

## Draft Terms of Reference

# SUSTAINABLE URBANIZATION

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## Background

The United Nations Human Settlements Programme, UN-HABITAT, is the United Nations agency for human settlements. It is mandated by the UN General Assembly to promote socially and environmentally sustainable towns and cities with the goal of providing adequate shelter for all. UN Habitat is one of the few UN bodies that work with organizations at every level to build, manage, plan and finance.

UN-HABITAT Pakistan office under the umbrella of Delivering as One programme leads the Sustainable Urbanization component under the Joint Program on Environment (JP-E4). The program vision is to “**build capacity to provide an effective and sustained improvement in urban poor living conditions, including urban issues relating to climate change (as a contribution to achieving MDG7D)**”. The objective<sup>i</sup> of the component is to “**create a better understanding of critical urban issues affecting slum dwellers and urban poor, including issues related to climate change (as a contribution to achieving MDG-7)**”.

The project outputs<sup>ii</sup> are to:

1. establish baseline data and mapping on critical urban issues
2. create multi stakeholder based mechanisms for participatory urban planning and management
3. improve indicators of informal settlement dwellers through demonstration projects

Ministry of Environment is the Government focal counterpart. The participating UN agencies are FAO, UNDP, UNESCO, UNFPA, UNHCR, UNIDO, UNIFEM and WHO. At the implementation and programmatic component level, the partners are:

1. Ministry of Environment and Environmental Protection Agencies
2. Ministry of Local Government, Tehsil Municipal Administration, and Katchi Abadis Authority
3. Planning Commission and Planning and Development departments
4. Economic Affairs Division and Ministry of Finance
5. Ministry of Housing and Works
6. Academic institutions
7. Civil society organizations

The Urban Development Policy issues are pursued under JP-E1, and the counterpart Government agency is the Planning Commission.

Sustainable Urbanization component covers the entire Pakistan and Azad Jammu and Kashmir (AJK). Within Pakistan, the component in the first phase selected one urban area in each of the provinces – Baluchistan (Kech), Gilgit- Baltistan (Gilgit), Khyber Pukhtoonkhwa (Mansehra), Punjab (Sialkot) and Sindh (Larkana) – and in Federally Administered Tribal Areas (Jamrud/ Landi Kotal) to introduce the concept<sup>1</sup>. Besides these, Mingora-Saidu Sharif in Malakand Agency was selected as a post conflict and post disaster region for building urban community resilience. In the post flood scenario, the Sustainable Urbanization specifically

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<sup>1</sup> See Annex on Sustainable Urbanization concept

looks at rebuilding services, monitoring impact on urbanization, land development and housing reconstruction.

## **Implementation Strategy**

The Sustainable Urbanization is a framework for UN Habitat focus areas viz.

1. Carrying out advocacy, monitoring and partnership building
2. Improving planning, management and governance
3. Land and housing development
4. Creating viable financing mechanisms
5. Making accessible basic services
6. Developing excellence in management

The activities falling under the output related to 'establishing baseline indicators and mapping on critical urban issues' and the policy advocacy on urbanization and urban development falls under the focus area 1. The creation of Urban Observatory is a measure to improve planning, management and governance and is part of the focus area 2. The planned urban projects fall under land, construction, and basic services and therefore respond to focus area 3 and 5. The overall management of the Sustainable Urbanization framework and keeping track on it relates to focus area 6. In addition, at the project level, funding has been allocated to assist local government respond to post flood rehabilitation and reconstruction.

Implementation is divided into three parts as per the outputs. Implementation strategy for each is given below.

In establishing baseline indicators, the following UN agencies are responsible for defining and collecting information on the respective indicators.

1. Food and Agriculture Organization (FAO): Deforestation, green coverage, economic activities related to agriculture, livestock, pollutants and emissions
2. United Nations Development Program (UNDP): Transportation and land tenure
3. United Nations Education Scientific and Cultural Organization (UNESCO): Culture and world heritage including 'right to the city'
4. United Nations Population Fund (UNFPA): KAP (Knowledge, Attitude and Practices) Survey to evaluate the access to basic social services by slum dwellers and urban poor and demographic trends in rural to urban migration
5. United Nations Refugee Agency (UNHCR): IDP and refugee population
6. United Nations Industrial Development Organization (UNIDO): Energy saving and energy efficient appliances
7. United Nations Development Fund for Women (UNIFEM):
8. World Health Organization (WHO): Water quality and hygiene related to domestic waste

The UN agencies committed to carrying out demonstration projects are FAO, UNESCO, UNIDO and WHO.

The UN agencies committed to capacity building and institutional strengthening in their respective areas of commitment are FAO, UNESCO, UNIDO, UNHCR and UNDP.

The implementation strategy for creating urban observatory focuses on:

1. Mapping the baseline information using GIS techniques and carrying out spatial analysis in addition to statistical and qualitative analysis
2. Creating web based urban portal for information sharing and motivating web based interaction between people, planning and development agencies, local government and politicians
3. Developing investment and advocacy programs

The Ministry of Environment shall provide the umbrella framework for preparation and subsequent operation of the Urban Observatory. The programs and agencies related to MoE, especially the Environmental Protection Agencies shall play critical role in developing the information framework and collation of information. NED University shall prepare survey and research design, guide information collection and map and collect critical information, and carry out analysis and investment program preparation. UN Habitat will provide the GIS assistance and create and manage the Urban Portal for wider information sharing. UN Habitat will facilitate partners in stakeholder consultation and preparation of investment programs. Disaster Management Authorities shall be actively involved in post flood reconstruction and rehabilitation activities and in preparation of Disaster Risk Mitigation plans. The Planning and Development departments, Finance departments, and Local Government departments at provincial level shall actively monitor urbanization and coordinate financial and inter-agency inputs.

UN Habitat proposes to implement one project in each of the 8 selected cities to demonstrate public-private and community-government partnerships. The Sanitation policy clearly outlines a component sharing formula, whereby the people may built community level infrastructure, while the Government will build and support community initiative. The implementation plan for this is to:

1. Organizing orientation programs on policy and its implementation mechanism
2. Supporting people and TMA in project development
3. Financing infrastructure and services that bridge Government-community divide
4. Establishing participatory monitoring
5. Creating coalition on housing rights

Sustainable Urbanization policy development focuses on participating in the deliberations of the Urban Development Task Force set up by the Planning Commission. UN Habitat proposes to establish stakeholder forums and create discussions on key issues identified through deliberations. The regional level stakeholder consultations will lead to development of position paper and strategy paper for policy development. The exercise takes into account the decentralization of powers to Provincial Governments and therefore seeks to develop capacity at provincial level for policy formulation and development.

## **Project Activities**

### Urban observatories – Establishing and monitoring baseline data and mapping on critical urban issues

- a. Identify and select indicators related to 12 topics<sup>2</sup> with respect to 5 concerns – institutional set up, regulatory framework, resource mobilization, performance and accountability and capacity/constraints.
- b. Prepare survey method that disaggregates data by settlement types<sup>3</sup>, gender and income groups<sup>4</sup>

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<sup>2</sup> Governance, Finance, Gender, Housing, Economic development, Land, Services and Infrastructure, Environment, Disaster management and Climate change, Inclusive and Safe City, Cultural Heritage, and Demographic trends

- c. Map data by eco regions, political constituencies, administrative units, police station limits, and by operational regions of services
- d. Identify and conduct consultations with multi stakeholders including vulnerable groups.
- e. Employ and build upon existing data sources, especially District Census Reports
- f. Statistically and qualitatively analyze information and synthesize them as urban profiles
- g. Create web based urban information sharing and disseminating portal
- h. Mobilize and train stakeholders and staff

create multi stakeholder based mechanisms for participatory urban planning and management

- a. Establishing urban forums – stakeholder steering group for planning and management of development projects
- b. Creating a settlement development framework for coordinating land development and management, finance (especially housing finance), service delivery, and housing, community and environmental development
- c. Providing technical assistance to Local and Provincial government and selected communities and citizen groups to plan, construct and manage development projects/ programs
- d. Creating inter agency participatory mechanism and knowledge management for UN agencies to coordinate inputs in the selected areas
- e. Building Local Government capacity for financial and urban management, and in developing a resource mobilization plan

Demonstration projects improve indicators of informal settlement

- a. Introduce and orient citizens and Government organizations in community-government component sharing and public-private partnership models, specifically for implementing National policies on Sanitation, Water Supply and Slum Upgrading
- b. Improve implementation and contracting methods, develop appropriate procedures and tools and adapt the same to local conditions
- c. Provide technical and management assistance to Government and community and support institutional strengthening measures

Urban Policy Development

- a) Participate in, and advocate sustainable urbanization demands and pro-poor needs in the setting of next 5 year Plan targets, and in urban policy formulation
- b) Organize conferences and stakeholder consultations at provincial and regional level
- c) Identify priority issues and promote pro-poor priorities

## **Resources**

The Financial resources received under the One UN Program for Sustainable Urbanization component are:

- Extended Funding Window of the MTFD: US\$100,000 and US\$20,000 through UNHCR for urban profiling. US\$40,000 to UNDP for land tenure study
- Government of Netherlands’ funding: US\$725,140 to UN Habitat and US\$25000 each to FAO and UNESCO and US\$50000 to UNIDO

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<sup>3</sup> Urban settlements may be categorized as 1) Urban regions, 2) Cities and Towns, 3) Semi urban or suburban areas, 4) service and market centers

<sup>4</sup> Residents of Planned and Informal settlements

No	Activities	Lead	Amount
1	Urban Profiling	UN Habitat	100,000
2	Urban Profiling - IDP and Refugees	UNHCR	20,000
3	Land Tenure Study	UNDP	40,000
4	Establishing Baseline Indicators	UN Habitat	100,000
5	Establishing Urban observatory	UN Habitat	72,750
6	Urban Projects	UN Habitat	552,390
7	Urban Projects	FAO	30,000
8	Urban Projects	UNESCO	25,800
9	Urban Projects	UNIDO	57,000
10	Urban Projects	WHO	36,000
11	Urban Projects	UNDP	15,000
	Total		1,048,940

## **Annex 1: Sustainable Urbanization Concept**

Urbanization is a process of population concentration in cities as a result of migration of rural population to urban areas. Population migration occurs because of mechanization of agricultural production freeing rural labor to migrate towards cities where mass production, services and trading provides opportunities for social and economic upward mobility. Also, the network infrastructure constructed to improve industrial production; especially electricity grid brings about significant convenience in lifestyle and attracts the rural population towards cities. Subsequently urbanization triggers a social change called modernization that is characterized by emergence of new political, social and cultural institutions. Sustainable urbanization refers to a process of population concentration in cities that generates new social, cultural, political and economic values and institutions that contribute towards balancing the environmental factors, creating an equal and just society and opening up opportunities for innovation and creativity that improves lifestyle and maintains cultural and bio diversity. In developed countries, cities served as engine of growth because of an industrial base, and started urban development work since the late nineteenth century.

The urbanization process also changes the historical relationships between cities. Transport hubs, production and service centers, and cultural landmarks bring to life new cities and force others into oblivion. There is an emergence of mega cities and increasing competition among the mega cities of the world for recognition as world class cities to attract global capital and resources. Many of the old market towns relying on agricultural servicing give way to export centers, and suburbs develop as green dormitories and informal housing for working in downtown. In almost all countries, the old town and city centers degenerate and special attention is given to renew them as cultural place.

In developing countries, denial of housing rights see the emergence of squatter settlements and under serviced residential areas occupied by poor in city's periphery and in ecologically dangerous zones. There are continuous evictions and resettlements of the poor as the city expands and real estate development forces them further away from active economic zones. In developing economies, government's inability to recognize and regulate the rapidly developing market economy give rise to the informal sector, which delivers and manages employment, financial and social services, housing, transportation and physical infrastructure and services, protection and security services, etc. This results in creation of parallel governance and social, economic and cultural values and institutions that corrupts and challenges the normative way of life. Subsequently mafia and interest groups emerge to control public institutions, violate human rights, create human insecurity and cause environmental degradation. Public protests and demonstration against human rights violations are violently put down and political institutions are held captive to private profiteering. Therefore, the cities instead of being engines of development become vehicles of exploitation and deprivation.

The Sustainable Urbanization framework mobilizes UN Habitat focus activities and channels UN, Government and multi and bilateral organizations funding to implement development work that is inclusive, builds upon existing resources and supports incremental development. The framework promotes conservation of nature, caters to needs and demands of poor and marginalized groups, and improves governance to make development work sustainable.

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<sup>i</sup> To improve lives and living conditions in urban slums in selected secondary cities of Pakistan through the collection of data, preparation of participatory urban plans, reinforcement of municipality capacities and implementation of demonstrative projects reducing urban poor vulnerability.

<sup>ii</sup> **Output 1:** Baseline data on critical urban issues produced for each of the 8 targeted cities, including: (a) Data segregated by sex and age on social, economic and environmental issues collected and analyzed; (b) Eight urban profiles produced and discussed with citizens and stakeholders and; (c) Eight urban observatories settled, equipped and staff trained; **Output 2:** Improved mechanisms for participatory urban planning and management developed in the eight selected cities, including: (a) Participatory action plans developed (insuring gender representatives) for upgrading one informal settlement in each city; (b) Implementation guidelines prepared for upgrading informal settlements and; (c) At least one planning and management unit strengthened. **Output 3:** Urban indicators of slum dwellers in selected cities improved through good practices and demonstrations, including: (a) Two projects in each city improving services or infrastructure and; (b) One project in each city improving solid waste. Note: Projects improving water, energy, education, income and transport will be implemented by FAO, UNDP, UNESCO, UNIDO, and WHO using funds not indicated in this project).