



commonwealth action for human settlements

ComHabitat Networking Session¹

Debate: “This house believes that urban development strategies are not relevant to national poverty reduction strategies”

The Commonwealth Consultative Group on Human Settlements (CCGHS) is an intergovernmental group made up of Ministers responsible for human settlements. ComHabitat consists of the CCGHS supported in practical ways by agencies from government, local government, civil society and the private sector.

Caren Levy, Director of the Development Planning Unit at University College London, chaired the ComHabitat networking session, which involved participants from a broad range of stakeholder groups. These included national and local governments, intergovernmental organisations (IGOs), non-governmental organisations (NGOs), community-based organisations (CBOs), donors, development banks and academia. The session was conducted in the form of a debate around the question of why urban poverty is given little attention in national poverty reduction strategies and how and why this needs to change. After the panellists had briefly presented their main points the debate was opened up to the floor. More than 20 participants shared their national experiences in a broad and lively discussion.

Eduardo Moreno, Chief of the Global Urban Observatory at UN-Habitat, opened the discussions by stating that inequality in urban areas, and urban poverty in general, is not only threatening social and political security but is also limiting economic development. He proposed that once equity issues are addressed, economic development will follow. Mr Moreno went on to highlight the urgency of dealing with urban poverty, drawing on the UN-Habitat publication, *The State of the World Cities 2006*. In Sub-Saharan Africa, the urbanisation rate is 4.5 per cent, while the growth rate in slums is 4.7 per cent. Slum conditions are life threatening; the life expectancy of those living in slums is considerably lower than those in other parts of the same city. He termed this the ‘urban penalty’. Mr Moreno went on to consider why urban poverty is not included in national development strategies. He asserted that informal city growth is misunderstood and underestimated partly because of its multidimensional nature and partly due to inefficient monitoring methodologies. If cities are not understood in terms of growth dynamics and land-use patterns, then it follows that urban poverty cannot be addressed effectively. Mr Moreno argued that national Poverty Reduction Strategy Papers (PRSPs) follow a blueprint based on donor requirements. These requirements do not include urban poverty issues because donors do not understand or even believe in the challenge of urban poverty. There is also a disconnection between national government and city-level actors when it comes to policy formulation. As such, the focus of many PRSPs remains on rural poverty.

Sikhulile Nkhoma, Director of the Centre for Community Organisation and Development (CCODE) in Malawi, which works with the Malawi Homeless Peoples’ Federation, agreed that

¹ This session was held during UN-Habitat’s third World Urban Forum in Vancouver, June 2006.

policy makers are working with limited and misrepresented information on urban poverty. There is a need to disaggregate socio-economic information between middle-income groups and slum communities in order to reveal the true levels of poverty in cities.

John Chome, UN-Habitat (Malawi), drew attention to the role of politics in housing and urban issues. He remarked that, in much of Africa, a majority of the voting population still resides in rural areas and, as such, governments focus their resources on the development of these areas particularly running up to elections. This is despite the fact that cities are recognized as engines of growth. Mercy Masoo of ActionAid Malawi, agreed and commented that when insufficient resources are allocated to urban development, rural development actually suffers as a consequence.

Joseph Muturi, a member of the national slum dwellers Federation in Kenya (Muungano wa Wanavijiji), outlined an example of a partnership working to reduce urban poverty in Kenya. In the town of Kisumu there are many slum settlements. The residents of these slums have organised themselves into a Federation and, in conjunction with UN-Habitat and the Municipal Council of Kisumu, are gathering information about their settlements and the city as a whole. The information is stored at the Federation resource centre. When the local government is planning city developments they now go to the community resource centre to talk to the slum dwellers and access the necessary information. As a result, the development and planning strategies that are emerging are more appropriate to the needs of the poor. Jack Makau from the Pamoja Trust, an NGO that supports the Kenyan urban poor Federation, went on to state that “planning should start down at the city level, with the people who are affected, to drive the momentum for national poverty reduction, and not the other way round”.

Ruth McLeod, Chief Executive of Homeless International, argued that while there are many examples of positive partnerships between poor communities and city authorities on the ground, the lessons from these have yet to penetrate macro-economic policies. The fact that donors are turning away from sector support and particularly away from urban issues, towards budget support is a significant concern for sustainable city growth. A delegate from Malawi reiterated Mr Moreno’s point that a limitation of PRSPs is that they are donor driven. Policy makers are given a specific time in which to complete them with the result that some crucial issues are left out, including urban development and housing.

Mr Moreno added weight to the argument that partnerships are essential for sustainable city growth and poverty reduction. He argued that if slum dwellers implement water and sanitation projects and other slum upgrading initiatives in substitution to the state they will be unable to scale-up those initiatives to a level that will significantly impact on poverty. He drew on an example from India. After 15 years of a sanitation programme by slum dwellers, their projects still only represented 1% of sanitation coverage. Mr Moreno questioned why it is that these initiatives are still cited as examples of best practice.

Carl Wright, Secretary General of the Commonwealth Local Government Forum, argued the need for decentralisation and the necessity to equip local governments and their partners in civil society with the capacity to respond to the challenge of poverty reduction. He declared that, “...localising the Millennium Development Goals is fundamental to urban development and poverty reduction”. Mr Wright recognised that the donor community and some national governments are beginning to appreciate the role of local government in poverty reduction and the need to localise energies. However, all too often lip service is paid to the process of decentralisation. A worrying concern is that the donor community is increasing its budget support as opposed to programme support. Funds therefore go directly to the national ministries and there is little to ensure that it is filtered down to the grass roots level where it is really needed. Mr Wright proposed that a fixed percentage of aid budgets be allocated to decentralisation, in conjunction with a fixed percentage of government funds being automatically transferred to the local level. He drew on the example of Ghana, where a fixed percentage of GDP is allocated to local government through the Decentralisation Fund. Mr Wright was keen to point that, along with increasing the capacity of local government to engage with national government and the donor community, local government must also

reform itself in order to fulfill its potential role. This must include greater transparency and an increased connection with civil society.

A representative of United Cities and Local Governments supported Mr Wright's views, pointing out that local government has a strategic role in ensuring that the voices of the urban poor are heard. In order to support local government in their role as intermediary between urban communities and the relevant ministries, there must be a concerted effort to improve channels of communication within government structures and to strengthen local governments' stake in national policies.

A representative of WaterAid UK countered these arguments, believing that decentralisation may work in rural areas but does not in urban areas. It was argued that urban poverty reduction strategies are multidimensional and therefore extremely hard to integrate into a citywide approach. As such, it proves difficult to raise the profile of urban poverty as an issue to be integrated into PRSPs. He went on to highlight the fact that those responsible for the varying aspects of urban poverty are housed in different ministries. It is a challenge to connect all these ministries into an urban unit able to push for urban poverty's inclusion in PRSPs and funding for urban development. He summed up by arguing that urban planning is a centralised issue that must be addressed as a whole. There is therefore a need for a coordinated government body with overall responsibility.

The significant conclusion drawn from the debate was that national poverty reduction strategies generally pay little attention to urban poverty and human settlement issues. It was agreed that national governments, along with donors, must actively address these challenges in order to achieve sustainable city development. The sharing of experiences between cities and countries in conjunction with lobbying donors, are considered important steps for pushing the human settlements agenda and encouraging national governments to address urban poverty.

For more information please visit www.comhabitat.org