

Mr Chair, esteemed colleagues

To quote the Millennium Project:

*“The international community has set the targets, but if we are to meet this challenge then we must look at everything anew. We must reassess our statistics; we must look at our policies again and ask why we have failed in the past; we must innovate new strategies of good urban governance; we must invest more funds in urban infrastructure. **Most of all, in this urban millennium, we must wake up to the fact that one of the greatest challenges of this century is the urbanisation of poverty.”***

Today, more than half of the world’s population live in urban environments. This trend is going to continue and accelerate.

According to UN-HABITAT, by 2050 six billion people will be living in cities around the world. As such, urban development will become **the major development challenge**, in particular in developing countries. Any sustainable development strategy should filter down to, capacitate and resource local authorities to enable them to reconcile the economic, social and environmental aspects of the urban environment.

The Johannesburg Plan of Implementation in 2002 already, recognised that sustainable development must be achieved at all levels of government to:

*“Create an enabling environment at the regional, sub-regional, national **and local levels** in order to achieve sustained economic growth and sustainable development and support African efforts for peace, stability and security, the resolution and prevention of conflicts, democracy, good governance, respect for human rights and fundamental freedoms, including the right to development and gender equality.”*

From an African perspective, Sub-Saharan Africa is urbanising faster than any other continent, with 72% of Africa’s urban residents living in slums. It is estimated that of the people in urban areas around the world, at least one billion live without sufficient basic services such as water supply, health services, electricity, transport access and adequate food supplies. Poverty remains the single greatest challenge to sustainable development in Africa. Poverty is multidimensional and the lack of such basic services in the urban areas makes it difficult to improve living conditions and local economic prospects.

The policies formulated at international and national forums tend to focus on national and international challenges. The urban numbers are rapidly increasing, largely in conditions of poverty. Policies must also be translated into urban and local challenges. For effective implementation of any plan at local government level, there needs to be effective governance and management. The challenge for cities is to improve urban management units and to transform national policy into viable action plans at a local level.

Promoting good governance can ensure that national government can transfer the management of urban areas to local municipalities and authorities. Local governments are ideally placed to implement effective projects at grassroots level. Clearly, many issues of environmental sustainability must be addressed at the international, regional and national level, but the reality remains that implementation happens largely at local level.

As Local Government sector we propose that national governments should give local government increased resources and capacity in order to enable them to effectively plan and manage cities and urban areas. National government would then facilitate local programmes, “creating legislative and administrative environments in which a wide range of local governments, private-sector firms, and community organizations can deliver infrastructure and services to urban areas.”¹ National government should also actively assist to facilitate and develop engagement from the international community including foreign investment, technology transfers, and public-private partnerships.

Effective local government empowerment and accountability requires:

- Political accountability to citizens
- National and state authorities to provide budgets and budget authority to the municipal level (i.e. avoid unfunded mandates)
- Encouraging local initiative and entrepreneurs
- Building administrative capacity in decentralisation process

I would like to conclude with the following. Local Governments, and cities in particular, **could and should** play a major role in achieving integrated solutions for the current thematic cluster. Areas where lots of innovative action is already taking place include:

- Energy and Climate Change
- URBAN AGRICULTURE
- Local Integrated Water Resource management and Sanitation
- Local Economic Development
- Integrated human settlements

I thank you.
