



Habitat Agenda: Paragraph 155

Urban economies are integral to the process of economic transformation and development. They are a prerequisite for the creation of a diversified economic base capable of generating employment opportunities. Many new jobs will need to be created in urban areas. Cities currently generate more than half of national economic activities worldwide. If other factors, such as growth of the population of cities and migration to cities, are addressed effectively through, *inter alia*, urban planning and control of the negative impacts of urbanization, cities could develop the capacity to maintain their productivity, to improve the living conditions of their residents and to manage natural resources in an ecologically sustainable way. Industry, together with trade and services, provides the main impetus to this process.







Habitat Agenda: Paragraph 156

Cities have traditionally served as economic centres and have become the primary providers of services. As engines of economic growth and development they function within a network of supporting economic activities located in their peri-urban and surrounding rural areas. For this reason, specific actions also need to be taken to develop and maintain efficient and affordable transport, information and communications systems and linkages with other urban centres and with rural areas and to seek reasonably balanced patterns of development, both geographically and economically. Rapid changes in production technologies and in trade and consumption patterns will lead to changes in urban spatial structures that, notwithstanding their nature, need to be addressed.







Habitat Agenda: Paragraph 157

Economic development and the provision of services can be enhanced through improved human settlements activities, such as urban revitalization, construction, upgrading and maintenance of infrastructural facilities, and building and civil works. These activities are also important growth factors in the generation of employment, income and efficiency in other sectors of the economy. In turn, in combination with appropriate environmental protection policies, they result in the sustainable improvement of the living conditions of city residents as well as of the efficiency and productivity of countries.







Habitat Agenda: Paragraph 158 (Action)

To establish an effective financial base for urban development, Governments at the appropriate levels, including local authorities, in cooperation with trade unions, consumer organizations, business, industry, trade organizations and the financial sector, including the cooperatively organized business sector and non-governmental organizations, as appropriate, should:

- (a) Formulate and implement financial policies that stimulate a broad range of urban employment opportunities;
- **(b)** Encourage the formation of new public-private sector partnerships for institutions that are privately owned and managed but public in their function and purpose, and promote transparency and accountability of their operations.







Habitat Agenda: Paragraph 159 (Action)

To provide opportunities for productive employment and private investment, Governments at the appropriate levels, including local authorities, in consultation with workers' and employers' organizations, chambers of commerce, industry, trade and consumer organizations, professional associations and the financial sector, including the cooperative sector, and in the context of comprehensive urban planning, should:

- (a) Implement sustainable urban development policies that take account of and respond effectively to the needs of locally owned enterprises, and are not detrimental to the natural and human environment;
- **(b)** Facilitate access to all levels of education and training;
- (c) Promote an adequate supply and the environmentally sound allocation of sufficiently serviced land for the needs of the business community, with due regard to the needs of small and medium-sized enterprises;
- (d) Offer opportunities for urban economic activities by facilitating the access of new and emerging businesses, and small and medium-sized enterprises, including the informal sector, to credit and finance, and by streamlining legal and administrative procedures;
- (e) Facilitate, where appropriate, the opportunity for urban horticulture;
- **(f)** Assist informal sector enterprises to become more productive and progressively integrated into the formal economy;
- (g) Consider designating select areas for redevelopment within urban centres by providing packages of fiscal and financial incentives along with appropriate regulatory arrangements and the development of partnerships.





Habitat Agenda: Paragraph 160 (Action)

To provide opportunities for small businesses and for the micro-enterprise and cooperative sectors, Governments at the appropriate levels, including local authorities, in consultation with non-governmental organizations, community-based organizations, and financial and vocational training institutions, should, as appropriate:

- (a) Facilitate the extension to the informal sector of the protection of human rights in the field of labour, and promote respect for the relevant conventions of the International Labour Organization, including those on the prohibition of forced and child labour, freedom of association, the right to organize and bargain collectively, and the principle of non-discrimination;
- **(b)** Promote and strengthen, as appropriate, programmes that integrate credit, finance, vocational training and technological transfer programmes in support of small and microenterprises and enterprises in the cooperative sector, particularly those developed and utilized by women;
- (c) Encourage fair treatment of the informal sector, promote the use of environmentally sound practices and encourage links between financial institutions and non-governmental organizations that support the informal sector, where it exists;
- (d) Integrate, where appropriate, the needs of the growing informal sector within planning, design and management systems by, *inter alia*, promoting its participation in the planning and decision-making process and by strengthening its linkages with the formal economy;
- (e) Promote training for small and micro-enterprises and enterprises in the cooperative sector and support them in their efforts to improve their products, services, technology and distribution networks and to identify new market opportunities.





Habitat Agenda: Paragraph 161 (Action)

To strengthen urban economies so that they may be competitive in a globalizing economy, Governments at the appropriate levels, including local authorities, in consultation with all interested parties, should, *inter alia*:

- (a) Improve education and enhance job training in order to improve the quality of the local workforce;
- **(b)** Support the restructuring of local industries, where appropriate, develop urban infrastructure and services, promote a reliable, efficient and environmentally sound supply of energy and enhance telecommunication networks;
- (c) Review and revise, as appropriate, the regulatory framework in order to attract private investment;
- (d) Prevent crime and enhance public safety in order to make urban areas more attractive for economic, social and cultural activities;
- (e) Encourage sound financial practices at all levels of government;
- (f) Promote legislative action that may be necessary to implement the above.







Habitat Agenda: Paragraph 162 (Action)

To alleviate the adverse impacts of measures for structural and economic transition, Governments at the appropriate levels, including, where appropriate, local authorities, should:

- (a) Promote an integrated approach by addressing the social, economic and environmental consequences of reforms on the development needs of human settlements;
- **(b)** Promote the integrated functioning of housing markets so as to avoid segregation of the social housing sector;
- (c) Implement appropriate basic social programmes and adequate resource allocation, in particular those measures affecting people living in poverty, people with disabilities, other vulnerable segments of society, micro-enterprises and other small businesses;
- (d) Review the impact of structural adjustment on social development by paying particular attention to gender-sensitive assessments;
- (e) Design policies to promote more equitable and enhanced access to income and resources;
- **(f)** Support, as appropriate, public and private enterprises in their efforts to adapt to the changing requirements of technological and human resources development.

