

THE TRANSFORMATIVE COMMITMENTS FOR SUSTAINABLE URBAN DEVELOPMENT

We make these three transformative commitments in the New Urban Agenda: leaving no one behind and fighting against poverty; urban prosperity and opportunities for all; and ecological and resilient cities and human settlements.

SUB-CHAPTER ON
**Sustainable And Inclusive Urban Prosperity And
Opportunities For All**

SUSTAINABLE AND INCLUSIVE URBAN PROSPERITY AND OPPORTUNITIES FOR ALL

45. We recognize that inclusive economic growth, decent work and jobs for all should be a key objective of the New Urban Agenda for sustainable urban development. Equal opportunities should be promoted to allow people to live healthy, productive, and fulfilling lives. We also recognize that good policy and governance, sustainable infrastructure and urban form, including improved connectivity and strengthened urban-rural and territorial linkages, if implemented within a context of stakeholder participation and equitable sharing of economic benefits, are bedrock drivers of inclusive growth and quality job creation.
46. We therefore commit to an urban economy model, built on local resources and competitive advantages, which fosters an enabling environment for investment and innovation, as well as one that allocates resources to ensure all residents have the opportunities and skills to meaningfully participate in the economy.

Inclusive and sustainable urban economies

47. We commit to developing vibrant, inclusive and sustainable urban economies, building on local resources and competitive advantages, including modern infrastructure and cultural heritage, with increased levels of productive employment and decent work. In this regard, support to innovative and sustainable solutions will be provided in order to trigger the potential for a high degree of connectivity and consequent intense economic and social interaction between a larger and diverse range of people, skills, business and market opportunities, all of which contribute to the positive externalities that cities can create, maximizing economies of agglomeration.
48. We commit to address the underlying conditions that support inclusive economic development such as efficient, transparent, and equitable regulatory and legislative frameworks, promoting the development of inclusive planning systems and effective financial management that enables local governments to plan, mobilize, and use financial resources efficiently, with increased transparency and accountability to all inhabitants and stakeholders. Predictable, secured and substantial sources of revenue should be mobilized for local governments to support services and infrastructure at the level required for long-term urban economic development.
49. We commit to strengthening local, regional and national institutions to support local economic development, fostering integration, cooperation, coordination and dialogue across different actors and levels of government and functional areas. In this regard, multi-stakeholder partnerships should be developed together with enhancing the capacity of local and national governments to work with the private sector, academic institutions, and community development partners in formulating and implementing local economic development strategies.

Urban form and urban infrastructure for prosperity

50. We commit to a new set of standards in the selection and design of the urban form and infrastructure, recognizing that they are among the greatest drivers of cost efficiencies, clustering co-benefits, and growth in the urban economy.
51. The urban economy does not function as an isolated system. It needs to operate in a territorial system that integrates urban and rural functions into the regional and national spatial framework and system of cities. We commit to develop urban spatial frameworks that promote efficient use of land, compactness, mixed uses and appropriate density, through infill or planned extension strategies, to trigger economies of scale and agglomeration, increase accessibility, reduce travel needs and the costs of service provisions, enable a cost-effective public transport system, enhance resource efficiency, and ensure environmental sustainability. Moreover, a safe, comfortable and efficient street network, allowing a high degree of connectivity and encouraging public transport, walking and bicycling, will enhance sustainable mobility, economic productivity, and facilitate local economic development.
52. We commit to set up effective processes for the formulation of medium and long-term strategic visions, urban and territorial plans and policies, as well as infrastructure development plans, based on rigorous, transparent and participatory needs assessments, as well as the appraisal of the cost-effectiveness of meeting these needs. Adequate physical and social infrastructure will be supported to improve productivity in cities, ensure its efficient and equitable function, as well as generate sufficient wealth to support the level of investment required.

53. We commit to increase economic productivity through the generation and use of sustainable energy and effective transport infrastructure, achieving the benefits of connectivity and avoiding the financial, environmental (including climate change), and public health costs of congestion and air pollution. Particular attention will be given to the transport needs of the working poor as the economic benefits of extending mobility to informal settlements can be dramatic. Better connectivity will also be pursued between cities and regions, nations and global markets, through transport and communication networks, ports, and airports among others. This will improve the efficiency of the supply chain, reducing production and transaction costs, providing a predictable framework attractive for investments.
54. We commit to encourage rural-urban interactions by strengthening transport facilities, infrastructure, communication, and ICTs underpinned by planning instruments based on a territorial approach in order to maximize the potential of these sectors for productivity, social cohesion, and environmental protection across urban and rural areas.
55. Availability and universal access to adequate and quality social infrastructure and facilities, such as health and education facilities, among others, is fundamental to building a healthy society and labor force with the knowledge and skills to contribute to an innovative and competitive urban economy. This will allow cities to compete in the global creative economy, adding value, increasing productivity, and attracting investment and employment.
56. We also commit to the creation of adequate, cross-linked, accessible and well-equipped green and public spaces as drivers for economic and social development, generating increased value to be captured for new investment and shared as public revenue towards improved equity.

Enabling business environment, jobs and livelihoods

57. We commit to ensure equitable access to public goods, natural resources, basic services and the use of public spaces that are essential to the livelihoods of people, in particular the urban poor, as well as formal and informal workers. In this regard, the generation of employment and livelihood opportunities should be pursued, with special attention to the needs and potential of young people, people with disabilities, women and others in vulnerable situations, towards ensuring that all citizens have access to income-earning opportunities, respecting and leveraging culture and territorial specificity.
58. We commit to create an enabling and fair business environment and support innovations and entrepreneurship with strategies that are able to increase and harness the capacity of both the formal and informal economy, as well as the opportunities offered by the diverse creative potential of cities, while protecting labor rights, and environmental and health standards. We also commit to address the challenges faced by local business communities and to promote and support the millions of homebuilders and small, medium, and micro enterprises, and social enterprises that work in the formal and informal sectors and collaborate in the co-production of cities, their spaces, and their economies.
59. We will further improve the business environment to make it more attractive to investments through enhanced access to multiple ICT solutions and clean technology, as well as transparent and predictable policies and regulations. This will also need adequate infrastructure facilities, in particular business centers, markets, educational, and research centers.
60. We recognize that standardization and publication of permitting, registration, and taxation processes is a critical first step, along with labor and environmental standards. We also recognize the value of anti-corruption programs, performance evaluations linked to processing time, and a culture of contract enforcement. We further recognize the role that companies, civil society, media, and other stakeholders can play in improving the ease of doing business.
61. Urban economies should be sustained and supported to promote the progressive transition to higher productivity jobs through high value added sectors, promoting diversification, technological upgrading and innovation. Qualified jobs in both the formal and informal sectors, including through cultural and creative industries, tourism, performing arts and heritage conservation activities, will create the conditions for sustainable revenue generation. We commit to empower local governments and other local actors to promote local economic development with the inclusion of all the appropriate industries in each locality.

62. We commit to promote the inclusion of labor standards in procurement and other forms of subcontracting, enforce labor standards in the implementation of public works via direct contracting, use municipal extension workers to train Small and Medium Enterprises and workers, and promote linkages between building inspection and labor inspection.
63. We commit to recognize the working poor in the informal economy as contributors and legitimate actors in the economic development process of cities. A gradual approach to formalization will be developed to preserve and enhance informal livelihoods while extending legal and social protections, as well as support services for the informal workforce.
64. We commit to harnessing the urban demographic dividend, where applicable, as critical to increased productivity and shared prosperity in cities. An inclusive approach to formalization will respect the interests of informal workers (whether urban or rural-based), be accompanied by suitable training, capacity development and access to business services as required, and be informed by the needs and challenges facing female workers. Youth access to skills development will be promoted to enable their full and effective participation in the urban economy, as well as the creation of an enabling environment that promotes economic inclusion and entrepreneurship.

Participation for inclusive urban prosperity

65. We commit to facilitate effective participation and collaboration among all stakeholders including local government, the private sector, civil society, including professionals, academic institutions, trade unions, employer's organizations, grassroots communities, and others, in identifying the opportunities for urban economic development as well as in identifying and addressing existing challenges. Particular attention will be given to the empowerment of women and their full and equal participation in the economy to enhance economic growth and productivity.
66. In order to improve social mobility and opportunities for women as well as other marginalized groups, we commit to remove legal and regulatory barriers to equitable participation in the urban labor market, as well as those on salary differentials, discrimination, or traditional expectations.