

Habitat III and the New Urban Agenda

The position of the German government

The international community will be setting itself ambitious goals with the 2030 Agenda for Sustainable Development “TRANSFORMING OUR WORLD”. Germany completely shares the view expressed by the Secretary-General of the United Nations: “The battle for sustainability will be won or lost in cities”. In industrialised, emerging and developing countries, cities and municipalities are crucial actors in the pursuit of sustainable development. The New Urban Agenda, which is to be adopted at the third UN Conference on Housing and Sustainable Development – Habitat III – in October 2016 in Quito in Ecuador, will set out goals and guidelines for sustainable urban development that will be applicable for all countries. Habitat III will thus give important impetus to the work of solidifying and realising in urban settings the targets formulated in the Sustainable Development Goals. For Germany there are three core tasks that are of key importance in this connection:

- recognising and empowering cities as development actors
- creating decent urban environments for people to live in
- realising integrated urban development

These tasks must be dealt with directly in the individual countries. At the same time, however, back-up and support will need to be provided through a strong, cooperative global system of actors and instruments. With this in mind, the New Urban Agenda will need to be implemented through a global partnership. Cities and municipalities themselves will have a prominent role to play in this regard. There will need to be a global exchange of experience involving everyone – actors from metropolises and also actors from medium-sized and smaller cities.

Germany will bring its experience and thoughts into the preparations for Habitat III. Using its national and international experience and mindful of its responsibility for global sustainable development, Germany will push hard for a successful New Urban Agenda.

With this paper Germany is putting forward ideas for Habitat III and for the discussion of the New Urban Agenda.

1. Recognising and empowering cities as development actors

On all continents, cities and settlements are an expression of human culture and have an important role to play in development. On the one hand, cities are places and instigators of economic, technical, social, political and cultural change. On the other hand, cities are places where enormous levels of resources are consumed and harmful emissions are growing, and places where social inequality is particularly marked.

The sustainable development of cities in the social, environmental, economic and cultural sense is a task that also has global dimensions and importance. Cities have a key role to play in the achievement of global climate, development and sustainability goals, especially as regards the transition to efficient, post-carbon energy systems. This role is becoming even more significant

as urbanisation continues to increase. Cities themselves have considerable potential in terms of shaping the transformation towards sustainable, inclusive urban development. Cities that are well-run can mobilise this potential, introducing necessary changes in urban management and governance and working with their residents to usher in changes in behaviour. Equal participation and civic engagement are just as crucial as effective, forward-thinking public authorities equipped with the necessary competences, resources and funds.

Cities and municipalities take responsibility for providing essential services, for ensuring public wellbeing and for the quality of life available to their residents. They are important players for the implementation of global agendas (in particular for the UN sustainability goals, the climate protection agreements and the Addis Ababa development finance agreements). Moreover, cities and municipalities that pursue sustainable urban development policies also make a crucial contribution to global sustainable development, for example in terms of climate protection. They have the job of ensuring that newcomers from every region, country and continent are integrated and that good use is made of the potential these new residents have to offer.

Ideas for the New Urban Agenda

- There needs to be a **national enabling environment** that strengthens the municipal level whilst simultaneously fostering interaction and cooperation between central and local government, and providing municipal and national level instruments for sustainable urban development.
- **Cross-sectoral national policies for regional planning and urban development**, such as laid down in the LEIPZIG CHARTER on Sustainable European Cities, are absolutely essential in order to facilitate rules and incentives for sustainable local policies that are aligned with national development goals, and to shape urbanisation that is far-sighted.
- **Giving the municipal level the authority to exercise certain competencies** and devolving responsibility and resources in accordance with the subsidiarity principle (i.e. decision-making responsibilities are passed down to the lowest reasonable level) serves to enhance the capacity of cities for integrated action.
- **Municipal finance**: Cities with sound finances are able to take a long-term, socially oriented approach in their spending. Having their own revenues and access to external funding and national financial allocations means that cities can provide needs-oriented services for their inhabitants. Effective and transparent budget management and procurement procedures that take sustainability into consideration are further elements.

2. Decent urban environments for people to live in

The quality of cities has a significant influence on the quality of life for their residents. Ensuring healthy, safe living and working conditions is one of the core tasks that cities and municipalities must fulfil. The governing authorities in cities that provide a decent quality of life foster social cohesion by creating opportunities for their residents to play an active part in civic and political life.

Decent cities offer equitable access to basic services and housing, to public spaces and to opportunities for cultural, economic, social and political participation. They create the enabling environment for a flourishing economy with employment and income opportunities for all

sections of the population. Reducing social barriers and inequalities strengthens social cohesion and has a positive impact on the way in which people live together in cities. This means, in particular, that informal settlements must be upgraded and social services set up and expanded.

Decent cities raise the quality of life and the quality of the environment for all, including for poorer households. They provide safe public spaces and places for neighbourly encounters where people can interact and relax, engage in cultural activities and celebrate their diversity. They provide green spaces and well-designed public locations and facilities where people can relax and get together, educate themselves or engage in sports. The architectural quality of buildings and urban neighbourhoods and the mixing of different functions and social levels likewise contribute to the quality of life and to healthy living conditions.

Mobility is a crucial factor when it comes to making sure that all sections of the population share in and benefit from the social, economic and cultural development of a city, especially when it comes to having places of work, schools, educational and other facilities in easy reach.

Key areas of action for a productive, innovative and competitive city are strengthening the local economy and enhancing regional value chains, the diversification of economic structures and promoting sustainable ways of doing business and living. Sustainable urban development also calls for the informal sector to be included, together with measures for youth employment and support for small and medium-sized businesses, for example through improved access to financial resources or suitable locations.

3. Integrated urban development for inclusive, safe, resilient, sustainable and climate-friendly cities

Protecting nature and the environment and efficiently managing resources in urban areas too are crucial prerequisites for securing the natural resource base for a growing population and for development within the limits of our planet's resources. Public green spaces and preserving biodiversity and the balance of nature help to increase the quality of urban life and of the urban environment. Integrated urban development contributes to the post-carbon energy transformation.

Integrated planning instruments and cross-sectoral solutions are vitally necessary for this. Involving actors from different levels of government and different sectors, from the business and scientific communities, and from civil society in integrated resource management reduces conflicts around the use of limited resources and facilitates the balancing of interests and the finding of viable solutions.

Increased use of renewable energies and the corresponding transformation of energy supply systems, promoting the efficient use of energy and resources – including energy-efficient buildings and lighting systems, and sustainable supply and waste management systems – and the establishment and expansion of sustainable transport systems are all key fields of action for cities and municipalities.

Climate-adjusted, resilient cities are characterised by organisational, commercial and infrastructure systems that are able to withstand the negative impacts of climate change and of natural and manmade disasters. Comprehensive risk analyses and the integration of these analyses in all areas of urban development are just as necessary as decentralised, networked flexible structures at all levels of administration and decision-making.

Promoting short distances by mixing different kinds of infrastructure and encouraging urban density is the basis for resource-efficient urban development. Optimised transport and supply systems and greater use of renewable energies produce efficiency gains in the use of resources, improvements in quality of life for all sections of the population and increases in urban resilience whilst simultaneously curbing the impact on the climate.

The New Urban Agenda is therefore intended as a contribution towards transforming cities in the direction of climate-friendly, post-carbon, environmentally friendly and resource-saving development. Resilient cities are able to withstand and learn from pressures and situations so that they are better able to deal with the tasks ahead.

4. German experience: principles and instruments of implementation and transfer

Legally enshrined municipal competencies and objectives for sustainable urban and regional policymaking, civic engagement and innovative technological, organisational and financial solutions have made Germany into an internationally acknowledged pioneer of sustainable development, and of urban development in particular.

In Germany, in addition to the level of the central government and of the federal states, there is a third level of government under the federal system. The cities and municipalities that make up this third level have a strong position. Social and political decision-making processes involving local and regional authorities, the private sector, civil society and other players must follow a path of **consultation and coordination**. In the German democratic system, this takes place on the basis of an effective set of **principles**:

- the **multi-level system** of political responsibility and management with horizontal and vertical consultation (mixed top-down/bottom-up planning)
- **subsidiarity**, moving decision-making to the lowest reasonable level
- **municipal competence guaranteed by the constitution** and a **reliable legal framework**
- **adequate decision-making powers for municipalities** (planning, staff and finance)
- **close involvement of civil society and the private sector (multi-player approach)**
- organised and transparent **balancing of interests between the different players**
- **overall responsibility for equal living conditions in all regions**

The **central government and the federal states** assist the cities and municipalities with a differentiated **range of support instruments**. The central government and the federal states play an important role in sustainable urban development by furthering the relevant legislation and by defining the terms for funding and grants in consultation with the municipalities. They act in particular through the effective 45-year-old system for urban development assistance.

Special consideration is given here to **deprived neighbourhoods**, which receive special support in Germany under the urban development assistance programme “Soziale Stadt” [social city]. The programme consists of improvement strategies and housing policy, measures to strengthen the local economy and the local labour market, strategies for an active education and training policy, a local integration policy and measures to ensure that functioning, efficient technical infrastructure is in place.

In Germany, **integrated urban development concepts** are the basis for this. Municipalities use these concepts – which look at the entire town or city in a holistic way – to take account of all the requirements and functions of cities, to organise processes, define and weigh up goals, and coordinate sector strategies. Isolated solutions and approaches are thus avoided. Integrated urban development concepts in the municipalities and national urban development policy as a joint endeavour involving all three levels of government link bottom-up and top-down approaches, facilitating the strategic management of urban development.

An essential requirement for the implementation of a sustainable policy for urban development is that the municipalities are responsible for **essential public services** and for the legal regulation and the funding of these services. Municipal utilities and companies (including municipal housing associations, public transport, energy utilities, water and sanitation) play a key role here.

At the regional level it has been shown that it makes good sense to organise the task of providing public services in Germany on the basis of **inter-municipal cooperation**.

Germany makes its experience available through international cooperation, e.g. in the context of the formulation and implementation of the LEIPZIG CHARTER on Sustainable European Cities. Concepts and strategies for sustainable urban development are adjusted to the conditions in the respective partner country and further developed in consultation with the partner. The sustainable city of tomorrow is the result of our actions today. The German government has developed a broad range of instruments for this purpose.

5. Proposals for shaping and implementing the New Urban Agenda

Habitat III will be the first global conference to take place after the adoption of the 2030 Agenda for Sustainable Development. The New Urban Agenda (NUA) will thus be the first contribution for the concrete implementation of the global sustainable development goals (SDGs). Agreeing on the NUA and creating the institutional framework for its implementation will demand constructive, cooperative and results-oriented collaboration from all involved. Based on its own national experience, its role as an international donor and the awareness of its shared responsibility for the sustainable development of our One World, the German government has the following expectations and recommendations for the Habitat process:

- The German government welcomes the stocktaking done through issue papers and will actively promote and support the work of the policy units where possible. However, the shortness of the time remaining gives cause for concern as to whether there is enough time left to complete this ambitious task without sacrificing quality or compromising the force of the message. The Habitat III Secretariat should therefore issue clear, results-oriented directions and give strong support to the policy units for their work so that the results can be fed into the NUA drafting process in a targeted way.
- The outcome of the conference should consist of two elements: firstly a strong political declaration defining the direction to be taken that describes the relevance of urbanisation for sustainable development and clearly defines the desired goals, agreements and instruments for implementation. Secondly, a more comprehensive document that is not misunderstood as a “blueprint for the city of the future” but rather provides guidelines for existing and growing small, medium, large and mega-cities so they can pursue their own

development adapted to their specific economic, environmental, social and cultural context.

- Efforts must be made to ensure that the outcomes and recommendations of the policy units and the national contributions are comprehensively fed into the zero draft which will be the basis for the actual negotiations. The German government expects that the so far very transparent and participatory process will be continued going into the formulation of the zero draft and recommends that there should be an overlap in the timeframe and the staff involved in the two processes.
- Besides the work on the content of the New Urban Agenda, it will be very important that there is agreement about the structures, instruments and processes for its implementation, especially for monitoring and reporting progress made on achieving the goals and suitable structures for mutual support. The German government suggests that informal working groups should be set up as quickly as possible. These groups would work in parallel to the expert groups and present pertinent recommendations for the 3rd preparatory conference.
- The realisation of the goals for sustainable development and their consolidation in the New Urban Agenda demand in addition to constant monitoring that all relevant players regularly take stock of progress made on goal achievement. With a view to achieving greater continuity here, the German government suggests that the past rhythm of 20 years between the Habitat conferences should be reduced to ten years, with effective formats being added to the process for monitoring progress in between times.

The New Urban Agenda must be a universally applicable political, implementation-oriented document that motivates and mobilises member states and other relevant players to push for sustainable development at the local level.