



**UN-HABITAT**

**Address by  
Mrs. Anna Tibaijuka  
Director-General of the United Nations Office at Nairobi,  
[Under-Secretary-General of the United Nations  
and  
Executive Director of UN-HABITAT]  
on the occasion of the 12<sup>th</sup> Summit of the Comesa Authority  
of Heads of State and Government,  
Nairobi, 22 May 2007**

Your Excellency, President Mwai Kibaki,  
Your Majesty, King Mswati III of Swaziland,  
Your Excellencies Heads of State and Government, and First Ladies,  
Honourable Prime Ministers,  
Honourable Mukisha Kituyi, Minister of Trade of Kenya and Honourable Ministers of  
the Comesa Member States,  
Your Excellency, Dr. Erasmus Mwencha, Comesa Secretary-General,  
Ambassadors,  
Colleagues in the United Nations,  
Ladies and Gentlemen.

It gives me great pleasure to invite you to this meeting in Nairobi. It is a great honour for us that you are gracing the United Nations headquarters in Africa with your presence here. As you know, there are four headquarters of United Nations in the World. After New York, the main headquarters, we have Geneva and Vienna. Nairobi is the only UN headquarters in the developing world. Today we find ourselves gathered here at the home of the United Nations Environment Programme, the agency that works to protect our planet's natural environment, and UN-HABITAT, the agency of which I am the Executive Director which works for the built environment. This meeting could have been held elsewhere in this wonderful city, and so it is with a special word of appreciation to Your Excellency, President Kibaki, that we in the United Nations Office at Nairobi extend to you our thanks.

**Your Majesty, Excellencies, ladies and gentlemen,**

We are gathered here in our capacity under the Comesa Authority. In welcoming you all today, I will go straight to the point because I know that the measure of success here will be what gets decided for Africa.

Make no mistake, trade has everything to do with the natural and the built environment – be it offsetting the pollution that leads to climate change, or economic refugees pouring into our cities at such a rate that they are bursting at the seams – the urban slums that are home to 70 percent of urban Africans. Indeed, Africa’s cities are the fastest growing in the world and nowhere is this urbanisation poverty greater than in Africa. The fact that one third of our people in Africa are environmental refugees is a trade issue. We need to remove the bureaucratic barriers to free up trade for poverty reduction. We need better planned cities with proper trading sites and market places where everyone can trade. And that means improving slums, and providing better water, sanitation and other urban services. *Trade is arguably one of the most important tools we have in the arsenal against poverty.*

**Your Majesty, Excellencies, ladies and gentlemen,**

It gives me great pleasure to see among us today, my fellow Commissioner for Africa, Prime Minister Meles Zenawi of Ethiopia. We worked hard over many months to bring Africa’s problems high onto the international agenda. I know that he will agree with me when I say that to make serious inroads into poverty requires a new partnership between Africa and the developed world. It is a partnership that must take full account of Africa’s diversity and particular circumstances.

Success here is critical in our planet’s new urban age. Today half of humanity lives in cities. It is projected that by 2030 that figure will rise to two-thirds. We live in an age of unprecedented, rapid, irreversible urbanisation. The cities growing fastest are those of the developing world, and the fastest growing neighbourhoods are the slums.

With our sister agency, UNEP, we are only too aware that the greatest impact of climate change takes place in cities, towns and villages. As our climate changes things are getting worse, threatening more extreme weather. If sea levels rise by just one metre, many major coastal cities will be under threat – Mogadishu, Mombasa, Dar es Salaam, Cape Town, Abidjan, Lagos. Never mind the many more smaller cities and island nations.

UN figures show that last year alone, 117 million people around the world have suffered from some 300 natural disasters, including devastating droughts floods in Africa.

Everywhere the urban poor live in places no-one else would dare set foot – along beaches vulnerable to flooding, by railway lines, on slopes prone to landslides, and near polluted grounds. They scratch out a living in shaky structures that would be flattened the instant a

hurricane hits causing untold loss to lives and destruction of property. In this new urban age, many of our cities loom as giant potential flood and disaster traps. In this very city where you are meeting, drought refugees are migrating from the countryside to join the growing slum population.

Our partners, including African Mayors and Local Authority organizations, are deeply concerned that Africa, responsible only for 3.6 percent of global emissions, is thus extremely vulnerable to the impacts of climate change. They have sought direct access to global climate funds. Here too, distinguished ladies and gentlemen, *trade is arguably one of the most important tools we have in the arsenal against environmental degradation.*

Let's make the dawn of the new urban age a bright one for our beautiful blue planet. We must have local solutions and local funding to offset global disasters.

Yet as this august audience knows only too well, the link between trade and the environment has often worked against Africa.

In the World Trade Organization, the Committee on Trade and the Environment (CTE) is responsible for identifying the relationship between trade and environmental measures to promote sustainable development. It also has to recommend whether any changes need to be made to the provisions of the multilateral trading system to meet environmental objectives, thus removing inconsistency with multilateral environmental agreements (MEAs). I will not go into the details, but suffice it to say here that there are five international agreements covering the WTO environmental obligations.

However, more often than not, the environmental agenda has been used by members of the WTO, especially from developed countries, to push for trade-restrictive rather than trade-enabling measures. This includes citing those very agreements as reasons to block African commodities entering developed countries. For this reason, Africa and many developing countries have expressed legitimate apprehension about a comprehensive environmental negotiation in the WTO.

Therefore, I wish to stress on two points: (i) removing the trade barriers in developed and other developing countries markets that so frustrate the fulfilment of Africa's trade potential; and (ii) the completion of the Doha Round with specific and time-bound goals for ending the appalling levels of protectionism and subsidies in the developed countries: Sustainable development must be the priority in all trade agreements without forcing liberalisation on Africa.

And indeed, we have seen intensive discussions among WTO members to try to narrow differences and make progress in trade negotiations. Through the Commission for Africa, and in other forums, the international community has made renewed commitments to help Africa tackle poverty and hunger. Among the most important are the United Nations General Assembly decision to support the New Partnership for Africa's Development (NEPAD).

And the G8 leaders have repeatedly voiced their backing here as well. The United States has renewed the African Growth and Opportunity Act (AGOA), which gives Africa's exporters better trading opportunities with the US. The European Union has offered the least developed countries, 39 of them in Africa, open market access for all their products, except arms. These developments are most welcome.

But Africans themselves should strengthen their commitment to resolve conflicts, tackle corruption, accelerate reforms, improve governance and invest in improved infrastructure. This is pivotal for better export capacity. The developed countries, led by the G8, must also remove the many obstacles that impede Africa's ability to trade its way out of underdevelopment and poverty.

They should see to:

- The elimination of domestic support and export subsidies in the agricultural sector in developed countries;
- An end to tariff escalation, which prevents Africans from moving into higher value-added products;
- Policy coherence between the WTO and International Financial Institutions to end IFI pressure on African governments to prematurely liberalise public services in areas such as water, health, sanitation and energy. The extent and pace of liberalisation should be determined by African governments' ability to develop capacity to regulate privatised public services and utilities.
- Controls over the proliferation of environmental, health and safety standards, affecting the development and export of items in which African countries have export interest. These measures are often used by developed countries as a form of protectionism. Technical assistance to develop capacity in environmental policy management is part of the deal.

Clearly, trade is an essential means by which Africa can tackle poverty and hunger, but the current rules of international trade are working against African interests. Africa will not make greater progress without fairer international trade rules.

### **Your Majesty, Excellencies, ladies and gentlemen**

As the most important leaders in your countries, I urge you always to bear in mind the impact of policies you set have on poor people, especially on women and young people. Here again, *trade is arguably one of the most important tools we have in the arsenal against unemployment and discrimination that is always exacerbated by poverty.*

We must therefore look to the pillars of getting more and more poor people to participate in growth, of promoting the role of business and the private sector both in employment and in improving the environment so that poverty reduction policies can be taken to scale and reach as many people as possible. Thirdly, you must strengthen environmental inclusion in poverty reduction strategies. We must also work with the developed world to strengthen the Global Climate Observation System to help offset the dangers of climate change.

Historically, the African domestic market has been fragmented by high internal and external barriers. In 1991, the Abuja Treaty was adopted, establishing a timetable towards the creation of a Pan-African Economic Community by the year 2025.

The existing regional economic communities were to be the foundation. This is an ambitious objective. But the first building block must be the creation of free trade areas that can be the foundation for wider economic integration at the regional and continental level.

Recent estimates of the Economic Commission for Africa (ECA) indicate that welfare gains from regional integration in Sub-Saharan Africa alone could be of the order of 12 billion US dollars, reinforcing the view that Africa's own liberalisation offers major gains.

IFPRI, the International Food Policy Research Institute, has identified more than 250 agricultural goods for which one or more Sub-Saharan African countries have a comparative advantage. Of these a third are goods that other African countries have to import. Given that only a quarter of Africa's cereals are imported, increased intra-regional trade could provide opportunities for the poor rural agricultural producers so that they do not join the legions of economic refugees.

In conclusion, I wish to recall the resolution of the Commission for Africa, and Goal 8 of the Millennium Development Goals on a new global partnership for development. The rich countries must finance *aid for trade* to help meet the economic and social costs of adjusting to a new global trading environment.

What you decide in these important deliberations will have a major impact on the way Africa adjusts to the new global trading environment in this new urban age. I wish you every success.

Thank you.