

A New Urban Agenda for the World – Ideas and Recommendations from a Metro- politan Perspective

Member states of the United Nations have agreed to convene the Third United Nations Conference on Housing and Sustainable Urban Development (Habitat III) in October 2016 in Quito, Ecuador. At a time of rapid urbanisation, in which 70 per cent of the world's population is expected to live in cities by 2050, Habitat III aims at a New Urban Agenda as a global policy guideline for sustainable urban development.

METROPOLIS, the World Association of the Major Metropolises, is supportive of the idea of a New Urban Agenda. With this paper it is contributing ideas and recommendations to the dialogue on a future agenda. As the New Urban Agenda (NUA) is not drafted yet, the paper begins by analysing discussions within the framework of the UN on sustainable urban development. At the same time, it analyses the situation of metropolitan cities and regions as well. Currently, member states are discussing local governance and urban development in the context of the broader Post-2015 Development Agenda with its universal Sustainable Development Goals (SDGs). Metropolitan cities and regions support the development of the NUA agenda, but do so from the pragmatic perspective of the local level, where most of the agenda implementation will be delivered.

METROPOLIS is hopeful that the Habitat III process and the New Urban Agenda will go beyond the SDGs and define more clearly the goals, targets and necessary means of implementation for sustainable urban development. Therefore, METROPOLIS is committing itself to actively supporting this process. In the final chapter of this paper a list of METROPOLIS contributions is given and all cities and regions are called to join the process. Finally, this paper introduces five principles which are intended to shape the development of the New Urban Agenda.

1. The changing role of cities as partners in international development

When the United Nations was founded 70 years ago, governments of sovereign nations were the main players in international relations. All others, including local and regional governments, were represented indirectly through their national governments in international bodies. While the formal institutional framework has remained basically unchanged until today, cross border and transnational cooperation by public and private institutions of all kinds is mushrooming around the world. In addition, national governments increasingly realise that not only do they need international cooperation to cope with international and global challenges, but that achieving related policy goals requires a new partnership with local and re-

gional governments, civic society and private stakeholders. What this does or could imply for cities can be observed in the case of the new Post 2015 Development Agenda and the New Urban Agenda.

In 2012 member states of the United Nations embarked on the process of developing a Post 2015 Development Agenda, merging the Rio+20 process with Millennium Development Goals (MDG) ¹, and in July 2014 the Open Working Group (OWG) of the UN General Assembly recommended universal Sustainable Development Goals (SDG) including goal 11 on sustainable cities and human settlements ². During this process politicians and experts repeatedly acknowledged the importance of local and regional governments. For example, UN Secretary General Ban Ki-Moon said at the 'Cities Leadership Day' in Rio de Janeiro, Brazil on the 21st of June 2012, that "The road to global sustainability runs through the world's cities and towns." The High-Level Panel of eminent persons on the Post 2015 Agenda concluded, "Cities are where the battle for sustainable development will be won or lost." Two years later in December 2014, the UN Secretary General, in his Synthesis Report on the Post 2015 Agenda 'The Road to Dignity by 2030', again described the important role of local and regional stakeholders in implementing SDGs. ³ According to the Synthesis Report, "... it will be important to consider that many of the investments to achieve the SDGs will take place at the sub-national level and led by local authorities" (paragraph 94). In addition, the report outlines that the "full engagement of local authorities" is required for the implementation of strategies (paragraph 134): "In many instances, sub-national and local authorities, including mayors, are already leading the charge for sustainable development." Furthermore, chapter 5.3 of the report describes the necessary support from local authorities in monitoring, evaluation and reporting to assure the accountability of agenda implementation.

METROPOLIS acknowledges that considerable progress has been made in the Post 2015 Agenda process. Nonetheless, there is still a lack of clarity about tasks and responsibilities. For example, goal 11 is entitled "Make cities and human settlements inclusive, safe, resilient and sustainable". While the goal is inspirational, there are unanswered questions as well. Neither the title nor the text outlining the goal specifies who shall do what. What degree of involvement will be expected of cities in implementing SDG 11 and those other SDGs which need to be localized before they can be implemented? Will National Urban Policies and funding mechanisms in all member states be provided as part of the enabling environment for the tasks and responsibilities of local and regional governments? And with respect to the engagement of civic society: How will the participation and social visibility of women, young people and other groups be encouraged and how will the global agenda and urban planning incorporate their input? These and other questions should be answered before the final set of SDGs is adopted by member states in September 2015. If this is not possible, the Third UN Summit on Housing and Sustainable Urban Development (Habitat III) in October 2016, which aims at an agreement on a New Urban Agenda, will be an even more important opportunity to specify and develop this partnership.

Partnership for effective development co-operation goes beyond organizing stakeholder

¹ United Nations (2012) *The future we want*, General Assembly Resolution A/RES/66/288

² United Nations (2014) *Report of the Open Working Group of the General Assembly on Sustainable Development Goals*, A/68/970

³ United Nations (2014) *The Road to Dignity by 2030: Ending Poverty, Transforming All Lives and Protecting the Planet*, Synthesis Report of the Secretary-General on the Post-2015 Agenda, 4 December 2014, New York

meetings and online forums, assigning tasks to sub-national authorities and monitoring progress. In the multi-level system of development cooperation international organizations, national governments and sub-national authorities have different functions and competencies. Without disregarding these differences, it will be necessary to establish a functioning communication and value production chain, which takes into consideration the local perspective as much as the national and international one. Cities are hubs for many services. Sustainable cities and especially sustainable metropolises should become hubs for sustainable development and effective development cooperation.

2. The transformative power of metropolitan cities and regions in an urbanizing world

It is neither possible nor the purpose of this policy paper to describe all aspects and the entire conditionality of metropolitan cities, regions and their development as they exist around the world. Instead, the following paragraphs provide a general outline of some of the main factors driving and impacting on metropolitan development. Nonetheless, even this short description already indicates the transformative power, which especially larger cities and urban areas possess.

Growing number of metropolitan cities and regions

More than 70 per cent of the world's population lived in rural settlements in 1950, and 30 per cent in urban settlements. By 2050, the situation will have changed drastically and 70 per cent of the world's population is expected to live in cities. According to the World Urbanisation Prospects ⁴, the number of metropolitan cities was already 270 in 1990. In 2014 there were 488 cities with more than a million inhabitants in the world, representing around 1.8 billion citizens. The number is expected to increase to 662 cities by 2030. For the upcoming years, strong growth is expected for intermediate cities (with populations of between 500,000 and 1 million) but this is not a sign that the pressure on metropolitan development will ease off. Instead, it is an indication that there are many candidates on the road towards becoming new metropolitan cities and regions in the future.

While urbanisation is a global trend, population growth and rapid urbanisation are concentrated mainly in developing countries. This adds to pre-existing challenges, especially in Least Developed Countries (LDC), where the institutional and regulatory framework is often weak and authorities struggle to provide even basic services. Certainly, conditions for urban and regional development are not the same everywhere. Furthermore, it is essential to recognise the situation of women, as it varies in different societies. In many cases, women constitute the most disadvantaged groups, so problem-solving requires a sound knowledge of the specific context in each city and region. ⁵

Metropolitan cities and regions as major nodes of development

⁴ United Nations (2014) *World Urbanisation Prospects - 2014 revision* Page 13

⁵ UCLG (2014) *Third Global Report on Local Democracy and Decentralization, Basic Services for All in an Urbanizing World*

All cities are places of economic, social, political and cultural exchange, and they are all related to their urban hinterland. Small and large cities have increasingly started to form new spatial configurations like mega-regions, urban corridors and city-regions. Typically, metropolitan cities and regions are significant political and cultural centres for a country or larger region, and an important hub for national and international connections, commerce, innovation and communications. On the downside, there is their significant contribution towards global warming and the consumption of natural resources, and the fact that they do not always have effective governance. And unfortunately, these disadvantages also impact on the overall national and even international development of the city or region concerned.

In spite of all these differences, upsides and downsides cities are humanity's building blocks, given their economic size, population density, diversity, political relevance, and innovative edge. These factors provide cities with a transformative power. The achievement of SDGs and the implementation of the New Urban Agenda will depend on unlocking the full potential of all cities and especially of mega-regions, urban corridors and city-regions.

Metropolitan governance

The key to an integrated coordination of sustainable development processes is metropolitan governance. It provides an ample opportunity for increasing efficiency, reducing costs and improving the delivery of basic services etc. Nonetheless, there is not one governance model which fits all. Instead, there is a great diversity of metropolitan governance arrangements and mechanisms. There are centralized, fragmented and mixed models for governing "in a City of Cities".⁶ The degree and level of centralization or control over urban functions varies as much as the degree of formality in the relationship between various units in the metropolitan region.

Cooperation in these settings is often challenging. A joint responsibility of different institutions can end in joint decision traps, where a veto or failure to act by one institution blocks the other institutions from going ahead. In other situations a loose coupling between institutions can help to prevent joint decision traps and thus strengthen the effectiveness of governance. Again, in other situations the decentralization of responsibilities to the metropolitan level may be the right answer to improve effectiveness. Fortunately, many metropolitan cities and regions have gained a good stock of experience, which can be shared with others and used to build on in future.

To unlock their full potential, it will be essential for each city and region to develop medium- to long-term strategic plans for their cities as guides to decision-making, urbanisation, development and investment. The authors suggest that more bottom-up processes be applied that incorporate input from grassroots groups of women and other marginalised groups in society.

National governments need to support metropolitan governance by providing an enabling environment including National Urban Policies, an institutional and regulatory framework and – where appropriate – decentralized responsibilities and finances.

⁶ UN Habitat (2008) *State of the World's Cities 2008/2009*; UN Habitat (2014) *State of the World's Cities 2012/2013*; Metropolis (2014) *Comparative Study on Metropolitan Governance*, Barcelona; OECD (2015) *Governing the City*, Paris.

Metropolitan cooperation

Globalization has changed urban and territorial geography, which increasingly extends from villages to megacities in an immense global web.⁷ These places are not only interconnected, but often they are increasingly interrelated and interdependent as well. Against this background, it is not an option for local authorities to ignore developments inside and outside of their own administrative borders. For this reason, cities and regions exchange knowledge and experience with other local and regional authorities and contribute to national and international dialogues. Looking at how other cities have solved a problem is a simple way of seeking advice, and helps to solve problems in one's own city. In other cases where there are no model solutions, exchange and cooperation can help to search jointly for solutions. Unfortunately, it is often in those cities, where the problems are the biggest, that local governments cannot afford to finance exchange and capacity building to the extent necessary.

No city or region, however big or powerful, has the capacity to influence the global agenda on its own. Local authorities from different parts of the world need to build close alliances to be heard in global forums and to be able to influence international decision-making processes. This is why networks of cities and local governments are crucial in today's world.⁸ To foster exchange and cooperation, national and international associations have been established and continue to grow. METROPOLIS is the metropolitan section within UCLG. The association brings together 139 metropolises located in all continents and representing 685 million citizens. It promotes the exchange of information and good practice on projects, has an international network of training centres specialising in metropolitan issues, fosters the international positioning of its members, and promotes the development of a culture of international cooperation through concrete projects. Every three years METROPOLIS organises a World Congress. Several METROPOLIS initiatives contribute to the current dialogue on sustainable and urban development. These include the compilation of a 'Voice of Mayors', the 'No Regrets Charter' on the urban mitigation of climate change and the initiative to foster integrated urban governance. Further activities, including an ad-hoc task force 'PrepCity' to support urban preparation for SDG and agenda implementation, are planned.

Alongside UCLG, Metropolis created the Global Fund for Cities' Development (FMDV) in 2010 to strengthen solidarity and financial capacity on the part of and between local authorities. FMDV meets local governments' expressed need for an instrument at their disposal that strengthens local public finances, boosts local economic development, optimises urban financial planning, and implements concerted and integrated development.

3. Integrated urban governance - horizontal and vertical coordination as a challenge and as a backbone for sustainable development

Integrated urban governance, multi-level coordination and sustainable development are not new terms. They were already on the agenda at the UN Conference on the Environment in Rio in 1992 and at the Habitat II conference in Istanbul in 1996. The only difference now is that they have acquired even greater relevance and urgency.

⁷ Global Task Force on the Post 2015 Agenda/UCLG (2014) *Preliminary narrative of the Global Agenda of Local and Regional Governments for Habitat III - Progress report* November 2014

⁸ Mensajes AL-LAs *Alianza Euro-Latinoamericana de Cooperación entre Ciudades*, 2015

Some of the challenges and opportunities of urbanisation in a rapidly changing world have already been mentioned above. Others are listed under goal 11, as proposed by the Open Working Group (OWG) of the General Assembly on Sustainable Development Goals. Under the title 'Make cities and human settlements inclusive, safe, resilient and sustainable', this distinctly urban goal is divided into a number of sub-goals addressing topics including basic services, affordable housing, transport systems, cultural heritage, environmental protection, and economic and social development. In addition to goal 11, several other goals, like those on poverty, the mitigation of climate change, health and education, can only be implemented after they have been specifically identified in the local context.

Merely this brief outline of what is listed under SDGs gives a clear indication that local and regional governments will have to coordinate a great number of topics and processes. In addition, they will have to coordinate their work horizontally and vertically with a great number of stakeholders (including women's groups) from civil society to the private sector. Horizontally, they will have to consider SDG requirements and, where appropriate, to adapt existing urban governance and cooperation arrangements and mechanisms. To do this, goal 11.b of the SDG suggests developing more integrated policies and plans at the local level. Vertically, local and regional authorities together with national and international governmental institutions are called to establish a functioning communication and value production chain. To do this in a national context, goal 11.a of the SDG suggests strengthening national and regional development planning (11.a). At the international level, SDG implementation will be coordinated and monitored under the guidance of the UN High-level Political Forum on sustainable development (HLPF).

A systemic challenge in the constellation described above is posed by the fact that vertical coordination is divided into separate arenas with local and regional governments not directly represented in international bodies like the HLPF (High-Level Political Forum). For metropolitan cities and regions this challenge is even bigger because they have to coordinate their actions with the fragmented administrative structures of their own metropolitan government arrangements. Monitoring mechanisms and national reporting are important communication tools; nonetheless, the separation of arenas and administrative fragmentation pose considerable risks to the effectiveness of communication and coordination during agenda implementation. Important information from the local level may never arrive at the international level or may not arrive soon enough, while guidance from the international level may get lost on its way through arenas and a fragmented system of administration. The possibility cannot be excluded that the current setting poses a threat to agenda implementation and goal achievement as well. To prevent this and to use the transformative power of cities as a tool for sustainable development, it is essential to achieve excellence in integrated urban governance at the local level and better coordination across policy levels.

4. The way forward. Making Habitat III a success through the development and implementation of a global agenda for sustainable urban development

Contributions of METROPOLIS and metropolitan cities and regions to the Habitat III process

Metropolitan cities and regions must play a central role in the design and implementation of (such) a global agenda. This is required as they are major nodes of development and significant political, economic, social and cultural centres for a country or larger region. Therefore, METROPOLIS will actively contribute to the Habitat III process through its actions, including the following:

- At the METROPOLIS Annual Meeting in 2015 an ad hoc task force PrepCity was launched. It offers metropolitan cities and regions the opportunity to share information about the progress of their preparations for the international agenda and to compare and discuss their local situations.
- METROPOLIS, alone and in cooperation with other associations, will generate contributions to the global dialogue on a New Urban Agenda based e.g. on experience gained during Prep City and METROPOLIS Initiatives like the 'Voice of the Mayors' and the 'No regrets charter'.
- METROPOLIS will analyse and discuss the zero draft of the New Urban Agenda on the occasion of the METROPOLIS Annual Meeting in 2016.
- METROPOLIS representatives will attend sessions of the Preparatory Committee (PrepCom) of Habitat III and contribute to the work of the Global Taskforce of Local and Regional Governments for the Post-2015 Development Agenda towards Habitat III.
- METROPOLIS representatives will actively participate in the Habitat III Conference in Quito, Ecuador, during the week of 17 October 2016.

It is necessary for as many cities and regions around the world as possible to get involved, to ensure that the voice of metropolitan cities and regions is heard and has a continuous impact on the agenda process. Therefore, METROPOLIS calls on all cities and regions to join the process leading to Habitat III and to contribute to the development of the New Urban Agenda. The possibilities to do this are manifold, including, but not limited to, the following:

- Be informed. Make use of information provided by UN-Habitat, UCLG, METROPOLIS, national governments and other sources on Habitat III and its preparatory process.
- Know where you are and what you want. Reflect with stakeholders in your own city or region, as well as together with other cities and regions, on your needs and potential and discover how your city could benefit from a New Urban Agenda.

- Join the process. Ask your government for the national report on Habitat II implementation. This report is a contribution of each member state to the Habitat III process. Contribute to national and international dialogues organised in preparation of Habitat III. Organise your own activities and feed outcomes and results into the Habitat III process. If you haven't done this yet, your city may join UCLG/METROPOLIS to strengthen these associations of local and regional governments.
- Come to Quito. Prepare your active participation at the Habitat III conference in Quito, Ecuador, in October 2015. Habitat III will be organised as a stakeholder conference offering ample opportunity for engagement.
- Enliven the agenda. Once the New Urban Agenda is adopted by member states of the United Nations, it will once again need the engagement of local authorities and a broad range of local stakeholders. They will translate the written agenda into sustainable urban development.

Principles shaping the New Urban Agenda

Habitat III will be an important venue for dialogue and exchange between international, national and local stakeholders. Nonetheless, the main measure of success will be the quality of the New Urban Agenda as a global policy guideline for urban planning and development. METROPOLIS proposes the following principles to ensure the necessary quality for the preparatory process and negotiations:

1. *A Single Integrated and Inclusive Agenda*

In 2015 alone, at least three international conferences⁹ will generate agendas or other outcome documents of relevance to local governance and urban development. It is important to recall that effective local governance and urban development require an integrated agenda and management. In addition, urban governance must always aim to achieve the type of progress that includes everyone. For instance, one of the big challenges for cities is to achieve effective equality between women and men, and thus it is necessary to implement gender mainstreaming in every public policy. Therefore, the New Urban Agenda should link all existing processes and ensure a single integrated and inclusive agenda for urban development.

2. *A Visionary and Action-Oriented Agenda*

While preparing a New Urban Agenda, the international community is facing multiple crises. Rapid urbanisation, man-made and natural risks and disasters, economic and social dynam-

⁹ The Third International Conference on Financing for Development in Addis Ababa in May, the UN Summit on the Post-2015 Development Agenda in New York in September and the United Nations Climate Change Conference in Paris in late 2015

ics and many other aspects add to the challenge. A visionary approach and perseverance are needed to achieve integrated and inclusive urban development against this backdrop, but a sense of what is feasible and how it can be achieved is also needed. Therefore, the New Urban Agenda must include goals, measurable targets and a description of the means of implementation. The goals and targets will be most effective if they are action-oriented, concise, easy to communicate, limited in number, aspirational, global in nature, universally applicable to all countries, and focused on priority areas for the achievement of sustainable urban development. Means of implementation should include guidance on general requirements for National Urban Policies and integrated urban planning. Finally, it is hoped that guidance will be provided on the mechanisms that will mobilise the necessary funding to promote sustainable local development, as well as unlocking the economic potential of urban areas and territories.

3. *Metropolitan Cities and Regions as Hubs for Sustainable Development*

Metropolitan cities and regions face unique challenges. They represent the biggest and most complex settlements on earth; their impact goes far beyond their administrative borders and at the same time they struggle with administrative fragmentation. Nonetheless, the positive correlation between urbanisation and development is undeniable. To unlock the full potential of metropolitan cities, the New Urban Agenda should mark a shift from vilifying metropolitan cities and regions, to recognising them as powerful tools for economic growth, social inclusion (including gender equality) and sustainable development. As nodes of development they possess a transformative power which has to be part and parcel of any successful global urban agenda.

4. *Partnership*

Habitat III and the adoption of a New Urban Agenda within the framework of the UN are member-state driven. Nonetheless, a strong horizontal and vertical partnership is indispensable for the success of the Habitat III process and the implementation of its outcome documents. This partnership has to include a broad range of stakeholders from international organisations, national, regional and local governments, civil society and the private sector. The partnership principle neither ignores differences between cities in their needs and potential, nor does it ignore different functions and areas of responsibility between local governments and governments at higher levels. Instead, partnership aims at unity without uniformity and diversity without fragmentation. Partnership and participatory processes are essential to mobilise the full urban potential in agenda-setting and implementation. Considering the global outreach of the New Urban Agenda, global partnership must include contributions from North-South, South-South and triangular cooperation. In this respect, and considering the high number of local authorities in the world, the work which is being done for the Post-2015 Agenda for Habitat III by local and regional government associations, including METROPOLIS, UCLG, the Global Fund for Cities' Development (FMDV), ICLEI, and the Global Taskforce of Local and Regional Governments, is crucial. Such organisations should be acknowledged as full partners in all stages of agenda development.

5. *Subsidiarity*

While the Habitat III process has been launched by national governments at the UN, the international perspective may overlook possible challenges and opportunities for urban development. Therefore, the New Urban Agenda should ensure that decisions about urban development are taken in as decentralised a fashion as possible. Checks will need to be put in place to ensure that action is only taken at a higher political level if it is going to be more effective than if it were taken at a lower (national, regional or local) level.