

CYPRUS INTERVENTION AT THE UN-HABITAT III CONFERENCE

Cyprus has experienced overwhelming changes since Habitat II. Up until 2008, high growth rates characterized the economy, with the services sector being its main driving engine. Managing rapid urbanization had already become a priority, reflected through the implementation of the urban planning legislation in the early 1990s, while the need to manage rural-urban linkages soon became apparent, as a result of the shift towards the tertiary and quaternary sectors, which focused growth in urban centers and coastal areas and resulted in the steady shrinkage of the rural hinterland. Today, Cyprus recognizes that the sustainability of planning policy must be measured against economic, social and environmental criteria and in any case should not be limited to physical design alone nor should it take a sectoral approach.

The sustainability of urban planning in Cyprus is ensured at the strategic level through the adoption of documents such as the CEMAT Guiding Principles¹ and the Leipzig Charter,² and the incorporation of their approach into the country's statutory urban development plans. Moreover, urban development is now included in the *National Sustainable Development Strategy*.³ In this context, sustainable urban development is both a real challenge and a widely acknowledged necessity, which involves the timely identification and analysis of threats faced by urban areas, taking action to address the risks involved in the development process and, simultaneously, capitalizing on advantages and opportunities by taking into consideration the territorial impact of sector policies and achieving their coordination on the ground with the scope of sustainable, balanced and cohesive growth.

To address sprawl, urban development strategy includes policy incentives that encourage residential development within controlled boundaries and is implemented alongside policies to discourage dispersion in areas other than those designated, including the promotion of measures to activate idle urban land, such as the provision of incentives for this purpose, the implementation of public intervention planning projects for the completion of local road networks and legislative proposals to enable the implementation of urban land consolidation. In addition, a series of environmental policy measures with spatial implications have also been promoted, including the preparation of guidelines against soil sealing practices, as well as the expansion of protected areas with parallel transfer of development rights for designated properties. In the area of urban mobility, policy measures to address problems and strengthen efforts to combat dependency on the private automobile are based on the promotion of public transport and alternative forms of mobility, including infrastructure for pedestrians and cyclists, as well as the completion of an integrated road network and the introduction of appropriate traffic management measures. Although far from having resolved the complex challenges posed by urban sprawl and urban mobility, substantial progress has been made in both areas. Recognizing, however, their far reaching effects on the sustainability of our cities, these are key issues where policy innovation must focus over the coming years, in order to find smarter solutions that are simultaneously appropriate for the scale of an island-state and adapted to its specificities.

In the area of environmental sustainability, adoption of the European Union's environmental *acquis* has been a key feature of efforts in this direction, with the implementation of the EU Strategic Environmental Assessment and the Birds and Habitats Directives in particular having far reaching implications in spatial planning. As a country already experiencing climate change, especially through extensive droughts and the associated impacts on water supply and biodiversity, Cyprus has prepared a *National Climate Change Adaptation Strategy*.⁴ The country has committed to reducing non-trading system emissions by 5% by 2020 through the EU Effort Sharing Regulation. Measures for the reduction of greenhouse gas emissions include

¹ Council of Europe, *Guiding Principles for the Sustainable Spatial Development of the European Continent*, Hannover, 2000

² European Union, *The Charter on Sustainable European Cities*, Leipzig, 2007

³ Cyprus Department of the Environment, *Revised National Sustainable Development Strategy* (in Greek), Nicosia, 2010

⁴ Cyprus Department of the Environment, *National Climate Change Adaptation Strategy* (in Greek), Nicosia, 2015

increased use of Renewable Energy Sources, the introduction of cleaner fuels, such as natural gas, increased energy efficiency in buildings, promotion of public transport and low emission vehicles, improvement of waste disposal and animal waste treatment. Similarly, the national action plan for the improvement of ambient air quality⁵ includes policies and measures to address the impact of air pollution from the transport sector, such as the introduction of intelligent transportation systems, the development of an integrated mobility master plan for the capital city,⁶ incentives for low-emission vehicles, to mention just a few.

Issues of local economic development⁷ and job creation⁸ in urban areas are specifically addressed through operational programs of the current programming period 2014-2020. Rising unemployment and the decline in growth and jobs in recent years, call for measures to create new sustainable jobs, focusing on areas with positive growth prospects and high added value. Target groups include the long-term unemployed and inactive, focusing on dynamic sectors, such as energy, tourism, green and blue economy, as well as demographic and social targets, including those concerning gender integration, child care issues, improving social inclusion and equity and responding to the needs of the urban youth.

While the impact of the recent crisis has been particularly severe, the results of Cyprus' efforts to achieve fiscal consolidation and to restore financial stability are producing the first positive results. Emphasis is now placed on structural reforms that promote competitiveness, growth and jobs. However, historic urban cores in particular, have suffered some of the most severe impacts of the recession, with a sharp decline in economic activity and the abandonment of a significant number of commercial uses. As a result, some of the most acute socio-economic and environmental problems are now evident in these neighborhoods, along with the more general pre-existing problems of functional nature, regarding accessibility and mobility. As the complexity of revitalizing the urban economy calls for an integrated approach, policy in this area is oriented towards integrated interventions to be implemented in deprived urban neighborhoods, focusing on degraded historic centers, so that these areas will be better placed to serve as poles of growth through the attraction of economic activities, research and education infrastructure and highly skilled human resources. The strategy is to create cultural, social, economic and environmental infrastructure and mechanisms to strengthen efforts to steer these areas towards steady growth, while helping restart the urban economy as a whole. In this context, integrated urban interventions focus in particular on the revitalization of the degraded urban environment and the upgrading of urban mobility; on the promotion of entrepreneurship with a focus on SMEs; and on the protection and promotion of natural and cultural assets, along with the creation of cultural and social infrastructure, including the reinforcement of social cohesion.

Concerning decentralization and strengthening of local authorities, due to the serious shortcomings and dependencies observed in the functioning of the current local government system, a broad reform is under way, with three bills currently up for discussion in parliament, concerning the clustering and cooperation of local authorities, as well as the amendment of legislation defining their role and functioning. The new legislative framework for the operation of local government is based on the service clustering model and seeks to strengthen local democracy, enhance the transparency, efficiency and effectiveness of local governance, and allow local authorities to operate in a sustainable and equitable way, fostering economic, social and territorial cohesion. Through this reform, regional level clusters will acquire competences in areas including development control, water and sanitation and waste management; while local level clusters will manage green areas, public space and refuse collection, among other competences. Overall, this reform aims to update and streamline the coordination,

⁵ Cyprus Department of Labor Inspection, *National Action Plan for the Improvement of Air Quality* (in Greek), Nicosia, 2008

⁶ Cyprus Ministry of Communications and Works, *The Nicosia Integrated Mobility Master Plan*, Nicosia, 2010

⁷ Republic of Cyprus, *Operational Programme Competitiveness and Territorial Cohesion 2014-2020* (in Greek), Nicosia, 2014

⁸ Republic of Cyprus, *Operational Programme Employment, Human Resources and Social Cohesion* (in Greek), Nicosia, 2016

monitoring and regulatory framework of the local government system. Local government reform is intrinsically related to the overall reform of public administration and is sought through a holistic approach for the improvement of the system as a whole, rather than the implementation of corrective measures through a piecemeal approach. The main strategic objective is the effective and efficient provision of services so that all the population, irrespective of their place of residence, can enjoy quality services at the lowest possible cost, provided in a sustainable, transparent and fair manner.

Last but not least, the planning system has been under continuous streamlining with a view to improving citizen participation and human rights in urban development. Recognizing that the involvement of citizens in the urban planning process contributes significantly both to the success of the process itself, as well as to the social acceptance of the final result through mutual trust and confidence building, at the same time averting the waste of investment funds that are particularly precious and limited in times of austerity, the broadest possible consensus and understanding of choices from the community is actively sought, not only for the success of local and regional initiatives, but also to create an attractive host environment that appeals to outside investors and economic actors. This participatory approach has been structured through a series of amendments of the urban planning legislation between 2007 and 2014, to include provisions on open calls for public consultation, structured public hearings on the basis of the results of the public consultation, as well as mandatory written consultation with the involved local authorities and all institutional stakeholders, during the statutory development plan preparation and amendment procedures. To further safeguard effective and wide participation, local authorities are strongly encouraged to conduct community hearings prior to submitting their positions during the consultation process.

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