SUMMARY

The first-ever Integration Segment, convened by the Economic and Social Council in New York, from 27 to 29 May 2014, focused on the topical theme of sustainable urbanization. The Segment provided a multi-stakeholder platform to demonstrate how urbanization can become an instrument for the balanced integration of the economic, social and environmental dimensions of sustainable development. The Council brought together the President of Rwanda, the Vice-President of Colombia, the United Nations Special Envoy on Cities and Climate Change, a number of ministers and mayors, city planners, the UN system, the African Union, representatives of major groups, non-governmental organizations, academia and the private sector. The high-level participation throughout the three day meeting from large-, medium- and small-sized cities, including from developed and developing, coastal, border and small island developing states, facilitated the exchange of regional, national and local experiences, practices and strategies that demonstrated the transformative potential of urbanization and identified key policy recommendations that could advance the achievement of the Millennium Development Goals and shape the post-2015 development agenda, as well as Habitat III.

An overview of the thematic issues, key messages, solutions and recommendations emerging from the discussions over the three-day Segment on how urbanization can serve as a catalyst to transform the sustainable development landscape in the post-2015 era is as follows:

Major highlights and key recommendations

Urbanization can serve as a transformational force for achieving and advancing sustainable development. To this end, an integrated approach that engages all key stakeholders in order to produce innovative solutions to foster economic, environmental and social sustainability, will be required. Continuing the “business as usual” approach to the development of urban spaces will not be enough to manage the dynamic pressures of rapid urban growth. Through effective leadership and sustainable urban planning, capacity-building, engagement of all stakeholders and inclusive policymaking, the development of future cities can promote equality, expand economic opportunities, and foster sustainability through pursuing environmental responsibility. The UN system organizations, Member States, financial institutions and relevant stakeholders should thus play an active role in promoting a holistic and integrated approach to addressing the dynamic challenges of urbanization and strengthening the inter-linkages across the three dimensions of sustainable development.

- There was overwhelming support for a stand-alone Sustainable Development Goal for sustainable cities and human settlements that promotes inclusive, accessible, productive and environmentally sustainable and resilient urban areas. A stand-alone goal would help drive and orient private and public investment towards sustainable urbanization.
- Policy-makers at the local, national and international level should take into account the inter-linkages between the social, economic and environmental dimensions of sustainable urbanization in the formulation of their policies, plans and programmes. This requires effective coordination mechanisms, use of technology to collect data for

1 Informal summaries from each session of the Integration Segment are also available here: http://www.un.org/en/ecosoc/integration/2014/
informed decision-making and consideration of the impact of such policies, plans and programmes on economic, social and environmental outcomes.

- **A data-driven approach to urban planning** is necessary to monitor the impact of urban policies and to help Governments and other stakeholders measure progress.

- Urban planning and management should go beyond urban boundaries to improve **rural-urban connectivity** through investments in better infrastructure for transportation and communication, developing supply chains to create market opportunities for rural producers, and taking into account the needs and priorities of people living in rural areas.

- **Effective governance, policy-making and planning mechanisms** are required to effectively manage rapid urban growth. A holistic and multi-sectoral planning and integrated management approach needs to be adopted to engage multiple levels of governance and all relevant stakeholders.

- Mechanisms for promoting **inclusive participation of all individuals in decision-making processes** of national government and intergovernmental institutions should be strengthened.

- Placing **creativity, innovation, education and integrated resource management** approaches at the heart of urban renewal and planning can lead to more sustainable, liveable, safer and productive cities offering a better quality of life.

- **Culture** is a driver of sustainable urban development and management. Cultural heritage, cultural and creative industries, arts and crafts, sustainable cultural tourism, culture-led urban revitalization and cultural infrastructure can serve as strategic tools for poverty alleviation, revenue generation and inclusive economic development, attracting investment and ensuring green, locally-based, stable and decent jobs. Furthermore, shared urban public spaces where creativity fosters social engagement, inclusion and security need to be promoted.

- Addressing the **climate challenge** is often viewed as having trade-offs, instead of synergies, with addressing economic and social challenges. On the contrary, adaptation and mitigation measures can help reduce societies’ vulnerabilities to natural disasters, that could have devastating economic and social impacts on people.

- **Public-private partnerships** are crucial to achieving equitable and sustainable urbanization. Provision of good regulatory frameworks and incentives could help increase the engagement of the private sector in sustainable urbanization.

- Developing countries, including Small Island Developing States (SIDS), should receive support from the international community with adequate **means of implementation**, including technical capacity, technology transfers and financing, particularly in the context of the post-2015 development agenda.

- The specific needs of **Africa** in the process of urbanization must be recognized and adequately addressed throughout the process of developing the post-2015 development agenda. These include enhancing rural-urban linkages, upgrading of informal settlements, provision of basic infrastructure and services, protection of urban green space, job creation and strengthening of capacity for planning, revenue generation and collection, financial governance and data gathering and analysis.

- National Governments, local authorities, the United Nations system and civil society actors should be encouraged to work together to promote a **holistic and integrated approach to planning and managing urbanization** and, for this reason, all effort should be made to ensure that the outcome document of **Habitat III** will build on the **post-2015 development agenda**.

- The outcome document of the **7th World Urban Forum in Medellin**, Colombia, can serve as a basis to build upon the global call for a **new urban agenda that promotes a people-centered and sustainable urbanization model**.
• ECOSOC has a crucial role in ensuring the integration of the three dimensions of sustainable development and the Integration Segment is the best vehicle for such integration.

• ECOSOC may create opportunities for the wide range of stakeholders dealing with sustainable urbanization to exchange knowledge, find solutions and launch initiatives. These may include establishing a community of practitioners.

**Context**

The Integration Segment served as an important vehicle in strengthening ECOSOC’s mandate, as outlined within the Outcome Document of the Rio +20 Conference, as the central mechanism in achieving a balanced integration of the three dimensions of sustainable development. The segment further complements the work of the High Level Political Forum by providing a platform for the ECOSOC system, policymakers and key stakeholders to identify policy choices that could allow for an integrated approach to sustainable development.

Furthermore, in the context of the annual theme, the Integration Segment served to identify the potential short-term policy choices, the resulting trade-offs, and long-term gains inherent in an integrated and balanced sustainable development approach; provide solutions, innovations and partnerships on the theme of sustainable urbanization; and identify tools and instruments to facilitate inputs that can be used to assess the integrated approach by the Council. In order to elucidate both the challenges and the opportunities associated with sustainable urbanization, the meeting addressed urban prosperity and urban inequalities, how cities can become drivers of sustainable development, in particular the investments required to do so, and how effective governance, policy-making and planning could contribute to the balanced integration of three dimensions of sustainable development. Given the rapid and unplanned urbanization taking place in Africa, the meeting also addressed the unique challenges of achieving sustainable urbanization in Africa. The following presents an overview of the thematic issues, key messages, solutions and recommendations emerging from the discussions over the three-day Segment on how urbanization can serve as a catalyst to transform the sustainable development landscape in the post-2015 era.

**Floods in Eastern and Southeastern Europe**

The opening of the Segment included a presentation on the flooding in Bosnia Herzegovina, Croatia and Serbia, with statements delivered by His Excellency Zlatco Lagumdžija, Deputy Chair of the Council of Ministers and Minister of Foreign Affairs of Bosnia and Herzegovina; Her Excellency Vesna Pusić, First Deputy Prime Minister and Minister of Foreign Affairs of Croatia; and Her Excellency Željka Cvijanović, Deputy Prime Minister, and the Minister of Public Administration and Local Self-Government of Serbia. The unprecedented scale and social, economic and environmental consequences of the floods within these three countries indicated strong need to generate an immediate collective response from the international community in reconstructing the affected areas. They deemed ECOSOC as the most effective platform for mobilizing the United Nations system and the international community.

**Urbanization and Sustainable Development**

The process of urbanization is one of the most significant global trends of the twenty-first century and has been recognized as a transformative force which, if effectively steered and deployed, can potentially create an enabling environment for the world to overcome some of the major global challenges at present, including climate change, extreme poverty and rising inequalities. However, urban areas are increasingly faced with problems of unsustainable geographic expansion patterns, inadequate delivery of basic services and inefficient urban planning systems. Conventional models of urban development are increasingly unsustainable, unable to effectively manage extreme demographic transitions, prevent inefficient resource use, and exacerbate the

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exclusion of marginalized groups and vulnerable populations. The challenge thus remains on identifying the most effective measures and approaches on how to best manage urbanization. Sharing of experiences and good practices can help cities learn from others’ successes and failures in their efforts to promote sustainable urbanization.

Given the multi-dimensional challenges of urbanization, namely, demographic, institutional, economic, social, environmental and related challenges, sustainable urbanization can only be achieved by addressing and incorporating the economic, social and environmental dimensions of sustainable development and its inter-linkages. An integrated approach to designing and planning sustainable cities and urban settlements is needed for urbanization to achieve and advance sustainable development. **Adopting such approach requires local authorities to work with national Governments as well as other stakeholders to create employment opportunities, provide efficient transportation and communications networks, greener buildings, an efficient human settlements and service delivery system, improved air and water quality, reduced waste, improved disaster preparedness and response and increased climate resilience.**

**Effective collaboration and coordination across the local, national, regional governmental levels** to devise and implement coherent national policies specific to enhancing the sustainability of cities and which integrate all three dimensions of sustainable development is fundamental to achieving sustainable urbanization. Efforts are needed to support political momentum for sustainable urbanization in the lead up to post-2015 development agenda and Habitat III.

**Challenges and Opportunities for Sustainable Urbanization**

The rapid pace and scale of urban transformation presents complex challenges, outstripping the capacity of governments and cities to provide equal access to adequate public services, meaningful employment and environmental protection to its citizens. However, **cities have a central role in promoting economically, socially and environmentally sustainable development and in contributing to the eradication of poverty, within the context of the post-2015 development agenda.** Cities can further provide access to untapped social and economic opportunities and technological innovation that can generate sustainable solutions to the complex demographic, environmental, economic, socio-spatial and institutional challenges of urbanization. To this end, scalable solutions, innovations, multi-stakeholder partnerships and adopting integrated and balanced approaches to address the various cross-cutting challenges of rapid urban growth is essential to harnessing the full potential of cities as drivers of sustainable development. While local governments have a preeminent role in achieving sustainable urbanization through engaging with local communities and enforcing local responsibility, national governments play a critical role in establishing national urban policies that should provide for adequate financing, sufficient urban regulations and generate incentives for equitable urban development and more resilient infrastructure. The following presents an overview of the integrated approaches, mechanisms, and opportunities that can provide solutions that address the demographic, environmental, economic, socio-spatial and institutional challenges of sustainable urbanization.

**Demographic**

**To address the widespread phenomenon of urban informality and demographic transitions, including chaotic expansion in urban peripheries, utilizing planned city extensions are necessary to achieve integration and cohesion in the growth of individual cities.** Planned city extensions can foster a number of positive outcomes, such as, an adequately planned future supply of land with affordable development solutions; reduced risk of spontaneous informal settlements, including slums; and mitigation of the effects of urban growth and land speculation. Within this context, governments could implement national urban policies and management that optimizes land use, bringing the population closer to employment opportunities in urban areas and decreasing the formation of informal settlements.
The management of rapid urban growth, including territorial management, should be addressed through an inclusive approach to bridge the gap between rural and urban communities. To further strengthen social cohesion, rural development programmes aimed at poverty reduction and social sustainability must be achieved through addressing the basic needs of poor urban dwellers. Securing land tenure, increasing the deliverability of clean drinking water, sanitation and health services, and providing pro-poor housing are among the many areas that should be provided to slum dwellers and individuals residing in informal settlements in order to enhance equitable access to basic resources and ensure rural communities are included in urban development processes.

**Environmental**

Cities are emerging as a leading force in mainstreaming environmental responsibility and combating climate change through integrating green technologies in sustainable infrastructure, reducing the carbon footprint of urban metropolises through innovative measures of reducing pollution and generating innovative solutions to reduce energy consumption. Adopting modes of public transportation that utilize alternative sources of energy such as electricity, utilizing biowaste in heating systems of municipal buildings, applying off-grid renewable energy systems such as solar energy panels, or integrating information and communication technologies (ICTs) in the management of traffic congestion are examples of innovative solutions that can aid in the effort to reducing greenhouse gas emissions and enhancing environmental resiliency of cities.

The disastrous effects of climate change are seen in the majority of large cities around the world, particularly ones that lie in coastal areas and those in developing countries where urban infrastructure is the weakest. Small Island Developing States (SIDS), with scarce land resources, are particularly at risk of erosion and rising sea levels. Weather-related natural disasters, such as flooding, presents unprecedented social, economic and environmental costs particularly for vulnerable communities in developing countries that lack the local capacity and necessary infrastructure to cope with disaster risks. Adopting disaster risk reduction strategies, including mitigation, preparedness, response and recovery actions such as strengthening institutional capacities, enhancing resilience of infrastructure, enforcement of laws and regulations and improving community preparedness, that concentrate on addressing the underlying factors that generate and reproduce disaster risk is an example of an effective tool that can be implemented at the local, national, and regional levels to mitigate the substantial effects of climate change.

Furthermore, investing in sustainability to build the resilience of cities to combat the negative externalities of climate change can produce strategic socio-economic benefits such as increased private investment, economic growth, and improved standards of living. Adopting integrated strategies and plans to address the multi-dimensional challenges of climate change, can further drive the environmental sustainability of cities and generate a meaningful global climate commitment in 2015. A Compact of Mayors will be launched at the Secretary-General’s 2014 Climate Change Summit in September to accelerate the work of cities around the world on climate change.

Investing in ecosystems as well as efficient waste management are particularly important for cities in their effort to advance environmental sustainability and can produce economic and social benefits that advance sustainable development. There is an overarching need for a paradigm shift as to how water resources are used and managed in urban areas, as the traditional approach to urban water management remains largely inadequate at technical, environmental, economic, and social levels to address the challenges of sustainability in the wake of rapid urbanization and population growth. Furthermore, combatting the environmental challenges of sustainable urbanization will require coherent policy approaches, entailing local government responsibility for elaborating urban design, enhancing energy efficiency and building the resilience of cities to combat the coercive effects of climate change.
**Economic**

Despite the financial strains experienced around the world from the effects of the recent global economic crisis, the overall contribution of cities as engines of economic growth and socio-economic development is evident, as they account for at least 80% of the world’s Gross Domestic Product (GDP). Cities can be purposefully used as drivers of national economic growth and as a means to combat extreme poverty, generate decent work opportunities, and strengthen social cohesion. Well planned service centres and towns provide opportunities for investment to both the private and public sectors, especially in developing countries, including in pro-poor housing and basic services such as clean drinking water, adequate sanitation, energy and transport. Engaging in public-private partnerships can facilitate more investment opportunities, enhance the deliverability of basic services and increase mobilization of adequate resources. Increased investment in upgrading infrastructural facilities such as roads, water and energy facilities, waste management and recycling establishments, among others, can produce a number of socio-economic benefits such as increasing employment opportunities and stimulating economic growth.

Employment creation is a top priority for cities, as employment is the key to unlocking the necessary resources to generate economic and social development and enhance environmental sustainability. Labour-intensive infrastructure investments could be implemented using locally available resources and serve as an opportunity to generate three to five times more employment than conventional small-scale and medium-scale infrastructure methods in urban areas. Cultural and creative industries, sustainable cultural tourism, and culture-led urban revitalization and cultural infrastructure can serve as strategic tools for poverty alleviation, revenue generation, employment creation, and attracting investment for inclusive economic development. Furthermore, sound investments in science, technology and innovation can harness new ideas and strategies to transform the economic landscape of urban areas and facilitate long-term sustainable gains. Overall, proper policy support and integrated mechanisms can create new employment opportunities in urban areas, which will thus alleviate the pressures of informal job sectors, informal economies, and generate economic growth.

**Socio-spatial**

Socio-spatial change, the drivers of which often lie outside the control of the government, has primarily led to fragmentation, separation and specialization of functions and land use within cities. This has resulted in rising inequalities between rural and urban communities which poses significant challenges to sustainability through impeding efforts in poverty eradication and often intensifying non-inclusive economic growth and disparities in access to health, education and other social services. However, urbanization can provide a vehicle to eliminate all forms of inequalities that are exacerbated by the deepening rural-urban divide through integrating long-term urban development policies that advance social inclusion and enhance urban prosperity. Culture-aware policies in cities can enhance social inclusion through promoting respect for diversity, the transmission and continuity of values and inclusiveness by enhancing the representation and participation of disadvantaged groups. Although there is no “one-size fits all” solution to the various complexities of urban inequalities, promoting socially inclusive societies through effective national policies, that enhance the participation of all individuals in decision-making processes and implementing local public policies on the basis of local interests can enhance social cohesiveness. In this regard, a minimum criterion could be established for the regulation, protection and defence of the common space, such as streets, parks and waterways.

To further combat urban spatial change, formulating and implementing urban spatial planning strategies can be an effective means for governments to anticipate the future needs and priorities of their growing population and to produce an integrated response to the need for social inclusiveness accordingly. Urban spatial planning is an instrument that can integrate and articulate the various sectorial policies to form a holistic approach to addressing the cross-cutting challenges of socio-spatial change and advancing social sustainability. Establishing
minimum densities, optimising street connectivity and social diversity are essential elements of effective urban planning. Furthermore, concerted action across all levels of government, alongside cross-sector coordination, are critical for sustainable urbanization in order to produce scalable solutions to mitigate rural-urban inequalities.

**Institutional**

Urban governance, often considered a fourth dimension of sustainable development, is key to achieving urban sustainability. **Successful sustainable urbanization depends on setting up integrated institutional arrangements and mechanisms that facilitate effective governance, administration and management of urbanization processes and urban centres.** Responsive and accountable leadership and human resources that are capable in all aspects of governance, administrative and managerial mechanisms are essential in order to implement policies and programmes efficiently and effectively. Investing in capacity building for local authorities and governments is critical to promoting effective leadership at the community, municipal and metropolitan levels, and thus ensuring effective implementation of urban priorities and related initiatives. To this end, **capacity building is an essential component in building more effective institutions that can maximize the effectiveness of urban development policy coordination and delivery throughout all levels of government and in ensuring long-term sustainability and “win-win” solutions between sectors.**

**Identifying effective governance models, policy-making and planning mechanisms is crucial to guiding effective policy decisions so as to advance sustainable urbanization.** While there is no universal template for effective urban governance, a few critical features have emerged from current practices: inclusive and participatory decision-making mechanisms to account for the needs of all social groups; coordination between national and local interventions to ensure policy coherence and more efficient use of resources; effective consultative mechanisms to engage a broad range of urban stakeholders so as to integrate the three dimensions of sustainable development; and innovative procedures and approaches, including ICTs, to address capacity gaps and promote effective decision-making and service delivery.

In addition to adopting effective governance models, **engaging in multi-stakeholder partnerships with key stakeholders, such as the private sector and civil society, is particularly essential to produce innovative solutions and integrated planning and response mechanisms to address the various cross-cutting challenges of sustainable urbanization and ensure environmentally sustainable, socially inclusive, and economically productive cities.** Further incentives are needed for the private sector to increase opportunities for investment and financing for sustainable development initiatives. Governments should assume a leadership role in managing the conflicts of interests between multiple stakeholders, overseeing that the engagement of stakeholders is equitable in terms of representation. In addition, building synergies and partnerships across various sectors, such as transportation, energy and health, is critical to the process of strengthening policy coherence at the national and local levels and to ensuring a more efficient and sustainable use of national and local resources. Overall, engaging in multi-stakeholder partnerships and forums that facilitate the collaboration of multiple actors is crucial to devising a holistic approach towards mainstreaming a sustainable urbanization framework in the Post-2015 development agenda.

**Sustainable Urbanization in Africa**

During the next few decades, the most dramatic population shifts will occur in Africa, currently the least urbanized continent, but with an urbanization rate several times higher than anywhere else in the world. The changing landscape of Africa’s increasingly urban future is often cited as a ‘mega-trend’ resulting from a combination of rural-urban migration, natural population growth, and the spatial reclassification of urban areas. Moreover, conflicts, drought and rural poverty have driven millions of people out of their homes to live in slums and in the vicinity of the cities and towns as refugees and internally displaced persons. The growing youth bulge, deepening
rural-urban divide and the rising levels of unemployment all emphasize the need to mobilize resources and identify effective policy solutions to address these large scale challenges. The rapid urbanization occurring in Africa presents strong opportunities for urbanization to be redefined and managed in a sustainable, inclusive, gender and culturally sensitive manner.

To keep pace with rapid urbanization in Africa, there is an urgent need to upgrade informal settlements, provide basic infrastructure and services, protect urban green space, and enable the private sector to create jobs. African cities need to move away from an unsustainable model of urban planning that generates poorly connected, socially divided, economically unproductive and environmentally unsustainable cities. This would require strengthened capacity for planning, revenue generation and collection, financial governance, and data gathering and analysis. Sharing of best practices among themselves and from other regions would be important in helping African cities leapfrog take advantage of the opportunities associated with building sustainable cities. The rural-urban linkage is distinctive in Africa and the strong existing links must be factored into the overall structural transformation needed to ensure that development efforts are focused on both rural and urban areas, a significant measure to mitigate the proliferation of urban slums.

Decentralization, coupled with strong local governance mechanisms, is also critical to the process of sustainable urbanization in Africa. It creates conditions for different levels of government to collaborate and reinforces political commitment to achieving sustainable development initiatives. Reliable financial resources must be available to ensure an effective process of sustainable urbanization. This includes support from UN agencies, international and regional partners as well as the private sector, all of which would help build the necessary infrastructure and create economic opportunities. Moreover, governments can harness the power of urbanization to promote peace and stability. In this connection, urbanization can be a contributing factor in advancing unity and reconciliation efforts by promoting affordable housing in safe environments with secure housing rights and inclusive public services, including policing.

Noting the strategic importance of cities to achieving development priorities, African leaders have adopted the Common African Position on the post-2015 development agenda, which emphasizes prioritization of structural transformation for inclusive development and recognizes the role of sustainable cities and human settlements. The African Union has also established a new programme for infrastructure development that addresses needs in the areas of energy, trans-continental and regional transport, trans-boundary water sources, and information and communications technology. Overall, the particularity and specific needs of Africa in the process of urbanization must be recognized and adequately addressed throughout the process of developing the post-2015 development agenda.

Next Steps

The outcome will not only feed into the High-Level Segment of the Economic and Social Council, including the High-Level Political Forum on sustainable development, but will also serve as ECOSOC’s contribution to Habitat III in 2016.

The discussions during the Integration Segment revealed the need for a Community of Practice and a knowledge repository on sustainable urbanization. Such a Community of Practice could be established under ECOSOC to promote learning and sharing of experiences, and support political momentum for sustainable urbanization in the lead up to post-2015 development agenda and Habitat III. Members could include high-level representatives of governments, cities, UN system, major groups, civil society and academia. In addition, a knowledge repository of sustainable urbanization related information, good practices and case studies could be established and maintained by UN-Habitat and UN-DESA to provide all stakeholders an opportunity to share ideas and experiences, and promote learning.