Summary

This special theme paper aims to facilitate the dialogue of the high-level segment of the twenty-third session of the Governing Council. The discussion between Governments, local authorities and other Habitat Agenda Partners is expected to advance issues on expanding equitable access to land, housing, basic services and infrastructure in the context of sustainable urban development and eventually contribute to the upcoming discussion on the United Nations Conference on Sustainable Development (Rio + 20).

The paper reflects both the outcome of the fifth Session of the World Urban Forum, held in Rio de Janeiro, Brazil, in March, 2010, and the UN-Habitat Medium-Term Strategic and Institutional Plan (2008-2013).

The paper highlights the following three sub-themes:

(a) Sustainable urban development
(b) Integrated delivery of land, housing, basic services and infrastructure
(c) Green economy in the context of sustainable urban development and urban poverty eradication; and the institutional framework for sustainable urban development

While the present theme paper focuses on cities in developing countries, many of its observations and recommendations are of global relevance because sustainable urban development, urban poverty, green economy and the institutional framework for sustainable urban development issues, within the context of land, housing, basic services and infrastructure, represent major challenges for many urban areas in developed countries and countries with economies in transition.
1. **Introduction**

1. The world is increasingly focusing on sustainable development as human demand and pollution increase and global resources decrease. What is sustainable urban development in the context of massive urbanization, migration and slum growth? How could sustainable urban development be achieved through expanding access to land, housing, basic services and infrastructure?

2. Fifty five million new slum dwellers have been added to the global population since 2000. It is unacceptable that today more a billion people live in slums and other sub-standard housing with precarious tenure security and inadequate water and sanitation. By 2030 some three billion people, about 40% of the world’s population, will need housing and basic services. This translates to 96,150 housing units with serviced documented land daily.

3. Sustainable development approaches are based on economic, social and environmental aspects. In the context of urban sustainability, urban space and urban governance are important aspects that need further consideration. Building on Habitat II and the Sustainable Development Summit - the Johannesburg Plan of Action, sustainable urban development takes into account the spatial, physical and governance aspects of a city development process.

4. The 23rd Governing Council deliberations will make it possible to better articulate how expanding equitable access\(^1\) to land, housing and basic services and infrastructure can stimulate sustainable urban development and provide a transition towards the green economy. Institutional framework for sustainable urban development, in this context will also be addressed.

5. Sustainable urbanization must be guided by planning urban expansion based on territorial development to accommodate new demand for land, housing, basic services and infrastructure. Such planning should enhance economic growth and job creation and must be based on mobility principles aiming at energy consumption efficiency.

6. The 23rd Governing Council deliberations will be the last opportunity for governments to influence UN-HABITAT’s position to embed sustainable urban development in the United Nations Conference on Sustainable Development (UNCSD)\(^2\) known as Rio +20, in 2012.

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\(^1\)“Expanding equitable access” will be used to refer to “expanding equitable access to land, housing, basic services and infrastructure”

\(^2\) The objectives and themes of UNCSD are specified in GA Resolution A/RES/64/236
II. Mandate

7. The United Nations Conference on Human Settlements (Habitat II) affirmed in Istanbul nearly 15 years ago that “there is a need to make efficient use of resources within the carrying capacity of ecosystems and provide to all people, especially vulnerable and disadvantaged groups, equal opportunities for a healthy, safe and productive life in harmony with nature and their cultural heritage and values, and which ensures economic, social and environmental protection, thereby contributing to the achievement of national sustainable development.”

8. The present theme paper is intended to stimulate debate between Governments, local authorities and other Habitat Agenda partners during the twenty third session of the Governing Council that will lead to responses to contemporary challenges and that will have the following objectives:

   (a) To adopt a position of the Governing Council for sustainable urban development as its contribution to UNCSD Rio +20 in 2012;

   (b) To develop strategic responses to the problems, building on recommendations of the Habitat Agenda, the Millennium Development Goals (MDGs), the Johannesburg Plan of Implementation and the outcome of the high level plenary meeting of the sixtieth session of the General Assembly (2005 World Summit outcome);

   (c) To mobilize the commitment of Governments and Habitat Agenda partners at the international, national and local levels to expand equitable access within a sustainable urban development framework;

9. While the present theme paper focuses on cities in developing countries, many of its observations and recommendations are of global relevance because sustainable urban development, urban poverty, green economy and the institutional framework for sustainable urban development issues, within the context of land, housing, basic services and infrastructure, represent major challenges for many urban areas in developed countries and countries with economies in transition.

III. Attaining sustainable urban development through expanding equitable access to land, housing, basic services and infrastructure

A. Sustainable urban development

10. Sustainable urban development aims to improve the long-term social, economic and ecological health of cities and towns by reconciling the future vision, dreams and aspirations of city dwellers with their...
present needs and realities, by promoting urban human security and reconciling future progress and development with present prosperity.

11. The vision of sustainable urban development emerging within UN-HABITAT incorporates a multi-sectoral approach. UN-HABITAT’s Medium Term Strategic and Institutional Plan (MTSIP), elaborates this vision through different Focus Area policy and strategy responses. In this context, sustainable urban development thus includes making cities: (i) economically productive; (ii) environmentally sustainable and livable and (iii) socially inclusive and equitable including preventing violence and crime.

12. Sustainable urban development must also address equity and poverty. Equitable societies are in the long term more efficient. According to the World Bank, “..by placing equity and fairness as central elements of an efficient development strategy, developing countries will be better able to reach sustainable growth and development trajectories.”³ No city can claim to be harmonious if large sections of its population are deprived of basic needs while other sections live in opulence.⁴ This articulation of sustainable urban development is consistent with sustainable development principles.

13. Sustainable urban development is the spatial manifestation of urban development processes that creates a built environment with norms, institutions and governance systems enabling individuals, households and societies to maximize their potential and that optimizes a vast range of services so that homes and neighborhoods, cities and towns are planned, built, renewed and consolidated, while minimizing adverse impacts on the environment and while safeguarding the quality of life, needs and livelihood of its present and future populations. Therefore, “Sustainable urban development” can be defined as the spatial transformation of the urban environment and the quality of life of its inhabitants - through participatory, equitable, accountable and effective planning, management and governance processes and systems - making neighborhoods, towns and cities more environmentally sound, economically productive and socially inclusive for their present and future generations.

14. Experience has shown that to achieve sustainable development and prepare for new urban immigrants we need to work at the national, regional, city and local levels. The global and regional levels are also vital for advocacy and policy development.

15. This paper further explores how expanding equitable access to land, housing, basic services and infrastructure are crucial in contributing to sustainable urban development.

B. What does expanding equitable access mean?

16. Expanding equitable access is critical to achieving the MDGs and sustainable urban development. Expanding equitable access for land, housing and basic services for poverty reduction means engaging with a range of sectors simultaneously in an integrating manner. Poverty has multiple root causes that defy sectoral solutions. Land and housing and basic services, the material aspects of poverty, are crucial in developing countries. Deprivation is often manifested through increasing slum formation. Expanding equitable access for poverty reduction requires an integrated, harmonized and coordinated approach.

17. It is important to re-conceptualize expanding equitable access to urban land, housing, basic services and infrastructure beyond the supply-demand relationship to include other paradigms including the provision of services in a socially inclusive, integrated and convergent manner, responsive to the needs of different citizens groups, affordable, sufficient, adequate, timely, in compliance with local, regional, national, and international obligations, regulations, in an environmentally responsible and sustainable manner.

18. Expanding equitable access may be operationalized in different ways. This paper promotes "equitable expansion of access" based on fairness, paying special attention to under-serviced groups. Equity is fundamental to reduce poverty and exclusion and promote progress and development. Cities will prosper only if they have a fairer distribution of resources and opportunities, application of the law, use of institutional rules, and access to services and social amenities. Equitable cities guarantee the protection of their inhabitants through creating conditions to distribute the benefits of growth and development in a non-discriminatory manner.

19. Practical steps for cities to become more inclusive include targeted action to expand access for disadvantaged groups to land, housing, basic services and infrastructure. Revenue generated from value capture of urban investments can fund services by ensuring that those with greater capacity to pay bear a proportionate cost of services. Through equitable land taxes, authorities can discourage speculation preventing exorbitant land prices that lead to skewed land distribution patterns.

20. At the policy level for expanded equitable access to become reality, coherent responses that transcend sectors are required to integrate multiple systems and levels of governance, whilst also rationalizing standards, subsidies and tariffs, cutting waste and maximizing returns. Incentives to ensure that service providers expand access in an integrated socially inclusive manner are essential, they can
include one or a combination of the utilization of pricing instruments, focused financial incentives (tax credits or grants), direct regulation, or reduction of compliance costs.

21. An enabling policy environment is required to facilitate expansion and development of the capacity of service providing institutions and systems to expand access and act in a concerted integrated manner to deliver socially inclusive land, housing and basic services. This includes improving capacities to make decisions, programme and coordinate coherent systems for the integrated services delivery, data gathering and analysis, integrated participatory planning and budgeting. Institutional support for sustainable urban development works horizontally across different domains and institutions, while the traditional organization of authority is vertical, within institutions. It is important to move beyond the vertical to also include the horizontal relationships.

22. Such a re-conceptualization of expanding equitable access must be driven by the question of access for whom? The Social Floor Protection initiative of the United Nations, to which UN-HABITAT contributes, promotes the use of sustainable systems to provide essential services which contribute to the realization of human rights – socially inclusive perspective to service delivery. Social inclusion ensures that those at risk of poverty and exclusion participate fully in economic, social and cultural life and enjoy an adequate standard of living and well-being. A socially inclusive approach at the heart of expanding access to services focuses on citizens’ needs and the ability of systems and institutions to articulate integrated service offerings to meet such needs.

23. Governments need to review and reform their land, housing, infrastructure and basic services delivery systems to make them socially inclusive and to expand access through a mix of policy interventions.

24. The desire to expand infrastructure and basic services in cities and to continually meet the ever-rising demand cannot be realized without sustainable broad based financing mechanisms. These entail looking beyond traditional sources of finance (land and property tax) and considering innovative instruments for value capture of investments to boost finances for the provision of infrastructure and basic services. Value capture instruments include, among others, infrastructure tax, land sales and auctions, selling development rights, charging impact fees, betterment levies.
IV. Challenges and opportunities to attain sustainable urban development through expanding equitable access

A. Expanding equitable access to land.

25. Land is in the critical path of the delivery of housing, infrastructure and service delivery at scale. Addressing land is needed to give urban citizens tenure security, accommodate decent housing and services, provide a basis for planning urban expansion based on sustainable mobility principles to reduce environmental degradation, and improve the overall quality of life of urban dwellers.

26. Often the development of consultative land policy processes is the first step to address land reform and poverty eradication. Land policy development and implementation, land administration and institutional and regulatory framework reforms underpin the delivery of housing, basic services and infrastructure delivery, upgrading and prevention of slums, environmental management, transport and land use planning. Sustainable urban development requires new approaches to the way land is managed, allocated, used and administered and new land policies to be implemented. Governments should undertake land policy development and implementation and institutional and regulatory reform, for sustainable urban development.5

27. Land policy processes are a key indicator of good land governance. Land governance is about the way that competing interests in land are managed. It encompasses statutory, customary and religious institutions and includes state structures and non-statutory actors. Land governance is about power and the political economy of land. Land governance challenges take various forms in regard to competition over land, disputes, corruption, and the eviction of people. Land governance is integral to overall good urban governance. Governments should anchor land interventions within a land governance framework and not just focus on the technical aspects of land administration to ensure sustainability.6

28. A range of land rights approach, where land rights can be upgraded incrementally over time, is being pioneered in a wide range of countries in both Asia and Africa. Individual titling is not the only solution to all land problems. Informal tenure types and a wide range of formal tenures which are not based on freehold title already exist in most countries. This makes it possible to address security of tenure issues for the poor, women and vulnerable groups. Governments should promote security of tenure for all by identifying intermediate forms of tenure arrangements to facilitate access to land and

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6 ibid.
security of tenure for people living in informal settlements and move away from individual titling alone\textsuperscript{7}.

29. Most countries use a ‘path to property,’ or a lengthy series of steps, sometimes over 200 steps, to deliver planned serviced land which gives tenure security, within a governance, management and financial framework. These steps take place within a country’s regulatory and institutional frameworks, and coordinate agreements by agencies at different government levels and units, by the public and private sectors. Vital steps include land use planning permissions and agreements by utilities and service supplying government bodies involving professionals such as lawyers/notaries and surveyors. The Surveyor General and Land Registry store and register/record land rights. Once all steps have been completed the land document is delivered to the land rights holder/s. Governments need to review the steps to deliver urban land to undertake regulatory and institutional reforms to the ‘paths to property,’ to expand equitable access and the supply of tenure secured land.

30. Sustainable urban development requires affordable land systems which cover the whole city or town. A number of land systems need to be reformed to also include the poor including land tenure, records, administration, information management, valuation and governance.

31. Land needs to be addressed systemically because it links the cities’ sub-systems, including economic activities, housing and service delivery, through its spatial dimension demonstrated through spatial planning, land information management (LIM) and the ‘path to property’ or delivery of legal rights. Governments need to reform their land information management systems (LIMS) to ensure systematic access to, and management of, information about land, its location, dimensions, legal status and de facto occupation, for slum upgrading and slum prevention.

32. Governments should adopt, as appropriate, pro poor technical and legal systems and build land institutional and professional capacities.\textsuperscript{8} The Global Land Tool Network (GLTN) partners are actively producing pro poor land tools and tenures to address this and implement good land policies. To support these different forms of land rights a pro poor land information and land record system is being piloted for slums. GLTN partners have successfully piloted gender evaluation criteria in Brazil.

**B. Expanding equitable access to housing**

33. Housing, the most valuable asset urban dwellers may acquire, can play a central role in economic development by generating economic growth, employment, reducing poverty and promoting

\textsuperscript{7}ibid.
\textsuperscript{8}ibid.
sustainable and green building practices. Housing accounts for nearly twenty percent of capital formation in a countries’ GDP.

34. The physical attributes of housing are delivered through an overarching governance framework and institutional, financial and regulatory systems, which enable society to build homes and neighborhoods. Housing is central to building cities and achieving sustainable urban development patterns.

35. The right to adequate housing⁹ has been universally recognized but solutions for housing low-income populations at scale have yet to be developed. Slum upgrading and prevention programs would enable governments to strengthen the role of housing in economic development and poverty reduction and steer their cities into a sustainable development path.

36. Policies are needed that promote housing in its entirety and not simply houses as units. Evidence shows that policies promoting highly subsidized state provided housing have been unable to go to scale. Recently reliance on the market for provision of houses has not succeeded in addressing increasing demand. Where both policies were implemented, unprecedented slum growth has resulted.

37. Governments should develop and implement enabling housing policies and strategies based on adequate and reliable information.

38. Governments need to reform regulatory frameworks, codes, norms and standards and develop and implement enabling policies, regulations and strategies facilitating access to a wide range of affordable, adequate, safe and environmentally-sound housing options for all segments of society. There is a need to bring to scale the provision of serviced land for housing programs.

39. The high cost of building materials is an impediment to adequate affordable housing options for the urban poor. Building materials can account for up to 80 percent of the total value of a simple house. Governments need to review building codes and norms to enable the use of local building materials and environmentally sound technologies that can help reduce housing production costs.

40. The rational use of urban land, infrastructure and energy should aim to make cities more compact integrating various urban activities. Accessibility to jobs and economic opportunities must be considered when locating residential areas. Compact city models are vital, including the role of

⁹The meaning of adequate housing is recognized in international instruments and the Habitat Agenda. There are seven adequacy criteria according to the International Covenant on Economic, Social and Cultural Rights: (1) tenure security, protection from forced eviction, (2) availability of services, materials, facilities and infrastructure, (3) location, (4) habitability, (5) affordability, (6) accessibility and (7) cultural adequacy.
housing in producing higher density residential environments, mix land uses and more concentration of economic activities in line with economies of scale. This allows residents to work and shop close to their homes, reducing long commutes, traffic congestion, energy use and air pollution producing green neighborhoods and cities.

41. Housing policies must embed pro-poor gender-sensitive land use planning associated with the notion of housing as a production and income generating sector. That will require more flexibility in the formulation and implementation of land policies and legislation where mixed land uses would allow residents to make use of housing for livelihood enhancement.

42. Governments should undertake an in-depth analysis of the functioning and structure of housing delivery to identify bottlenecks in land delivery, cumbersome urban planning and building codes, norms, and standards to overcome these bottlenecks.

43. Non-state actors’ involvement in the supply of affordable and adequate housing is vital to go to scale. Innovative tools to support existing community-based organisations, NGOs, federations, cooperatives and private companies committed to delivering social housing should be considered.

44. Expanding equitable access to adequate housing, in practice, means providing housing opportunities at appropriate scale, affordable price, sufficient in diversity of size, price and typology, and in suitable locations vis-à-vis access to employment. The scale of supply is fundamental as it impacts housing prices and overall housing market performance reducing slum prevention and the ecological footprint of cities. Therefore, enabling the housing sector is likely to impact directly on city sustainability.

C. Expanding equitable access to basic services and infrastructure

45. Basic services and infrastructure are essential to sustainable rural and urban development. Access to water and disposal of wastes governs locating human agglomerations and impacts their growth and development. Basic services and infrastructure are key to healthy populations with good quality of life. Basic services include safe drinking water, the management of all forms of wastes, efficient safe transport options and access to energy.

46. Basic services, housing and land are inextricably linked. Designing access to basic services impacts the spatial location of land, housing and infrastructure. Planning and financing basic services including safe water, the management of wastes, transportation and energy must be part of land and housing provision for sustainable urban development.
47. Better water resources management and local distribution are required to ensure the best use of scarce resources. A perspective beyond the urban area should include the management of surface catchments and groundwater resources. Rain water harvesting and reuse of urban run-off and drainage solutions need to be addressed during land use planning and housing development.

48. Understanding the delivery of water, sanitation, mobility and energy services in urban systems of different sizes is critical for sustainable urban development. Governments are moving away from the one size fits all approach, and towards integrated approaches combining mixes of technologies and planning instruments. This is important for linking the formal and informal sectors. The informal sector plays an important role in service delivery. New local governance approaches are needed to embrace this opportunity.

49. All forms of wastes impact on the establishment and sustainable development of human settlements. The production and use of human and animal wastes impact the quality of life of city dwellers. Contamination of land and water resources continues to proliferate where urban management and governance are weak. Wastes influence and impact water, land and housing resources. Governments should manage their wastes properly to support sustainable urban development.

50. Efficient and safe transportation is key for livelihood development and sustainable mobility in urban systems. Lack of mass transportation has contributed to lack of access to employment and increased environmental pollution and the decline in big cities. Sustainable transportation and the provision of energy in urban areas faces challenges with the depletion fossil fuel energy resources and the promise of new and efficient technologies is still distant, especially for the urban poor. Access to energy sources is critical for cooking food and to maintain comfort in some cities. Governments should review urban transport and energy efficiency requirements and design appropriate systems, also for the poor.

51. Trans-boundary issues are vital to water resources and wastes recycling and disposal. These challenges, exacerbated by climate change, will affect water availability in particular. Governments must assess the local, national, regional and trans-boundary impact water resource and wastes recycling and disposal, and the effect of climate change to design appropriate systems, including for the poor.
V. A. Implications of Green economy in the context of sustainable urban development and urban poverty eradication

51. Twenty years after the Rio Summit,¹⁰ the concept of Sustainable Development will be revisited on the occasion of a UNCSD, “Rio+20”. The objectives of the Conference are: securing renewed political commitment for sustainable development; assessing progress to date and gaps in implementation of the outcomes of the major summits on sustainable development; and addressing new and emerging challenges. The main themes of the Conference are: green economy in the context of sustainable development and poverty eradication, and the institutional framework for sustainable development.

52. Rising to the new global challenges which the world confronts calls for a new vision of shared prosperity which respects planetary boundaries, an upward convergence of living standards and downward convergence of negative environmental impacts. It must be complemented by mapping out feasible pathways to its attainment, and practical steps including global partnership and cooperation, technological and institutional innovation, changes in human preferences and behavior, and adjustments in the global distribution of income and wealth.

53. Cities have a vital role to play in the realization of the green economy. Achieving this goal involves embracing strategies for green economic development at city level, within the city-region, and via networks of cities operating at even broader scales such as we have seen in India. Cities and metropolises, like Chicago in the United States of America and Curitiba in Brazil, can plan for development that creates jobs, reduces energy consumption and limits emissions.

54. Governments must address the large scale slum formation which impacts climate change. Systemic land and housing reforms are required including the promotion of more appropriate land use patterns, housing typologies, residential densities and construction patterns which affect the built up spatial form of the city. Issues to be addressed include urban densification rather than urban sprawl including residential space and reduced production of emissions related to urban form and urban mobility patterns.

55. Buildings are a major source of greenhouse gas emissions and up to 40 percent of global energy consumption comes from buildings. Housing sector reforms must include the promotion of green building standards and sustainable housing practices to reduce the carbon footprint.

56. Improved land use and transport planning, will lead to a decrease in carbon emissions generated by traffic; Bogota has pioneered new approaches in this area and Amman, Jordan is developing a multi-

¹⁰ The United Nations Conference on Development and Environment, held in Rio de Janeiro, Brazil, 1992
sector program to reduce emissions. Failure to provide adequate serviced land for all social groups, particularly the poor, leads to informal settlement in environmentally fragile areas. Pro poor land information management and records which are co-managed by communities will also improve the environmental management of neighborhoods. Land is a critical asset for the poor and therefore key to a green economy which is also addressing poverty eradication.

57. Climate change will impact both positively and negatively on the provision of basic services. The extremes will mean greater challenges and flexibility in managing systems, for example water storage, but will also need to address adaptation, to improve resilience of infrastructure delivery systems. Infrastructure/climate disasters and other human-made and natural disasters will also require new interventions. The failure of infrastructure management in regard to the cholera outbreak in Haiti demonstrates this.

58. Slum upgrading and slum prevention at scale through improving urban systems will have a major positive impact on mitigation and adaptation of cities to climate change. This can only be done through reforming urban systems for expanding equitable access to land, housing and basic services.

**B. The institutional framework for sustainable urban development**

59. A sustainable urban development framework must generate coherence in actions and outcomes in cities that do not jeopardize the present and future population needs and demands. Governance and institutions are the foundation of such coherence and for enabling the expansion of accessibility to land, housing, basic services and infrastructure. In addition to incorporating the urban agenda into the overall global sustainable development paradigm, the challenge is to identify global and supranational institutional elements that can facilitate integration, on a continued basis, across existing jurisdictions and programme structures, without undermining or displacing them. Global covenants and cross boundary agreements are necessary and urgent.

60. At the global level the focus is on a critical assessment of the performance of the Commission for Sustainable Development, to strengthen and make it more effective for bringing coherence between the three domains of sustainable development, within the context of United Nations reform, “delivery as one” and inter-agency articulation at the country and city levels.

61. Agenda 21 had called for institutions to integrate the three objectives at national levels. Some countries established national sustainable development councils or forums. A new generation of actions and strategies need to be developed incorporating new approaches to sustainable urban development. It is imperative that the role of local authorities be recognized in the institutional
context of sustainable development to enable them to integrate the economic, social and environmental perspectives of cities. UN-HABITAT should be mandated to bring forward these issues into the international debates.

VI. Questions for debate

62. What impedes land policy development and implementation for housing and basic services delivery? How can pro poor land systems facilitate housing, basic services and infrastructure delivery to prevent slum formation?

63. What are the main principles for sustainable urban development? How do you envision sustainability in relation to expanding equitable access to land, housing, basic services and infrastructure?

64. Which governance mechanisms facilitate integration/coordination of planning, delivery and management systems for water, sanitation, land, housing, transport and energy? What are the key success and limiting factors?

65. What are the implications of green economy, in the context of sustainable urban development and urban poverty reduction? What are the roles that national and local governments play in promoting sustainable urban development and urban poverty reduction and in strengthening the institutional framework?

66. Cities, city-regions and city networks in different regions have various strategies to choose from in realizing the Green Economy through new urban development models and technologies. What challenges need to be overcome to achieve this?

67. National and local governments can help cities collaborate to achieve sustainable urban development by helping cities to think outside of their jurisdictional boxes to find innovative governance solutions to realize common interests. What challenges need to be overcome to achieve this?