

**United Nations Conference on Sustainable Development – Rio 2010
Second Preparatory Committee**

**Session 2: GREEN ECONOMY IN THE CONTEXT OF SUSTAINABLE DEVELOPMENT AND
POVERTY ERADICATION**

Statement by

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New York, Monday 7th March 2011

Mr. Co-Chair,

UN-HABITAT is pleased to contribute to the debate regarding the specific investments that should be prioritized by Governments as part of a green economy strategy.

Rapid and unplanned urbanization in developing countries threatens some of the sustainability gains achieved over the past two decades, unless we see soon significant changes in urban sector policy and financing. In this perspective, **investing in sustainable urban development** should be one of the top priorities as part of a green economy strategy.

Cities and city-regions will be central in bringing about tomorrow's economic benefits and welfare, the provision of decent jobs and human well-being within an environment liberated from the risks and threats of climate change, pollution, resource depletion and ecosystem degradation. Achieving such **transformative change** in cities requires that urban design is integrated in planning policies, and the harmonious co-integration of nature and human economic development, as well as of design and construction with nature.

The potential of a dedicated **systems approach to urban planning and management** is enormous. By integrating green technology, energy efficiency and design innovations into statutory urban planning and development control systems, cities can mainstream strategies for sustainable development into planning standards and building regulations. The impact is even greater when city managers combine regulatory reforms of this kind with partnerships between government, industry and communities to develop and implement local sustainability innovations.

Well-planned cities that apply regulatory approaches, strive for environmentally sound infrastructures and services, as well as partnerships, are best placed to make efficient use of space and energy, and thus contribute to a green economy. They can harness the advantages of concentrated populations in metro areas to reduce the dependency on transportation, and provide basic services with greater efficiency. Creative planning for compact and dense urban development patterns that include parks and public spaces can radically reduce commuting distances and energy consumption in buildings, while also contributing to climate stabilization and biodiversity.

Within such a sustainable urban development framework, some **specific sectors** can significantly contribute to a green economy.

According to the International Energy Agency, 'business as usual' scenarios indicate CO₂ emissions from the **transport sector** alone are expected to grow by 120 per cent by 2050 (compared to 2000 levels). The global car fleet will triple, with more than 90 per cent of this growth taking place in non-OECD countries. In order to curb greenhouse gas emissions from transport, there is need to reduce automobile dependence, foster a rapid modal shift towards less carbon intensive forms of transport such as rail, and improve fuel and motor efficiency.

Cities can catalyze a modal and efficiency shift by targeting investment at well-planned, greener transport infrastructure that meets the needs of all users – both motorised and non-motorised. The planning of urban centres and their peripheries based on mixed-use and smart growth design principles must be part of a sustainable transport future. Policies promoting **city densification** can reduce demand for long-distance transport. Together with integrated transport planning and demand management, low-carbon fuels and greater electrification of transport are also needed to meet short- and long-term economic and sustainability targets.

Incentives and regulations in the **building and construction sector** offer opportunities for cities and local governments to leverage their authority by setting mandatory investments in energy-efficiency or the installation of renewable energy technologies in buildings. In addition to making a substantial impact in reducing the ecological footprint of cities, this would also provide many new jobs. Reports have estimated that investments in improved energy efficiency in buildings could generate an additional 2 to 3.5 million green jobs in Europe and the United States alone. The potential is much higher in developing countries and in countries in transition, which often have large stocks of energy-inefficient buildings, and where the large majority of new buildings will be constructed over the next 40 years.

To achieve this, the emphasis should be on the need for **integrated policy approaches** in governance, planning and finance and broader developmental and poverty dimensions which are all critical elements for cities to serve as a powerful geographical unit in the emergence of a green economy.