













Federal Department of Economic Affairs, Education and Research EAER State Secretariat for Economic Affairs SECO









Strengthening Partnerships for Cities between National Governments, Local Authorities and organised Civil Society for a Sustainable Future for all

Urbanization changes the world at a magnitude and speed that is unparalleled in human history. Almost all of the global population growth takes place in cities. Between 2000 and 2030 the urban population is expected to double, with the most significant growth happening in secondary cities. The urban built-up area is expected to triple in the same period. 80% of global Gross Domestic Product (GDP) is produced in urban agglomerations, while 70% of global carbon emissions are generated in cities. At the same time, prevalent inequalities in cities cause an "urbanization of poverty", particularly affecting women and youth. In fact, the absolute number of slum dwellers is growing, particularly in Sub-Saharan Africa and South Asia, with the vast majority of them being under 24.

Urbanization transforms the social and economic fabric of entire nations, societies and economies. A metropolization process is being observed globally. Urban sprawl usually goes together with social and spatial segregation, less effective services and increased urban vulnerabilities and ecological footprint. Nevertheless, urban development is not only about negative externalities, it is as well an opportunity for development, given that cities are also engines of growth and seedbeds for creativity. Indeed, history has shown that urbanization can modernize societies, copromote more accountable governance systems, address inequalities more effectively, particularly in questions of land and property rights and access to services, advance new and modern modes of production and increase life expectancy. The achievement of this vision presupposes cities in which both women and men have decent jobs, political voice, security guarantees and services designed to support them in their multiple and intersecting roles.

But these benefits of urbanization can only be harnessed on the condition that urbanization is pro-actively planned, managed and catered to those new urbanites that are predominantly affected by inadequate policy responses to urbanization, the urban poor. For this purpose, local authorities, who are the legitimate and relevant

actors for ensuring the steering of a territorial strategy based on the common interest, should have institutional, regulatory, technical and financial capacities to assume this function. Indeed, local authorities have to lead the process that allows the various stakeholders of the territory to meet each other, share their knowledge and debate. Launching a process of strategic urban planning or the implementation of a great project can be an efficient driving force to create a local space of dialogue and structure democratic urban governance.

How the world urbanizes is therefore as important as urbanization itself. The decisions that partnerships between national governments, local authorities and community/citizens organisations are taking today will impact the living conditions in cities and the urban poor for the next 20-30 years. Creating decent urban living conditions for all requires a significant change in mind-set within city governments and the international development community. Complex environmental and economic challenges and the multiple dimensions of poverty require respectively appropriate partnerships.

There is a breath of examples of fruitful partnerships between national and local government and community/citizens organisations that need to be better understood and showcased in order to stimulate similar developments within and across cities. Evidence is showing that these are particularly successful when a coordinated, institutional framework is in place.

As the international community is shaping future global development frameworks, financing modes of implementation to reinvigorate the global commitment to sustainable development, and measures to respond to climate change, a new "Urban Agenda" is in the making. The Joint Work Programme of the Cities Alliance Partnership aims therefore at highlighting and pro-actively exposing the value, experience and role of partnerships between national governments, local authorities and community/citizens organisations in achieving sustainable development and poverty reduction in cities.

Development partnerships for Cities as key catalysts for a Sustainable Future for all

Urban sustainable development is most promising where we see coordinated action of the different levels of government – international, national and local – and with the full participation of community and citizens organisations.

For such partnerships to be successful in the social and ecological transformation of cities, it is important to have clear responsibilities between the different levels of government and to have an adequate legal framework in place. The principle of subsidiarity provides a relevant frame of reference for the distribution of competences between the various institutional levels. This principle allows the State

to entrust the fields of responsibilities and competence to the most appropriate levels. It is also intended to provide the local authorities with the means necessary to guarantee a framework secured for public action and to have at its disposal financial, legal and technical capacities and means for pursuing an effective urban development public policy. Through this approach, national and local governments have the means to demonstrate their capacity to work together to ensure that sustainable development practices unfold their catalytic power.

Global examples also indicate that partnerships are the most effective when each level of government is involved according to their distinct comparative advantages and the added value they can provide. In most cases, effective coordination mechanisms are required to harmonize efforts across them.

There are relevant experiences of multilevel governance for development focusing on the establishment of national fora to place urban development at the top of the development agenda and make informed decisions as regards urban policy and reforms.

Finding solutions at the nearest level possible to the citizen is definitely a condition for systemic change and it is also a way to guarantee sustainability and pertinent public policies. Even though national governments have a prominent role in orchestrating development, the crucial role that local governments play as a nexus with community/citizens organisations is undeniable.

Multiple experiences show that partnerships between local governments and organised community and citizens organisations based on high quality community collected data produce development solutions that are more sustainable, affordable to the poorest and therefore create more inclusive cities.

Therefore, it is highly necessary to reinforce territorial partnerships for development, led by local government, in partnership with community/citizens organisations, private sector and academia. Such partnerships constitute an opportunity to define projects, especially when based on community collected data, in a structured, transparent way. It will also promote good governance through the development of consensus-based solutions that maximize the comparative advantages of each stakeholder. This will also ensure stronger and more responsive accountability.

Citizens' and urban stakeholders' participation requires the establishment of **mechanisms for dialogue**, such as the city forums established in many cities in the world. Cities are the world's greatest assets for pursuing sustainable development. We therefore believe that these partnerships and platforms for cities are crucial to realize good urban governance, promote sustainable economic growth and foster social inclusion.

Building partnerships to realise good urban governance

Urban governance is the sum of many ways in which individuals, institutions, and public and private stakeholders plan and manage the common affairs of the city. It is a continuing process through which conflicting or diverse interests may be accommodated and cooperative action can be taken. **It includes formal institutions as well as informal arrangements** and the social capital of citizens.

Urban stakeholders can be key players defining their role and the place of their cities in the urban agenda and triggering a productive debate around Habitat III in terms of proposing affordable, maintainable and democratic local solutions to urban challenges.

Many initiatives show how urban governance can play a pivotal role in poverty reduction. The importance of good urban governance in achieving broad development objectives is being demonstrated, such as through the implementation of the Millennium Development Goals and those included in the Habitat Agenda. Research at the national level has demonstrated that a correlation exists between good urban governance and positive development outcomes: within this framework, cities are key actors in the definition of innovative public policies and initiatives to tackle the urban challenges such as inclusion, economic development and sustainability.

Establishing reliable permanent mechanisms to strengthen local democracy: such as national urban fora, municipal fora and neighbourhood councils or community planning fora are one example for inclusive governance. Equally important are examples of urban self-help initiatives, supported by (city) governments, which foster active neighbourhoods..

Development partnerships to strengthen economic development

Cities are basic engines for economic growth, job creation, and investment attraction. The quality of economic development planning and the city's financial management are extremely important when it comes to the generation of prosperity and welfare of cities.

Member states on one side, and the international community on the other, are recognizing **the importance of Local Economic Development (LED)** as an unavoidable source of sustainable, equitable economic growth. LED offers local governments, the private and not-for-profit sectors, and local communities the opportunity to work together to improve the local economy, focusing on competitiveness enhancement, sustainable and equitable growth.

Therefore cities need to take the lead in fostering economic growth through the establishment of permanent local platforms to increase the creation of decent jobs, protection of livelihoods and sustainable consumption. Cities resemble characteristics (as territorial concentration and institutional proximity), which turn them into the optimal scenario to help citizens and organized civil society to work on awareness raising in sustainable consumption patterns.

Strategic Urban Planning tools, such as City Development Strategies (CDS) can help a city harness the potential of urbanisation, combining under a common framework urban strategic planning, economic growth and inclusive local governance. There is a wealth of methodologies to build these partnerships and allow cities to take greater control of their economic development process at the local level, and several initiatives are dealing with the informal sector in innovative ways to engage them in the formal economy, as opposed to traditional top-down and sectorial policies for economic development.

Member states and the international community can actively support the use of strategic urban planning tools and techniques and public financial management at the local level as a way of promoting a real endogenous local development.

Partnerships to build up Inclusive Cities

Challenges, such as social cohesion, equitable economic growth, policies against social fragmentation, respect for diversity, the empowerment of women and demands for more democracy are increasingly critical components for sustainable urbanization.

Policy responses to these challenges need to be supported by strong territorial (horizontal) and institutional (vertical) partnerships promoting the relevance of multilevel policies as well as citizenship practices. In this sense, there is a general consensus that points towards **social inclusion as a multidimensional objective to be pursued by cities**, as the closest level to citizenship.

Cities are, in turn, considered the principal engine of economic and social development. The social interaction in cities drives innovation and creativity, giving rise to cutting-edge technological and cultural production systems. However, cities

are often the scenario of the greatest inequalities in the world, but the paradox is that they are also the key to deliver basic services, bridge inequalities, ensure sustainable resource management frameworks and achieve poverty zero objectives. Overcoming these inequalities is a key challenge in the Urban Millennium.

Cities therefore rely on inclusive partnerships and mechanisms fostering commitment, bold action, humanism and reconciliation with our civilization and territories. Inclusive partnerships can make cities more respectful of the environment and the future generations, more beautiful and convivial.

What are the Cities Alliance Partnership and the Joint Work Programme?

The Joint Work Programme of the Cities Alliance Partnership has been established to prepare inputs to the Habitat III Conference, while discussing priorities and messages that are key to the Post-2015 Agenda. It consists of UN-Habitat, United Cities and Local Governments (UCLG), the German Federal Ministry of Economic Cooperation and Development (BMZ), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the French Ministry of Foreign Affairs and International Development (MFA), Shack/Slum Dwellers International (SDI), Habitat for Humanity International (HFHI), the UK Department for International Development (DFID) and the Swiss State Secretariat for Economic Affairs (SECO).