

## Council of European Municipalities and Regions European Section of United Cities and Local Governments

## PLATFORMA and CEMR reaction to the Council of the EU conclusions on Habitat III

May 2016

The Habitat III process is key in rethinking sustainable urban development and represents a timely recognition of local and regional governments' central role in it. The Council conclusions on Habitat III lay the basis for a positive engagement of the European Union (EU) in the process, reflecting many of the demands included in PLATFORMA's <u>Declaration on Habitat III</u> as well as in the <u>Key Recommendations</u> of the Global Task Force (GTF) for Local and Regional Governments.

We particularly welcome the importance given to the involvement of local authorities and their representative local government associations at all stages of the policy cycle in a well-designed system of multi-level governance. Effective, accountable urban governance must remain the backbone of the EU position. The Council's willingness to "encourage capacity building, including through the creation, stock-taking, dissemination and exchange of knowledge" is also appreciated as a clear recognition of the relevance of decentralised cooperation as integral part of territorial development strategies.

In addition to this, we support the Council's recognition of local governments as policy-makers in their own right and the reference to the need for a rights-based decentralisation framework with adequate financial resources as a means to deepen democracy, in line with the principle of subsidiarity and the European Charter of Local Self-Government. Finally, we welcome the reference to the Urban Agenda for the EU which will be adopted on 30 May at ministerial level. It should serve as a good example of multilevel governance for better regulation, better funding and better knowledge of municipalities and cities. We count on the EU to ensure these basic principles become part of the final outcome document.

However, an analysis of the EU position in relation to the 'Zero Draft of the Habitat III outcome document' building on the initial reaction by the GTF raises the following points:

- To strengthen the involvement of local authorities as "policy makers in their own right" in the follow-up of the New Urban Agenda, we call on the EU to support the demand of the GTF for the recognition of special status for local authorities within the governing bodies of the United Nations and UN Habitat in particular going beyond their current status of "observers" (rule 64). Moreover, EU Member States should specifically support the involvement of local governments in the International Multi-stakeholder Panel on Sustainable Urbanization as mentioned in the zero draft.
- Both documents fail to adequately address the question of LRGs' access to sources of official development assistance, most of which is channeled through international agencies and NGOs, often without much coordination with LRGs in partner countries. In this regard, we call on the EU to define ways to improve access for local authorities to different funding opportunities (including budget support), direct grants, pool funding, etc. For decentralised cooperation, the EU should consider smaller-sized grants and sub-granting schemes, which adapt much better to LRGs' capacities and increase the likelihood of successful implementation.
- We regret that the Council's conclusions omit the "right to the city" concept, which refers to cities as common assets based on equity, democracy, sustainability and subsidiarity. This concept is part of the "zero draft" and the GTF's key recommendations and should be seen as a leverage-concept to achieve the often stated social and democratic innovations towards inclusive governance. We ask for a clear support for the rights-based approach to governance.
- Despite constituting two of the EU's major current challenges, the issue of migrants' integration and that of demographic change are scarcely addressed in the Council conclusions. We therefore call on the EU to take a stronger and positive stance on the matter.
- Finally, the conclusions are silent on the composition of EU Member States' delegations to the Conference in Quito. If the EU is serious about multi-level governance and if it wants to be coherent with its repeated support for inclusion of LRGs in all stages of policy making, it should encourage its Member States to include LRG representatives in their delegations to the Conference. The EU and its Member States should also work more closely with local governments when consolidating their position on the new Urban Agenda in the coming months.

In the coming weeks CEMR and PLATFORMA will engage to formulate concrete amendments to the 'zero draft' text. These will be shared with the EU institutions and Member States as input to the further process.