



**United Cities and Local Governments**  
Cités et Gouvernements Locaux Unis  
Ciudades y Gobiernos Locales Unidos

## **Commission on Urban Strategic Planning**

Policy Paper on Strategic Urban Development

### **Introduction: The context of urban strategic planning**

The world population is rapidly becoming urbanized as the rural population gravitates towards cities. "The world is witnessing unprecedented urban explosion. The urban population has more than quadrupled since 1950 amounting to 3.2 billion in 2005 and should reach 5 billion people in 2030 (about 60% of the World population)."<sup>1</sup> This change in the distribution of the world's population presents new challenges for cities, especially in terms of planning. Urbanization is now a crucial issue for local and national economies. Uncontrolled urban growth has generated serious environmental problems, increasing social segmentation and poverty. This accelerated growth poses new challenges to national and local authorities, especially in the field of the promotion of social inclusion. These problems, coupled with a lack of land-use plans, have pushed to the limit the capacity of cities to provide services such as transportation, energy, education, health care and security.

Cities present different characteristics in different areas of the world. They are densely populated in Asia and the Middle-East, sprawling in Latin-America and combine both rural and urban aspects in Africa. "Cities occupy just 2% of the world's surface but at the same time half of the world's population that consumes up to three quarters of natural resources (UNEP, 2008)."<sup>2</sup> Despite their differences, cities share the same need for strategic planning in order to foster sustainable development. In fact, cities form the pivot of future global development.

Many of the problems faced by cities such as rural-urban migration cannot be solved within cities alone. The population living in rural areas must also be taken into account. We need new ways of thinking about the interrelation between rural and urban areas, especially with respect to planning issues. Today, from a strategic planning perspective, we realize that urban centers are not only focal points for their own economic growth but also service centers for surrounding areas. The relationship between urban centers and surrounding areas is one of interdependence rather than competition or struggle.

In most countries, rural areas have been excluded from the planning process even though cities depend on surrounding areas for natural resources. Although this fact has been recognized, the value of rural areas as a natural environment which contributes to bettering the quality of life of a territory has not always been appreciated. Moreover, the role of rural areas in local, regional and global economies is of utmost importance since productive and natural rural areas are necessary for achieving sustainable development. In order to create an interconnected, unified territory, planners must take into account the interdependence of rural areas and urban hubs. These considerations force us to re-think the role of cities in global planning processes.

<sup>1</sup> United Cities and Local Governments, *UCLG Policy Paper on Local Finance*

<sup>2</sup> European Environment Agency and others, *Ensuring Quality of Life in Europe's Cities and Towns, Tackling the Environmental Challenges driven by European and Global Change*, Version 10/02/09

## **Globalization**

Globalization presupposes the creation of a unique global area of interdependencies which constitutes the basis of a new global economy and culture. "Cities as well as metropolitan regions constitute areas of globalization and are connected to communication networks, logistical systems, transportation systems and information systems that enable us to articulate local and global areas."<sup>3</sup>. One major phenomena stemming from the globalization process is the creation of regional and international decision-making bodies in the form of supra-national associations.

One of the most important aspects of this new global organization is that it requires a new system of actors at both the local and global levels. Globalization leads to the reorganization of pre-existing territories, a new division of international and interregional labor, and a new geography of development which includes regions of both winners and losers. The advantages of globalization are technological, commercial and financial "windows of opportunities" for a qualitative jump towards a new dynamic of growth. The drawbacks of globalization are marginalization, subordination, environmental crisis and/or fragmentation of former territorial unity. The balance between advantages and drawbacks for different regions depends firstly on their pre-existing characteristics and degrees of development; and secondly, on the capacities and strategies of the system of local actors to help overcome these drawbacks. In this context, more efficient policies should be adopted by local governments for distributing the economic benefits resulting from globalization in an effort to create more equitable and cohesive societies.

## **Decentralization**

Since the 1980s in many areas of the world, welfare institutions which depended on the central government have been progressively dismantled. Consequently, both provincial and municipal governments have been made increasingly responsible for the provision of social services. Unfortunately, this process of decentralization is often merely a transference of duties and responsibilities from the central administration to the provincial and local governments, who lack the financial resources necessary to carry them out. Additionally, international credit is not readily available for local projects because the granting of aid is often dependent on specific transfers or authorization from the central government. So even though decentralization has brought decision-making closer to the people, both cities and provinces are often saddled with more responsibility than they are willing or able to accept. To make matters worse, local administrations are often denied administrative autonomy and are required to bring their policies into line with those of higher levels of government.

Although decentralization has helped to endow cities with capacities for managing new responsibilities, in many cases inequality of resources exists between different local spaces. The process of decentralization of powers and responsibilities is not necessarily accompanied by an effective decentralization of resources and tools which would facilitate the management of urban development. Generally, local authorities have weak instruments for regulating urbanism.

### **1. The strategic planning process**

Urban strategic planning is a specific instrument of management which encourages citizen participation in local policy decisions. The partnerships which emerge from urban strategic planning are especially created for designing and managing sustainable projects for the city. But these processes of citizen involvement are not spontaneous: it is the local government which is

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AERYC, electronic newsletter, December, 2008 Num 7.

primarily responsible for fostering opportunities for civil society organization participation. Furthermore, the process of participation must include actors with a strong technical orientation who have the capacity for dealing with the needs and requirements of society. This kind of public-private partnerships requires clearly established rules so that collective and individual benefits are produced which in turn strengthen the actors' motivation for continuing to participate in a project.

Urban strategic planning allows local governments to enlist the participation of social actors, to achieve consensus about policies and projects and to encourage partnerships aimed at proposing, implementing and evaluating projects. Urban strategic planning is only possible, however, if the government is willing to share the power and respect the decisions which emerge from the process of negotiation. There are three basic sources of input: political decisions and the know-how of both professionals and social actors.

During the stages of a strategic plan (Diagnosis, Planning, Strategic Management, Monitoring and Evaluation) social and political actors work together using a specific methodology. In the Strategic Management stage of the plan, the actors define their own responsibilities in the projects and design monitoring systems such as Urban Indicators Systems. Depending on the changes in the social context, the agenda is adapted to suit different conditions or circumstances.

## **2. The system of local actors**

This new way of thinking about cities implies a new system of actors. Both private actors and citizens together with local leaders are involved in the planning of city development. Since the future of their city is of vital importance to citizens, it is crucial to include them in the process of strategic planning. As far as possible, citizens participate both directly or indirectly (through representatives from civil society organizations) in the making of their own city. A large number of private actors are also invited to participate in the planning process. Private actors represent an important part of a city's economic, cultural or social activity, hence are vital to its development. A new system of "public-private-citizen" actors emerges. Moreover, the relationship and cooperation between these different actors can constitute an active and productive unit.

The shifting relationships between the state, civil society and the market are bringing about far-reaching changes in traditional ways of governing. For instance, modifications are being introduced in the design and implementation of public policy, not only through civil society commitment to social service delivery but also through the formation of associative networks, i.e. public-private partnerships which shape policy decisions. Associative networks are contributing to the emergence of a new style of governing based on participation, co-operation and shared responsibility.

Associative networks unite people around common issues. By common issues we mean matters of public concern, particularly those which are related to the common good or the public interest. Even though in practice it would be difficult to reach complete understanding about what is in the "public interest", a community can come to an agreement about its goals and the extent to which any proposed action contributes to these goals. Generally speaking, the majority of associative networks are developed in micro-spaces at the local level. They are complements to local decision-making and alternative channels for dealing with conflict. They are important initiatives for improving the design and implementation of public policy in an effort to ameliorate both social and economic inequalities. As they transform the traditional relationship between the state and CSOs, associative networks bring about radical transformations in both the actors involved and in the political education of these actors: the stakeholders gain synergy from their own cooperation. Hence both public and private sectors can benefit by optimizing their resources.

We will now discuss the role of four different actors in the process of urban strategic planning:

- The role of city mayors and local leaders in assuming leadership of urban strategic planning processes.

Generally speaking, (to be verified) city mayors and local leaders assume the leadership of urban strategic planning processes. In fact, mayors and local leaders are often the impetus for carrying out such projects. If the project is only possible with the involvement of different actors, mayors and local leaders are often the mainstay of the project.

- The role of knowledge platforms (universities and research centers).

The role of knowledge platforms is fundamental to the process of urban strategic planning because of the research they do and the data they provide. For example, in the planning strategy of the city of Rosario (Argentina), the university has played an important role in establishing an initial diagnosis of the city.

- The role of city associations and networks.

City networks are becoming important in the international sphere as an essential component of the strategy for the internationalization of cities. Participation in these networks provides a convenient institutional framework for exchanging successful experiences related to local management. Also, cooperation with other cities for exchanging technical expertise and attracting international financial aid increases the quality of public management. The participation of cities in associations and networks contributes to defining and presenting local perspectives in regional or global spheres. In addition, it allows the coordination of efforts to face issues of global scale and local impact.

- The role of supra-local entities (regions, provinces, federal states and national contexts).

The role of supra-local entities differs from one case to another. Although it may be desirable for supra-local entities to work with and support programs initiated by local entities, it is not always possible for different reasons (i.e., administrative, political, economic, etc.). For example, in the case of Rosario, the city alone has carried out the planning process without aligning its policy with that of provincial or national governments. Another example is that of the United Kingdom, where indicators established at the national level help guide the local authorities in the urban planning strategy. An important role of supra-local authority is to harmonize developments of different cities in a specific area by aiding cooperation between these cities and by helping to establish a solid network.

#### **We would like to pose the following questions:**

What are your suggestions for this new system of local actors? How can efficiency be improved? What role should supra-local authorities adopt? When should they intervene in the local planning process?

### **3. Solutions provided by city development strategies**

Criteria, concepts and values upon which strategic urban planning is based:

- Financial, social and environmental sustainability. Environmental quality and challenges posed by climate change: water, air, soil

Urban strategic planning involves long term projects and generates sustainable development through careful investment in and management of public and private resources for infrastructure. Urban strategic planning helps enable cities to meet their needs and improve the quality of life. In order to build sustainable environmental services and infrastructure, local governments must have tools of management, financing and control over these services.

Urban strategic planning should include objectives for the reduction of emissions as well as the

implementation of strategies for adapting to and mitigating the effects of climate change. There is little conclusive evidence about the effects of global climate change at a local level. Deliberative processes which estimate eventual risks should be developed at a regional level. (*Declaration of Local Governments on the Climate Change, 2009*) The inclusion of environmental services in strategic planning will permit the management of and investment in infrastructure for insuring an adequate water supply. (Istanbul Water Consensus, 2009)

- Reduction of poverty and promotion of social inclusion

A city's most pressing problems are poverty, non-integrated poor migrants, the informal economy, a lack of potable water, a shortage of food, deterioration of the habitat, environmental pollution, deficient public transportation systems and violence. Increasing social exclusion is readily observable as people are stigmatized for living in certain areas of the city.

If local social, urban and security policies are unable to overcome poverty, they should at least serve to develop infrastructure for satisfying a community's needs. One of the important aspects of the reduction of poverty is the harmonisation of the informal economy with the productive formal sectors, the development of infrastructure for transport and public services, and investment in the development of social and human resources.

- Gender equity and respect for diversity

- Citizen participation in the definition and implementation of public policies

Strategic urban planning enables local governments and various local actors to define and reach agreement on different priorities for the city. Through participation, an increasing number of citizens contributes to a city's planning and management and takes part in decisions to better the quality of life. Participation strengthens the links between the state and civil society. The challenge is to gradually involve citizens in the design of public policies.

- Cooperation and interaction of different stakeholders: public, private and civil society

The consensus is that the efficacy of public action is based on the quality of interaction between the different levels of government, business organizations and civil society. These new ways of governing are referred to as "governance", "relational government" or "networks of public-private-civil interactions". Structural reform and processes of public administration are considered in terms of their contribution to the networks of interaction or to the structures and processes of governance.

#### **4. Diversity and coherence of the plans**

"Different planning and development documents are available to local authorities to allow them to address urban challenges of a demographic, environmental and economic nature. These documents have changed significantly in recent years in terms of their objectives (steering urban development rather than hoping to control it), their style (simplified documents), their content (implementation and environmental impact) and their creation (participation)."<sup>4</sup>

The choice of different kinds of plans depends on two main factors: the size of the city and the number of inhabitants. "The area concerned by the document varies according to the size of the city. Up to a population of around 200,000 inhabitants, the plan may be limited to the urban

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<sup>4</sup> Ministère de l'Écologie, du Développement et de l'Aménagement durables, *Istded Villes en Devenir*, juin 2007

area and its immediate surroundings. At this stage, one main document is sufficient, possibly supplemented by one or more development maps for new sectors or areas to be redeveloped. But the more a city grows, the harder it is to ensure its planning and management using a single document.”<sup>5</sup>

- Present situation and long-term orientation: crisis and planning.

The planning process takes into account the current political and economic situation when establishing priorities for the city. The planning process also helps provide a long-term orientation for the city. In many cases, it serves as a tool which can help us to overcome a crisis by establishing guidelines that should be followed in times of crisis. For example, after the elaboration of the first Strategic Plan for the City of Rosario (Argentina), a very severe economic crisis gripped the country. When the crisis was finally overcome, citizens in Rosario were asked if they thought that the strategic planning process was still appropriate for the development of the city or if it would be necessary to find other solutions. Most of the population felt that the strategic planning process was still an adequate tool for the development of their city.

## **5. Strategic urban planning in action: experiences of local governments in different regions**

Planning processes that have been highly sustainable and which have triggered major transformations in the urban context will be selected. The main difficulties, lessons learned and future challenges will be analyzed, with special attention given to:

- General context (and legal context?)
- Leadership
- Definition and content of the plan/ Extent of strategic planning
- Financing the plan
- Economic development and social transformation

## **6. Declaration: the importance of planning**

We propose to develop a UCLG and local government position on strategic urban planning.

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<sup>5</sup> Ministère de l’Écologie, du Développement et de l’Aménagement durables, Isted Villes en Devenir, juin 2007