

# **PROJECT**

"Strengthening Member States' Capacities in Designing and Implementing Strategies and Policies for Inclusive and Sustainable Cities in Africa"

**DEVELOPMENT ACCOUNT (9th Tranche – 1415BB)** 

Guidebook for Policymakers: An Urban Lens in National Development Planning

**Regional Validation Workshop** 

**AIDE MEMOIRE** 

13 to 15 December, 2017

ECA/UNCC, Addis Ababa, Ethiopia

1. In the framework of its United Nations Development Account Project on "Strengthening Member States capacities in designing and implementing strategies for inclusive and sustainable cities in Africa"<sup>1</sup>, the Economic Commission for Africa is organizing a Regional Validation Meeting on "A Guidebook for Policymakers: An Urban Lens in National Development Planning,", to be held from 13 to 15 December, 2017, in Addis Ababa, Ethiopia.

### **Background**

- 2. The 21<sup>st</sup> Century can be characterized as the century of urbanization, not only because its advent saw the global urban population overtake the rural population, but also because it is the century in which traditionally highly rural areas such as Africa and Asia will also transition to being predominantly urban. Although, with 40% of its inhabitants living in urban areas, Africa is the least urbanized region of the world at present, the continent is projected to reach a level of 50% urbanization by 2035, and along with Asia account for 90% of the increase in the world's urban population<sup>2</sup>. Indeed, in just a few years, Africa will become the fastest urbanizing region in the world.
- 3. Cities account for an overwhelming 70% of global GDP <sup>3</sup> which affirms the profound role that urbanization can play in unleashing the latent economic potential of countries. At present, it is estimated that the world's 750 most productive cities account for some 57% of global GDP. By 2030, these cities look set to contribute a colossal US\$ 80 trillion to the world economy (61% of total world GDP). Moreover, in a seismic change, the center of gravity of urban productivity is shifting towards developing countries with a growing number of these high productivity cities projected to come from the global south in the coming decades<sup>4</sup>. Despite Africa's urban population being only 40%, it is estimated that cities contribute to 55% of its GDP<sup>5</sup>.
- 4. National development planning is of critical importance for structural transformation and economic development by virtue of enabling States to pursue their development paths based on their specific needs, circumstances and aspirations in a coherent, systematic and sustained manner. With regards to Africa, national development planning is indispensable for structural transformation since it provides a framework for addressing the market failures and institutional barriers that have hindered the transition of the continent's economies towards more productive sectors. Indeed, many African countries have recently started defining or redefining their long-term visions/strategies with the main goal of accelerating and/or achieving structural transformation. Quite often, the visions and strategies aim at propelling countries to middle income status in the medium term, with strong emphasis on diversification, industrialization and linkages to the global economy. The new generation of national development strategies is also being

<sup>&</sup>lt;sup>1</sup> United Nations General Assembly (2015), Proposed programme budget for the biennium 2016-2017, A/70/6 (Sect. 18).

<sup>&</sup>lt;sup>2</sup> United Nations (2014). *World Urbanization Prospects: The 2014 revision*. New York: UN Department for Economic and Social Affairs.

<sup>&</sup>lt;sup>3</sup> World Bank (2009) Systems of Cities: Harnessing Urbanization for Growth and Poverty Alleviation—World Bank Urban and Local Government Strategy. Washington, DC: World Bank.

<sup>&</sup>lt;sup>4</sup> Oxford Economics (2016) *Global Cities 2030: Future Trends and Market Opportunities in the World's Largest 750 Cities.* Oxford: Oxford Economics.

<sup>&</sup>lt;sup>5</sup> AfDB (2011) Bank Group Urban Development Strategy. Abidjan: African Development Bank Group

informed by emerging trends such as demographic transformation, climate change, emergence of global value chains, and new development partners among others, all of which are in line with the global and continental development frameworks.

- 5. However, despite the tremendous social and economic contribution and productivity advantages of urban centers and metropolitan areas, and therefore the possibility of harnessing the ongoing rapid urbanization for sustained economic and social development, the strategic integration of urbanization in national development planning remains limited in Africa. The current urban discourse in Africa in national development planning is largely informed by a compartmentalized approach with an emphasis on few functional issues, such as slums, housing, infrastructure and sanitation, rather than adopting a holistic approach that encompasses the benefits of cities in terms of economic growth and job creation. Indeed, many countries in the continent view urbanization as a challenge to poverty alleviation, reduction of inequality and promotion of rural development.
- 6. This approach reflects a disconnect between development frameworks at the international and regional levels and those at national levels. In fact, at the international and regional levels, there is unanimous acknowledgement of the economic potential of cities in Africa as reflected in the Agenda 2063 outcome document, which states that "urban centers make substantial contributions to the GDP in African countries and can contribute to reducing poverty and generating employment. Thus Africa's cities and towns can be a major driving force for the continent's transformation"<sup>6</sup>. Similarly, a dedicated Sustainable Development Goal for urbanization on cities and human settlements is evidence of the global acknowledgement for their role in driving inclusive growth and development<sup>7</sup>. In addition, The New Urban Agenda that was adopted in October 2016 during the Third United Nations Conference on Housing and Sustainable Urban Development (Habitat III) and endorsed by the UN General Assembly in December 2016<sup>8</sup> as the main global framework guiding urban policies and priorities, categorically emphasizes the role of cities in economic growth and transformation. The New Urban Agenda envisages cities and human settlements to "meet the challenges and opportunities of present and future sustained, inclusive, and sustainable economic growth, leveraging urbanization for structural transformation, high productivity, value-added activities, and resource efficiency, harnessing local economies, taking note of the contribution of the informal economy while supporting a sustainable transition to the formal economy". In the context of Africa where inclusive economic growth is the primary challenge and a policy priority, the role of cities in enabling economic productivity and diversification is of heightened importance. However, a failure to have strategic national response to the urbanization wave in Africa anchored in national development plans is a missed opportunity to optimize the advantages and minimize negative externalities associated with urbanization.
- 7. It is against this backdrop that the Urbanization Section of Social Development Policy Division/Urbanization Section (SDPD/US) of ECA has prepared a guidebook on integrating urbanization in national development planning in Africa. The main aim of the guidebook is to

<sup>&</sup>lt;sup>6</sup> African Union (2015) Agenda 2063: The Africa we Want (Popular Version). Addis Ababa: African Union

<sup>&</sup>lt;sup>7</sup> United Nations (2015) *Sustainable Development Goals: 17 Goals to Transform our World*. New York: United Nations

<sup>&</sup>lt;sup>8</sup> United Nations General Assembly (2016) New Urban Agenda. New York: United Nations

strengthen member States' knowledge and capacities in bringing to the fore the role of the cities into each stage of the national development planning process and in the process promote sustainable and productive cities for Africa's transformation. This workshop to review and validate this guidebook falls under the scope of ECA's United Nations Development Account (DA) Project for "Strengthening Member States capacities in designing and implementing strategies for inclusive and sustainable cities in Africa", implemented with the United Nations Human Settlements Programme (UN-Habitat).

- 8. The DA project draws on ECA's expertise in economic and social development and its mandate to advise the Ministries of Housing and Urban Development, Finance as well as National Development Planning, and Economy. The project built on good practices from Africa, Latin America and Asia and targets five countries namely Uganda, Morocco, Chad, Cameroon and Zambia. In addition, the workshop is also in line with the outcomes of a High Level Policy Dialogue on Integrating Urbanization in National Development Planning in Africa organized in Yaoundé, Cameroon in 2016. The Dialogue culminated with the agreement that African States needed to 'integrate urbanization in development planning, and adopt strategies that will contribute to improving linkages with agriculture as well as rural productivity. Such strategies should also help develop Africa's secondary and tertiary cities, where most of the urbanization growth is occurring, and promote balanced territorial development." ECA was also requested to generate tools and guidelines to support member States in strategically integrating urbanization into national development planning.
- 9. The under-review guidebook includes the rationale and conceptual framework on the need to integrate urbanization in national development planning in the context of Africa's pursuit of inclusive structural transformation. In addition, it proposes a methodology to help African Member States better integrate the role of urbanization in the medium and long term national development visions and plans. This will be done by reviewing the ways cities and urban issues impact national development, providing a number of entry points for policymaking as well as offering practical guidance on bringing cities into each stage of the planning process.
- 10. The Regional Validation Meeting will be held in Addis Ababa, Ethiopia from 13 to 15 December, 2017. Following the meeting, the guidebook will be finalized on the basis of comments and inputs provided by the experts. The finalized guidebook will be used for the training of national development planners in the five target countries of the United Nations Development Account project and afterwards, across the continent. Moreover, the report will be published as a standalone publication of ECA and will be disseminated targeting key national and regional stakeholders to inform policy dialogues on the role of urbanization in Africa's growth and transformation.

# **Objectives of the meeting**

11. The overall objective of the meeting is to enable participants to deliberate on, to provide inputs and comments, and to validate and enrich the publication "Guidebook for Policymakers: An Urban

Lens in National Development Planning" for its finalization. The specific objectives of the meeting are to:

- (i) Review the guidebook to identify gaps, providing expert inputs, and proposing revisions that should form the basis for finalizing it;
- (ii) Identify some significant elements to enhance the robustness of the key policy recommendations in the guidebook with regard to integrating urbanization in the national development process;
- (iii) Provide a platform to enhance understanding, multi-stakeholder dialogue, networking and coordination on how urbanization can contribute to national development in Africa and the importance of according urbanization adequate importance in national development frameworks to achieve this.

# Format of the meeting

12. The key input to the discussions at the validation meeting will be the draft publication, "Guidebook for Policymakers: An Urban Lens in National Development Planning". Sessions of the meeting will be organized around the structure of the guidebook to enable a thorough and critical review of its content and to identify means of enhancing its policy relevance and robustness of its recommendations.

### **Expected outcomes**

- 13. The main outcomes expected from the meeting are:
- (i) Agreed-upon elements and modalities for finalizing the draft Guidebook;
- (ii) Refined methodology for the strategic integration of urbanization in national development planning and the finalization of a toolkit to inform national training of policymakers, in partnership with UN-Habitat and the African Institute for Economic Development and Planning (IDEP);
- (iii) Enhanced understanding, networking and coordination on the role of urbanization in national development planning in Africa.

#### **Partners**

14. This workshop will be organized in collaboration with UN-Habitat, ECA's main partner in the implementation of the DA project. In addition, the training arm of the ECA, African Institute for Development and Economic Planning (IDEP) will also be a joint organizer.

# **Participation**

15. The validation meeting will bring together selected participants from the National Implementation Teams of the five participating countries of the ECA's United Nations Development Account Project for "Strengthening Member States Capacities in Designing and Implementing Strategies for Inclusive and Sustainable cities in Africa", namely Cameroun, Chad, Morocco, Uganda, and Zambia. These National Implementation Teams will be drawn from representatives of the Ministries of National Development Planning, Urban Development and

Housing, Infrastructure, Industry, and Agriculture. In addition, representatives from the National Planning Authorities of countries having a history of strong and successful development planning will also be invited. Other participants will include representatives of relevant divisions of ECA and regional organizations and partners, such as the African Union Commission, UNDP, AfDB and UN-Habitat.

#### Venue

16. The meeting will be held at the United Nations Conference Centre (UNCC) in Addis Ababa, Ethiopia.

# Administrative arrangements

17. **Registration and identification badges:** Participants are required to register and obtain identification badges prior to the opening of the meeting. The venue for registration will be the Delegates Registration Bureau. The participants should bring along their invitation letters and personal identification for registration purposes. For identification and security reasons, all participants should wear their badges at all times.

18. *Documents:* Participants will receive the aide memoire, agenda and programme of the meeting as well as the draft report ahead of time.

19. **Language:** The meeting will be conducted in English and French.

**Contacts:** All communication on the meeting should be addressed to:

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