 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 worthwhile, something bankable. The poor are only too willing to invest their meagre savings here, as has been shown in parts of Asia. What we need urgently is the institutional process to encourage this.

Pro-poor mortgage finance is economically viable. Today we know this because most slum dwellers are already paying exorbitant rents for the shacks in which they live when one considers the quality of such abodes. They also pay up to twenty times more for water than those better off whose homes are often connected to subsidised municipal supplies. The urban poor do not need cheaper or free housing and utility services. They only require decent, affordable services. And for this we need the Slum Upgrading Facility to show how it can be organised and brought to scale.

However, establishing urban planning strategies and investment in pro-poor housing means we need to tackle everything from governance through to capacity building. It involves working on peace and security to stop forced migration and investing in rural development. It entails working with local authorities on participatory strategies that include the urban poor. It requires considerable resources in the form of a slum upgrading facility to encourage pro-poor investment.

### ***Monitoring and implementation***

It is extremely important therefore that civil society in Africa, Europe and North America take a lead in holding governments accountable to the recommendations of the Commission report. Those of you in this distinguished audience from the Economic and Social Research Council and the Development Studies Association are vital in this quest.

*We need and value your commitment, perseverance and knowledge.*

As we await for the outcome of the WTO meeting in Hong Kong next week, let us heed the Commission recommendation that an independent watchdog be established to report back on progress. It suggested that this could be a small unit within an existing African or international institution. At present the Africa Partnership Forum has provided reports on NEPAD and committed itself to creating a mutual monitoring system with defined benchmarks. We need to build on this and ensure we have a mechanism that can help us monitor and evaluate the CFA recommendations and follow through on promises.

The AU Heads of State Summit has in its decision on the CFA mandated AU countries to *follow-up, in collaboration with Member States and stakeholders, the implementation of the CFA Report and report to annual seminars of the Assembly*. It is hoped that this process will feed into the AU and G8 summits on a regular basis.

For me, as a Commissioner, this is a sign that this time round we shall be held to account. Without follow-through investments to fulfil the promises, the CFA initiative could turn into a thorny embarrassment. That is why I am now working hard to capitalise the Slum Upgrading Facility which falls under my responsibility. I hope you will also work hard to fulfil the recommendations in your respective mandates, capacities and competencies.

Africa does not need, and cannot afford more broken promises.

Friends,

We must avoid further crises like Zimbabwe. In concluding, I urge you to think of the best way forward, and keep the candle of hope and progress burning for a new African dawn.

May your deliberations today provide a new benchmark for success. Thank you for your kind attention.