

111TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To direct the Administrator of the United States Agency for International Development to develop a strategy to foster sustainable urban development in developing countries that updates the Making Cities Work Urban Strategy.

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IN THE SENATE OF THE UNITED STATES

Mr. KERRY (for himself, Mr. CARDIN, and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on

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**A BILL**

To direct the Administrator of the United States Agency for International Development to develop a strategy to foster sustainable urban development in developing countries that updates the Making Cities Work Urban Strategy.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Sustainable Urban De-  
5       velopment Act of 2010”.

6       **SEC. 2. FINDINGS.**

7       Congress makes the following findings:

1           (1) Approximately 51 percent of the world's  
2 population lives in cities of various sizes and produce  
3 the majority of the world's economic output.

4           (2) It is estimated that by 2030—

5                 (A) almost 4,000,000,000 people will live  
6 in cities in the developing world;

7                 (B) urban populations in Africa and Asia  
8 will double; and

9                 (C) the number of people living in slums  
10 will double.

11           (3) Of the approximately 1,000,000,000 people  
12 worldwide who live in slums, more than 50 percent  
13 are younger than 25 years of age.

14           (4) In most countries, the largest urban areas  
15 account for significant shares of gross domestic  
16 product and, due to the economic advantages of  
17 large integrated markets for skills, inputs and out-  
18 puts, are often drivers of national economic growth.

19           (5) More than 1,100,000,000 people lack ade-  
20 quate access to safe water and nearly 2,500,000,000  
21 lack access to sanitation services. These problems  
22 may become more severe with rapid urbanization.

23           (6) The costs of diseases and productivity losses  
24 linked to water and sanitation amount to—

1 (A) 2 percent of gross domestic product in  
2 less developed countries ; and

3 (B) up to 5 percent of gross domestic  
4 product in sub-Saharan Africa.

5 (7) Insecure lease and real property ownership  
6 tenure often subject slum dwellers to arbitrary, often  
7 supra-market rents, forced evictions, threats, and  
8 harassment, particularly affecting women who are  
9 often heads of households.

10 (8) Insecurity of tenure—

11 (A) severely inhibits economic development  
12 by undermining investment incentives and con-  
13 straining the growth of credit markets;

14 (B) imperils the ability of families to  
15 achieve sustainable livelihoods and assured ac-  
16 cess to shelter; and

17 (C) often contributes to conflict over prop-  
18 erty rights.

19 (9) Although women constitute 66 percent of  
20 the world's work force, they own less than 15 per-  
21 cent of the world's private property. This disparity  
22 is particularly damaging in cities and towns in which  
23 women are disproportionately affected by forced  
24 evictions and insecure tenure as a result of discrimi-  
25 nation, gender-biased laws, and customs that—

1           (A) define women as legal minors or other-  
2           wise prevent women from acquiring and secur-  
3           ing property, housing leases, or ownership  
4           rights; and

5           (B) increase the vulnerability of women to  
6           poverty, violence, and sexual abuse.

7           (10) Cities can play an important role in eco-  
8           nomic growth only if—

9           (A) there is appropriate infrastructure, in-  
10          stitutions, and policies;

11          (B) basic services are extended to every-  
12          one.

13          (11) Connective infrastructure, such as roads  
14          and telecommunications—

15          (A) plays a critical role linking cities and  
16          their markets to rural production, to hinter-  
17          lands, and to the global economy;

18          (B) reduces economic distances; and

19          (C) strengthens the ability of cities to take  
20          advantage of the resulting market opportunities  
21          and ensures that urban and rural development  
22          policies are integrated into a holistic approach  
23          that promotes economic growth throughout the  
24          country.

1           (12) The 2006 National Security Strategy  
2 states, “America’s national interests and moral val-  
3 ues drive us in the same direction: to assist the  
4 world’s poor citizens and least developed nations and  
5 help integrate them into the global economy.”.

6           (13) In his October 2009 remarks for World  
7 Habitat Day, President Obama stated, “My admin-  
8 istration is committed to . . . bolstering our metro-  
9 politan areas, the cities, suburban and rural areas  
10 that are the engines of our economic growth. We are  
11 investing in a clean energy sector that will generate  
12 new green jobs, building affordable, energy efficient  
13 homes and promoting more sustainable development  
14 so that we can meet the needs of the present, for se-  
15 curing the future for our children and grandchildren  
16 . . . That is why we are committed to working with  
17 the United Nations and our partners around the  
18 world to help more families find a safe and secure  
19 place to live.”.

20           (14) Target 11 of Goal 7 of the Millennium De-  
21 velopment Goals states, “By 2020, to have achieved  
22 a significant improvement in the lives of at least 100  
23 million slum-dwellers.”.

24 **SEC. 3. STATEMENT OF POLICY.**

25 It is the policy of the United States—

1           (1) to recognize urban development, as an ob-  
2           jective of United States foreign policy, and overseas  
3           development assistance, particularly programs  
4           that—

5                   (A) foster improved urban governance,  
6                   management, and planning;

7                   (B) increase land and real property tenure;

8                   (C) promote the formal provision of, and  
9                   access to, essential urban services and infra-  
10                  structure;

11                  (D) expand access to basic shelter, afford-  
12                  able urban housing;

13                  (E) economically empower women and  
14                  youth;

15                  (F) promote civic participation and social  
16                  cohesion;

17                  (G) respond to, and proactively prepare  
18                  for, environmental and climatic challenges;

19                  (H) promote economic growth and alleviate  
20                  poverty; and

21                  (I) expand the availability of financing for  
22                  urban housing and infrastructure;

23           (2) to prevent waste and duplication in the use  
24           of United States overseas development assistance

1 with respect to the programs described in paragraph  
2 (1);

3 (3) to foster cooperative relations with foreign  
4 governments, intergovernmental organizations, pri-  
5 vate businesses, and nonprofit and community-based  
6 organizations that support or implement programs  
7 similar to those described in paragraph (1);

8 (4) to support innovative international mecha-  
9 nisms designed to increase coordination and mutual  
10 complementarity in the planning, financing, and im-  
11 plementation of sustainable urban development poli-  
12 cies and programs implemented by the United States  
13 and other donors described in this section;

14 (5) to ensure access to—

15 (A) basic shelter and affordable housing,  
16 particularly by residents of slums and informal  
17 settlements and similar densely populated, im-  
18 poverished urban areas; and

19 (B) safe water and sanitation;

20 (6) to promote—

21 (A) the security of land and other real  
22 property use, lease, and ownership rights;

23 (B) the legal recognition and protections of  
24 such rights by all income groups;

1 (C) equitable and sustainable national land  
2 policies; and

3 (D) enhanced land administration services,  
4 including services for groups that—

5 (i) are socioeconomically vulnerable or  
6 institutionally marginalized; or

7 (ii) are subject to discrimination, in-  
8 cluding women, children, the poor, and  
9 people living in urban slums and informal  
10 settlements; and

11 (7) to support efforts to enhance the technical  
12 and financial capacity of developing country govern-  
13 ments, including regional and municipal govern-  
14 ments, to plan and manage urban growth in trans-  
15 parent, participatory, and accountable manner.

16 **SEC. 4. SUSTAINABLE URBAN DEVELOPMENT STRATEGY.**

17 (a) IN GENERAL.—The Administrator of the United  
18 States Agency for International Development (referred to  
19 in this section as the “USAID”) shall develop a strategy  
20 to foster sustainable urban development in developing  
21 countries that updates the Making Cities Work Urban  
22 Strategy.

23 (b) CONSULTATION.—The strategy required under  
24 subsection (a)—

1           (1) shall be developed in consultation with other  
2           United States Government agencies with relevant  
3           technical expertise or policy mandates pertaining to  
4           urban development in foreign countries; and

5           (2) shall draw upon best practices and success-  
6           ful models of urban development undertaken or de-  
7           veloped by international intergovernmental organiza-  
8           tions, international finance institutions, recipient  
9           countries, United States and international non-  
10          governmental organizations, private sector actors,  
11          and other appropriate entities.

12          (c) CONTENT.—The strategy required under sub-  
13          section (a) shall—

14                (1) review and assess existing or past United  
15                States programs and foreign assistance strategies  
16                for developing countries designed to improve urban  
17                development, including—

18                        (A) increasing access to basic shelter, af-  
19                        fordable housing, and shared communal infra-  
20                        structure;

21                        (B) enhancing land tenure security;

22                        (C) promoting environmentally sound  
23                        urban infrastructure and services;

24                        (D) building capacity for municipal plan-  
25                        ning, management, and governance;

1           (E) leveraging innovative financing for  
2 urban investments;

3           (F) promoting gender equality and wom-  
4 en's empowerment; and

5           (G) promoting active participation of  
6 urban dwellers in the planning and execution of  
7 urban governance and social services programs;

8           (2) define short- and long-term objectives and  
9 performance measures by which progress in urban  
10 development in foreign countries should be meas-  
11 ured;

12           (3) integrate United States programs and for-  
13 eign assistance strategies that address urban devel-  
14 opment and slums in developing countries;

15           (4) integrate into the broader strategic foreign  
16 assistance plans of the Department of State and the  
17 programs and objectives of the United States Agen-  
18 cy for International Development related to urban  
19 development and slums;

20           (5) assess the feasibility of establishing, in the  
21 USAID, a senior advisor for urban sustainable de-  
22 velopment, who would—

23           (A) provide—

24           (i) leadership for coordinated pro-  
25 gramming;

1 (ii) technical support for urban devel-  
2 opment; and

3 (iii) dissemination of best practices  
4 with policy and technical staff with experi-  
5 ence and expertise in urban planning and  
6 development;

7 (B) guide urban programming;

8 (C) help build the capacity of government  
9 officials in developing countries to more effec-  
10 tively manage urbanization; and

11 (D) encourage the organization and in-  
12 volvement of local civil society, including collec-  
13 tive and municipal associations;

14 (6) evaluate options to leverage private sector  
15 partnerships on issues related to housing, slum im-  
16 provement, and finance though—

17 (A) the Global Development Alliance of  
18 USAID and the Global Partnerships Initiative  
19 of the Department of State;

20 (B) the Overseas Private Investment Cor-  
21 poration;

22 (C) the Development Credit Authority;

23 (D) the Millennium Challenge Corporation;

24 and

25 (E) other relevant initiatives;

1           (7) support a policy of United States Govern-  
2           ment collaboration and coordination with other do-  
3           nors towards urban development issues, including—

4                   (A) working to achieve Target 4 of Goal 7  
5                   of the Millennium Development Goals;

6                   (B) supporting local development plans  
7                   and strategies;

8                   (C) reviewing technical assistance and fi-  
9                   nancial resource needs for urban development  
10                  programming;

11                  (D) fostering greater program coordination  
12                  among donors; and

13                  (E) disseminating best practices in urban  
14                  planning and development;

15           (8) assess the feasibility of establishing a pilot  
16           urban strategies initiative that would—

17                   (A) support, through technical and finan-  
18                   cial assistance, a select number of cities in de-  
19                   veloping countries by identifying, developing,  
20                   and implementing long-term sustainable urban  
21                   development strategies to provide a framework  
22                   for future growth and development in identified  
23                   countries;

24                   (B) provide support for such urban devel-  
25                   opment strategies through a variety of ap-

1 proaches, including direct financial support, in-  
2 novative financial mechanisms, and private sec-  
3 tor investment;

4 (C) raise critical global awareness of urban  
5 development issues, including the emergence of  
6 mega-cities and the increasing burdens placed  
7 on secondary cities in developing countries; and

8 (D) fully integrate the needs of women,  
9 who are often heads of households, yet do not  
10 have equitable access to land, resources, or  
11 services;

12 (9) analyze approaches to improve environ-  
13 mental sustainability in urban areas, while recog-  
14 nizing that developing cities are facing severe envi-  
15 ronmental stress as a result of the difficulties of ex-  
16 panding facilities fast enough to keep up with rap-  
17 idly growing populations and industrial activity; and

18 (10) develop a plan for providing long-term  
19 United States support for sustainable urban growth  
20 and development initiatives in developing countries  
21 that—

22 (A) includes regular coordination between  
23 United States Government agencies that have  
24 relevant technical expertise or policy respon-  
25 sibilities, as appropriate, including—

1 (i) the United States Agency for  
2 International Development;

3 (ii) the Department of State;

4 (iii) the Millennium Challenge Cor-  
5 poration;

6 (iv) the Department of Housing and  
7 Urban Development;

8 (v) the Department of the Treasury;  
9 and

10 (vi) the Overseas Private Investment  
11 Corporation; and

12 (B) draws upon the available expertise of  
13 United States-based city and regional elected  
14 officials and professionals in—

15 (i) community, real estate, and bank-  
16 ing sectors;

17 (ii) major United States private foun-  
18 dations, nongovernmental organizations,  
19 and policy, education, and research organi-  
20 zations;

21 (iii) United Nations organizations;  
22 and

23 (iv) multilateral development banks.

24 (d) REPORT.—Not later than 12 months after the  
25 date of the enactment of this Act, the Administrator shall

- 1 submit a report to Congress that includes the strategy re-
- 2 quired under this section.