

STATEMENT BY
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Statement

by

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Mr. President;
Mr. Rubens Ricupero, Secretary General of UNCTAD and Secretary General of the Conference;
Your Excellencies
Distinguished Delegates;
Ladies and Gentlemen,

It is a privilege for me to address the Eleventh Session of the United Nations Conference on Trade and Development. Allow me, Mr. President, at the outset, to congratulate you and members of the Bureau on your election. I also wish to congratulate Mr. Ricupero and his colleagues in the UNCTAD secretariat for the excellent preparations they have made to ensure the success of the Conference. Our special thanks and appreciation are extended to the Government and People of Brazil, particularly the City of Sao Paulo, for their warm welcome and hospitality.

Mr. President,
As the "City Agency" and focal point for local governments within the United Nations system, UN-HABITAT is in complete agreement with the Secretary-General of the Conference that locally tailored strategies are needed to overcome development constraints and bottlenecks.

We fully subscribe to the viewpoint that ensuring coherence and catalyzing national development efforts call for the participation not just of governments and international organizations but also of local communities and their authorities, civil society and the private sector.

Furthermore, we see rural and urban areas as economically, socially, and environmentally interdependent, where cities, as engines of growth, drive the development of both rural and urban economies. From this perspective, it is clear that both national and global approaches to development must accommodate and build upon local realities as a common denominator.

A century ago, only one in ten people around the world lived in cities. Today, that ratio is one in every two. About 3 billion people are now urban dwellers. Within just

25 years, two-thirds of all people will live in urban areas and almost all of that rapid increase will come in developing countries. Africa, the fastest urbanizing continent, will cease to be a rural continent by 2030 when over 50 percent of its population will live and work in cities and towns.

Everywhere, cities drive their national economies.

For example, If the 5 largest metropolitan areas in the USA (New York, Los Angeles, Chicago, Boston and Philadelphia) were treated as a single country, it would rank as the fourth largest economy in the world. The same for developing countries. For example, Sao Paulo, with just over 10 percent of Brazil's total population, produces 40 percent of its GDP. Cities in Africa contribute 60 percent to the continent's GDP, yet only about 34 percent of the continent's people live in cities.

Cities are potent instruments for national economic and social development, and, as such, deserve deliberate national policies to enable and sustain their development and effective management taking into account the realities of and impact of globalization. Cities poses immense capacities to alleviate poverty and improve the quality of life for all citizens with good policies and under good governance. Cities should overcome the gender, race, and income divide. Realizing the potential of cities in both national and global economies requires partnerships that promote efficiency, resourcefulness, creativity and transparency.

It is for these reason that UN-HABITAT, in cooperation with the City of Sao Paulo, and URBIS, has organized a parallel event on the theme of "Cities: Engines of Economic Development" at UNCTAD XI.

Mr. President

Through our advocacy campaigns and global programmes on good urban governance, and security of tenure for all urban citizens, we work with developing countries to bring stakeholders at all levels into a process where the urban living environment - and the investment environment - is radically improved for all citizens, particularly the poor and homeless.

Mr. President,

In the Millennium Declaration and the Millennium Development Goals, the Habitat Agenda, is restated under goal 7, environmental sustainability, target 11 which aims to improve the living conditions of at least 100 million slum-dwellers by 2020. Yet, this is only 10% of the current slum populations of about 1 billion people, which increases all the time. It means we have to do more and better, if we are to deliver the goal of cities without slums.

The centrality of this challenge to the global economic policy agenda and trade that this conference is addressing cannot be underscored. Without policy coherence at all levels of intervention, namely local versus national, and national versus international, it

will not be possible to achieve the MDGs at local levels where it matters most- in the favellas of Sao Paulo and Rio, the kampungs of Bangkok, the shacks of Nairobi and Johannesburg, and the pavement dwellers in Mumbai.

UN-HABITAT stands ready to assist in this endeavour. We are expanding avenues for this dialogue on Sustainable Urbanization through the World Urban Forum, which will convene at its second session in the City of Barcelona, 13-17 September, 2004, to explore the role of cities as cross-roads for cultural integration and inclusion.

I welcome you all to this event to continue our dialogue, in search of workable solutions to overcome urban povert and deliver sustainable development for all.

I thank you for your attention.