

## Item 5 – Annex 1

# **Global Taskforce recommendations on the zero draft of the New Urban Agenda**

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*The Global Taskforce of Local and Regional Governments* is a coordination mechanism set up in 2013. It brings together the major international networks of local governments to undertake joint advocacy relating to international policy processes, particularly the climate change agenda, the Sustainable Development Goals and Habitat III. The Global Taskforce is the convener of the World Assembly of Local and Regional Governments, which articulates the political voice of the constituency in the Habitat III process. These are mechanisms driven and resourced voluntarily by and for local authorities and their associations.

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### **General Comments**

Local and regional government networks of the Global Taskforce praise the inclusive and participatory process through which the zero draft was drawn up, particularly the engagement of stakeholders through the Policy Units and regional and thematic meetings, and the recognition of the Global Assembly of Partners and the Second World Assembly of Local and Regional Governments.

We welcome the inclusion of many of our recommendations in the zero draft of the New Urban Agenda, especially those relating to financing, legal frameworks, governance, and the need for effective decentralization. We particularly celebrate the text's reference to the "**fundamental role**" of regional/subnational governments in "ensuring the (...) wellbeing of our communities." and the need for a "renewed local-national partnership" based effective decentralization, respect for the "**principles of subsidiarity and the recognition of local self-governance.**" There is, however, a need to further define the mechanisms required to allow for effective decentralization."

However, the legal and **institutional reforms** necessary to empower sub-national levels of government, to allow them participate in a robust multilevel decision making-process, and to bridge the gaps in multi-level governance are not sufficiently addressed.

The zero draft's call for a more integrated and strategic **territorial approach** to national urban policies and an increased metropolitan governance are most welcome, as is its strong support for a leading role for local government in **local economic development**, and recognition of the key role of local government in promoting the participation of all actors at sub-national level. We would like to emphasize the need to consider the urban rural continuum in the agenda.

We welcome the commitment to the achievement of "**cities for all**", as well as the reference to the concept of the "**Right to the City**". However, we hope that this will be more far-reaching in the action part of the document. Overall, the renewal of the new social contract with citizens and the notion of the "co-creation" of the city could be developed in the text, as could the principle of local democracy. There should also be a clearer commitment to the universal provision of public services and the protection of the commons.

We also welcome the acknowledgment of human rights in the city, including the right to housing, based on sound public policies and the recognition of the social function of land. We appreciate the references to the role of local governments in guaranteeing inhabitants' rights, including those of informal settlements. We support the commitment to guarantee free access to public spaces and to support the informal sector, both at the employment and habitat levels. In addition, we would welcome the recognition of informal economic activities, which characterize urban development in most cities in developing countries, as a legitimate and historical means of urban production and social development that should be treated as such in urban planning.

In this regard, we believe the concept of "business-friendly cities" should ensure the inclusiveness of economic growth, recognize the crucial role of the social and solidary economy, invest financing accordingly, and ensure balanced public-people-private partnerships.

We call for the recognition of local democracy and participative governance, including the involvement of urban populations in decision-making processes (e.g. participatory budgets and planning) and in the co-production of public policies.

We welcome the text's commitment "to leverage culture and heritage in cities through integrated urban policies and to invest adequate budget shares" as well as the intention "to **place urban culture and heritage as a priority component of urban plans and strategies**". However, we would call for clearer inclusion of culture as a basic urban service and for cultural policies to be mentioned as a key component of national urban policies. Finally, we would like to suggest that "cultural impact assessments" are mentioned as a useful methodology to be used in urban planning processes (in slum upgrading, in the regeneration of city-centres and urban peripheries, and in the creation of new districts and neighbourhoods).

We welcome the zero draft's call for **gender-responsive policy-making** and support its call for training programs and government initiatives to tackle exclusion "**with particular attention to women's effective participation in decision-making for urban development.**" We would particularly like to emphasize the need for effective public policies, especially in the area of employment, particularly informal employment. Women must be recognized as agents of change and as equal and essential partners in driving the sustainable development of cities and communities.

In the light of the New Urban Agenda's goal of promoting the "city for all", and in the spirit of leaving no one behind, the agenda should promote inclusion and avoid all kinds of discrimination, paying attention to the most vulnerable communities, especially the LGBTI community. Transparent legal frameworks that ensure access to justice for the victims of discrimination must be implemented.

### **Capacity-building and development cooperation**

We warmly welcome the acknowledgement of the importance of **capacity-building and development cooperation** in the text. **However, there is a need to strengthen the notion of continued sustainable capacity building processes at the sub-national level**, including local and regional governments. The New Urban Agenda must achieve inclusive, polycentric, safe, resilient and sustainable urbanization through the design and implementation of sound multilevel, participatory policy-making mechanisms. This process must include national governments, regional, metropolitan and local spheres of government, as well as the private sector - formal and informal -, the research community, public and commercial banks, private investors, and non-governmental organizations.

The governance of the UN and its agencies should reflect today's urban reality, and the fact that urban areas contribute to significant proportion of global prosperity and opportunities, but also face serious risks and face challenges. In this context, institutional capacity-building remains essential.

## **Linking the New Urban Agenda and the implementation of the SDGs**

The GTF welcomes reference made to the SDGs in the preamble of the zero draft, and calls for **strengthened linkages between the New Urban Agenda and the SDGs**. We also strongly recommend that the New Urban Agenda provides detailed guidance, recommendations, processes and mechanisms on the implementation of the SDGs by all spheres of government, providing a coherent and integrated global strategy that builds upon existing multilateral efforts. In this regard, it should fully join up with, build upon and strengthen the many sustainability initiatives that have been undertaken by local and subnational governments worldwide in LA21 and similar sustainability planning processes that have contributed to support global multilateral goals on climate, biodiversity, disaster risk reduction and the sustainable development goals. In particular, SDG 11 should be fully integrated in the New Urban Agenda.

We further call on national governments to make clear commitments to action, and to specify concrete mechanisms for implementing the New Urban Agenda, as outlined in paragraphs 6 and 7 of the draft Quito Declaration, to palliate the non-binding character of the outcome document of Habitat III and ensure an effective transformative urban agenda.

## **Linking the New Urban Agenda, the Paris Agreement and the Sendai Framework**

We warmly welcome the fact that addressing **climate change** is stated as a goal of the New Urban Agenda, through a reference to the **Paris Agreement and its 1.5 degree long-term goal**, as well as the designation of **climate finance** as means of implementation of the New Urban Agenda. This should allow **better integration between the climate and the New Urban agendas at global, national and local levels**. Climate change mitigation should be enhanced through references to "low-carbon" activities, as appropriate. The linkages and mutual benefits of equity, prosperity and ecological and resilient cities must be further demonstrated and strengthened by introducing the concepts of "environmental justice", "green growth" "low-carbon economy", "urban food", "building efficiency" and "low-emission transport", among others. We welcome the acknowledgement of the need to build resilient communities and call for the capacity-building of local governments to this end.

## **Financing the New Urban Agenda**

As one of our major concerns is the **financing** of urbanization and the New Urban Agenda, we welcome the acknowledgement of the need for an "**innovative and effective financing framework**" to strengthen municipal finances and local tax powers. There is a need to address the mismatch between the geographical jurisdictions of local governments and functional economic development and residential areas. Incentives should be put in place, through fiscal measures and legal frameworks, to define more cohesive territories, especially regarding metropolitan areas.

**Municipal development funds** are crucial to this end. We would like to see the reference to such funds extended to cover the importance of subnational pooled financing mechanisms in bridging the financing gap, leveraging private investments, and creating more solidarity and innovative cooperation in financial engineering between local and regional governments, as well as in strengthening domestic capital markets. Moreover, added value capture instruments should be facilitated through broader taxation systems and land development mechanisms.

We would like to see a more ambitious call for better coordination and convergence between multilateral organizations, financial institutions and development banks to explore how to develop a **specific initiative for financing urban infrastructures and essential services** to respond to the dramatic needs in the coming decades. This should build on the commitments made by the Addis Ababa Action Agenda (AAAA), in which the massive investments needed to face the challenges of urbanization are hardly addressed. A **Global Partnership for Localizing Finance of Inclusive and Sustainable Development, as a joint implementation framework for AAAA paragraph 34**, would call for the convergence of initiatives, strategies and programs supporting local, metropolitan and regional governments to enhance their financial engineering capacities, endogenous resource mobilization and efficient management,

and their access to loans and equity to enable the development of territories.

**Climate finance** can also represent a great opportunity to leverage local investments. A greater focus on specific financing schemes for adaptation measures, which do not always benefit from equal revenue streams as mitigation schemes, should be integrated and considered in the document as a priority. National governments need to involve local authorities in the design and management of the financial mechanisms, as well as supporting them to generate climate friendly projects.

### **The follow-up and review of the New Urban Agenda**

The Global Taskforce welcomes the commitment to implementation at global, regional, sub-national and local levels in paragraph 165. Local and regional governments have a crucial role in the implementation of a sustainable urban agenda, as the closest level of government to the people.

The achievement of the New Urban Agenda and the SDGs will rely on the development of inclusive and effective partnerships between national, regional and local governments and their associations, and on working closely with relevant stakeholders at all levels.

We are glad to see the acknowledgement of the contributions of local government associations to the Habitat III process, particularly through the **2nd World Assembly of Local and Regional Governments**, though we regret the lack of an explicit mention of the **Global Taskforce**. We trust this recognition will be achieved as negotiations progress, given our role as a key partner in the process of follow-up and review of the New Urban Agenda. In this regard, we welcome the reference to the **Global Assembly of Partners**.

We welcome the intention to **improve dialogue** with local authorities through mechanisms such as **UNACLA** but would like to see this intention extended beyond mere dialogue to include a role in policy definition. The zero draft must be strengthened with a vision and proposals from national governments on how they intend to better engage with other levels of government to achieve a multilevel, holistic and integrated approach to sustainability.

We hope that the call for the strong involvement of local and regional authorities in the **implementation** of the New Urban Agenda will be reflected in the consultation and participation mechanisms open to us in the governing bodies of the UN System and further interaction with UN Member States.

We welcome the expression of the will to strengthen UN Habitat and to commission **follow-up** reporting on the New Urban Agenda. We would, however, like to see more details on how the system-wide implication and coordination will be guaranteed and, particularly, how local and regional governments will be involved in this process through the Global Taskforce and their networks.

We are eager to contribute and closely follow the creation of **the International Multi-stakeholder Panel on Sustainable Urbanization** 'to generate evidence-based and practical guidance for the implementation of the New Urban Agenda and the urban dimension of the Sustainable Development Goals', given that all SDGs, not only SDG 11 on cities and human settlements, have an urban dimension and require localizing in order to ensure their effective implementation'. We believe the adoption of a "decade for sustainable urbanization" by the UN would be a great incentive to mobilize all stakeholders to contribute to these agendas.

The Global Taskforce would be delighted to support a response to the call on local governments to develop implementable mechanisms to follow-up and review the achievements of the New Urban Agenda at local level.

# Key proposals

## Implementation mechanisms

We call on Member States, the UN and international institutions, civil society and professionals to build a common road map with local and regional authorities, building on existing initiatives and linked with the 2030, Climate, AAAA and Sendai Agendas, to ensure implementation at local, national and global levels. Concretely we propose:

- 1. SDG 11 as a part of Habitat III:** the New Urban Agenda should foster the implementation and monitoring of SDG 11 and the urban dimension of the targets of all SDGs. Specific instruments should be developed to ensure this.
- 2. Financing the New Urban Agenda by calling for a Global Partnership for Localizing the Financing of Inclusive and Sustainable Development:** the means of implementation set out in the 2030 Agenda, the Paris Agreement and the Sendai Framework need to be linked with the enhancement of new financial mechanisms as set out in the AAAA, including the Global Infrastructure Forum to address urban investments more directly and set a country implementation framework serving the development of the whole range of financing options for local authorities, including domestic capital markets.
- 3. Global Fund for Basic Services:** the creation of a Global Fund for basic service provision that will guarantee the access and public governance of essential services such as water, sanitation and big infrastructure should be a long term objective.
- 4. Global Observatory on Local Finance:** the creation of a global observatory on local finance, set up by local government associations, would offer a concrete view of the effectiveness of the decentralization process and of the real capacities of local governments to finance development.
- 5. Climate Financing:** Climate Financial Mechanisms, building on the Paris Agreements, need to be made accessible to local authorities. A sub-national window should be included in the Global Climate Fund to enable cities to receive adaptation and mitigation financing directly or through domestic local financing institutions.
- 6. Recognize Social and Solidarity Economy and Finance (SSEF):** historically, the social and solidarity economy and finance constitute a source of resilience to the recurrent systemic crises; they are conducive to partnerships that will bring about transformational changes in urban development patterns. The creation of enabling environments (especially in terms of regulations and knowledge sharing) should be included in the New Urban Agenda.

## Governance recommendations

We recognize the **Second World Assembly** of Local and Regional Governments, convened by the Global Taskforce of Local and Regional Governments, as the most inclusive political representation mechanism of our constituency. We therefore call for the outcome document of Habitat III to acknowledge these mechanisms as key partners in the agenda. Specifically, we propose:

- 7. A specific status for Local and Sub-national Authorities:** we call on Member States to provide our constituency with a status beyond the "observer" status established by Rule 64 of the rule of procedures of the UN Habitat Governing Council. We call for a special status for local authorities that will allow us to play our full role as active partners both at the HABITAT III Conference and in the overall UN System.
- 8. Enhancement of Political Dialogue:** this could include the creation of a liaison unit of elected local representatives and a committee of local and regional governments linked with ECOSOC, building on existing mechanism such as UNACLA.

- 9. Multi-stakeholder Collaboration:** we wish to contribute to the creation of the International Multistakeholder Panel on Sustainable Urbanization “to generate evidence-based and practical guidance for the implementation of the New Urban Agenda and the urban dimension of the Sustainable Development Goals” and call for local and regional governments to be included in the panel.
- 10. Tripartite Governance of Implementation Agency:** the UN Agency dealing with local development and urban issues should bring on board non-Member State stakeholders, following the model of the International Labour Organization.
- 11. Decade of Sustainable Urbanization:** we join the call of other Habitat partners for a decade of sustainable urbanization, building on a common action agenda.