



**PANEL ON URBAN GOVERNANCE, CAPACITY AND INSTITUTIONAL DEVELOPMENT<sup>1</sup>**  
(Policy Unit 4)

**HABITAT III OPEN-ENDED INFORMAL CONSULTATIVE MEETINGS**  
**THURSDAY 28 APRIL 2016, CONFERENCE ROOM 3**

**11 A.M. – 12 P.M.**

***Introduction***

Phillip Rode, Executive Director and Senior Research Fellow, LSE Cities

***Moderator***

Emilia Saiz, Deputy Secretary General of UCLG

***Panelists***

- Fatimetou Mint Abdel Malik, President of the Network of Local Elected Officer of Africa, Mauritania
- Martin Grisel, Director of the European Urban Knowledge Network European Grouping of Territorial Cooperation, Netherlands
- Zione Ntaba, Judge, High Court of Malawi, Malawi
- Rod Regier, Executive Director, Economic Development, City of Kitchener, Canada
- Ana Claudia Rossbach, Regional Advisor for Latin American and the Caribbean, Cities Alliance, Brazil
- Wicaksono Sarosa, Chairman of the Executive Board of Kemitraan-Habitat, Indonesia

**VISION**

Since the Habitat II Conference in 1996, the framework conditions for urban development have changed significantly. The globalisation of economies and value systems, population growth and rapid urbanisation, the threat of climate change, increasing inequalities, global migration and the impact of new technologies have all been reshaping the challenges facing the governance of cities and societies.

Over the past few years and in a majority of regions, we have witnessed a trend towards decreasing turnout in national and local elections combined with rising civil society discontent with political systems and public institutions. There have been popular outbreaks in many cities of the world, reflecting growing demands by citizens for more equity and democracy and highlighting the key policy challenges facing future urban governance.

Successful implementation of the New Urban Agenda will depend on appropriate, democratic, efficient and inclusive urban governance that responds to the call for right to the city and sound institutional frameworks. The New Urban Agenda should build on the legitimacy of the Istanbul Declaration, in which Member States recognised that local authorities are key partners in urban governance, as well as acknowledging the role of civil society and the private sector.

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<sup>1</sup>Information Habitat III Policy Unit 4 and its Policy Paper is available at [www.habitat3.org/the-new-urban-agenda/policy](http://www.habitat3.org/the-new-urban-agenda/policy)



## PRIORITY POLICY OPTIONS/KEY MESSAGES

- By and large, urban governance frameworks and institutions in most countries need to evolve to face critical challenges
- In many countries, existing institutional frameworks prevent urban governments fully delivering on their responsibilities
- Cities and urban societies continue to suffer from an imbalance of political power and insufficient inclusiveness and participation
- The expansion of metropolitan areas and the growing gap between these and intermediary cities pose additional challenges to urban and national governance
- Above all, new urban governance should be democratic, inclusive, multi-scale and multi-level
- New urban governance requires robust national urban and territorial policies
- Local and sub-national governments anchor new urban governance on the ground and play a pivotal role in implementing the New Urban Agenda
- Strong metropolitan governance is a key component of new urban governance
- A buoyant and participative civil society involves clear recognition of citizens' rights
- Capacity building for urban governance needs to be accelerated

A new urban governance should be:

- **Democratic and inclusive:** this implies guaranteeing the right to participate in the development of cities and their surroundings for all stakeholders, with special attention given to vulnerable groups. It also implies ensuring access to technologies to enhance service provision and participation.
- **Long-term and integrated:** new urban governance should allow for long-term public policies, beyond terms of office. It should also foster comprehensive public policies that involve the whole territory in a systemic and intelligent way.
- **Multi-scale and multi-level:** new urban governance requires coordination between different levels of government and sectors of society, so that challenges that arise in cities can be faced efficiently.
- **Territorial:** In new urban governance, cities must be seen and understood as a system of relationships between urban and rural areas operating as an urban ecosystem.
- **Proficient:** institutions and individuals should have the necessary skills to implement relevant public policies in a responsive and realistic way.
- **Conscious of the digital age:** new technological developments can assist local authorities in crafting more transparent, accountable, participatory and responsive governance systems. Digital era governance may also equip citizens and businesses to push for bottom-up society changes.



## POLICY PRIORITIES / ACTIONS

### **Create strong multi-level governance frameworks**

- Create and promote appropriate mechanisms for regular dialogue and coordination between different levels of government in the definition, implementation of key policies and guidelines;
- Implement these mechanisms to strengthen the cooperation between public institutions.
- Carry out an assessment of the main institutions, processes and regulations that involve urban and territorial development policies
- Engage in a progressive revision of national, regional and local government legislation and regulations in a collaborative way, to promote coherent and inclusive multi-level governance.

### **Strengthen decentralisation processes**

- Regular review of national and local government legislation and rules to ensure sub-national governments are adequately empowered to support an effective decentralised system, based on the principle of subsidiarity and respect for local self-government.
- Ensure that empowered local governments are entitled to adequate financial resources, sufficiently diversified and commensurate with the devolved responsibilities provided by law, so that they are responsible for, and accountable to, the citizens that have elected them.
- Acknowledge that local authorities should be allowed and capacitated to determine their own administrative structures in order to adapt to local needs, and have the autonomy to manage their staffs based on merit and transparent policies that avoid “clientelism”.
- Encourage appropriate regulatory frameworks and support local governments in partnering with the private sector and communities to develop basic services and infrastructures. **Promote integrated national urban and territorial policies**
- Develop/strengthen national urban and territorial policies as a critical pillar for multi-level urban governance, with the aim of promoting more balanced and sustainable regional development, building a framework for stronger coordination among all actors;
- At national level, strengthen the capacities and the coordination among sectoral institutions
- At regional level, promote and facilitate the collaboration and complementarities between metropolitan areas, intermediary cities and small towns with their hinterlands to build a strong ‘system of cities’ and foster urban-rural partnerships.
- Consider cross-border cooperation to improve the management of emergent urban areas, regions and corridors across national borders.
- Ensure that national and territorial policies safeguard against environmental degradation and damage at all levels of government.
- Improve the management of informal settlements and ensure that land regulatory frameworks and planning provide for the implementation of the “continuum of land rights”, recognising a plurality of tenure types within the local context.

### **Reinforce metropolitan governance**

- Consider the creation of metropolitan governance structures, facilitated by adequate institutional arrangements or law reforms or incentives
- Establish metropolitan level accounts which bring together data aggregated from different sources, including dedicated one that captures the metropolitan dimension.
- Endow metropolitan governments with their own powers and responsibilities, clear division of tasks with other levels of government avoiding competing responsibilities.



- Establish clearly defined and reliable financing mechanisms to empower metropolitan governance, avoiding competition between municipalities and other intermediate levels of government;

#### **Promote a new culture of participation and equity**

- At the national level, create or advance the development of an effective regulatory framework to foster participation by local governments.
- Promote open mindedness on the part of local leaders towards disadvantaged groups and a readiness to enter into dialogue.
- Ensure that the existence of autonomous civil society movements and organisations is acknowledged and supported by local authorities and higher levels of government
- Encourage innovative direct participatory processes such as participatory budgeting, co-production of services with civil society organisations, and community-based monitoring; including use of digital technologies and social media;
- Engage civil society organisations, NGOs and academia in monitoring and evaluating public policies and projects
- Develop independent mechanisms to safeguard inhabitants with respect to local authorities and private companies, particularly for slums / informal settlements as well as women.

#### **Strengthen capacity building for urban governance**

- Capacity building should accompany governance reforms to ensure sustainability and effective implementation.
- Create a system-wide capacity-building alliance and promote awareness-raising initiatives to demonstrate the added value of capacity-building and its links with wider policy outcomes.
- Training programmes specifically geared toward strengthening the skills and abilities of the most marginalised and vulnerable groups in society and improve the capacity of community leaders and public institutions to engage in dialogue in collaborative partnership approach
- Ensure that careers of civil servants are rewarded
- Any such programmes should build on and expand cooperation between cities, local governments and civil society both North-South and South-South

#### **MONITORING**

- Establish regular monitoring systems of urban and territorial policies at national and local levels, with multi-stakeholder involvement and agreed quantitative and qualitative indicators.
- Governments at all levels to contribute to the availability of high-quality, timely and reliable data, disaggregated by income, gender, age, race, ethnicity, migratory status and disability, with geographic location and characteristics relevant in national contexts. Open data, compatibility, collaboration and interoperability
- Create reporting mechanisms that form part of a 'national observatory of urban and territorial polices', with a joint steering committee with representatives from national and local governments, academia, civil society, the business sector, to develop a national reporting system supported by regular reporting at city level, peer-to-peer reviews, citizen satisfaction surveys or report cards and community-based monitoring.
- Establish effective evaluation mechanisms
- Ensure the successful development and implementation of a citizen-centric digital era governance that continuously taps into technological innovations.



**GUIDING QUESTIONS FOR**  
**PANEL ON URBAN GOVERNANCE, CAPACITY AND INSTITUTIONAL DEVELOPMENT**

1. Institutional reform vs. policy change: Which recommended urban governance reforms should be prioritised over the development of concrete and substantive policies in order to ensure that the latter are effective and efficient? In turn, what are policy priorities that should not be waiting for institutional reform?
  
2. Universality and transferability: Which of the proposed actions do you consider as particularly universal in character that should, in principle, be applied in diverse contexts independent of specific local conditions? In turn, which proposed actions do you consider primarily an issue of local context?
  
3. Barriers: Which of the proposed actions is confronted with the most significant barriers to implementation? Which barriers are these? Which proposed actions are less likely to be confronted by major obstacles linked to implementation?