UN@HABITAT
FOR A BETTER URBAN FUTURE

Inclusive, Vibrant Neighbourhoods and Communities

A. Rationale

The 2016 World Cities Report highlighted that 75% of cities have higher levels of **spatial inequality[1]** compared to two decades ago. This means that basic urban services, quality public spaces, affordable housing and livelihood opportunities are not evenly distributed within these cities. Fragmentation of the urban space frequently manifests in segregation and a **concentration of poverty and multiple deprivations in certain pockets of the city.**

These sites of socio-economic and spatial exclusion (with higher levels of poverty, unemployment, crime, delinquency and environmental hazards compared to the city average) host a significant share of the world population. In addition to the 1 billion people living in informal settlements, 600 million people live in inadequate housing globally. Survey data from 220 cities, in 77 countries, suggests that almost 80 per cent of urban residents do not have convenient access to open public spaces[2].

In sub-Saharan Africa, 86 per cent of people lack access to public transit within 5 km of walking distance. Spatial inequality is a growing concern not only in the Global South but also in the Global North, because cities in both contexts experience urban decay in one form or the other.

Neglected historical sites in inner cities, dilapidated public housing in monofunctional residential zones, declining industrial areas and unplanned neighbourhoods in peri-urban areas are shared experiences in cities irrespective of their income classes.

Such derelict and dysfunctional locations typically host a disproportionately high share of populations experiencing cumulative disadvantages due to their exclusion from prosperity and development opportunities generated by urbanisation.

People living in deprived areas normally rely on walking and public transport for their mobility needs. Consequently, if public spaces and transport services are undeveloped, they will have limited access to socio-economic opportunities, health care and leisure. **Connecting these places to urban infrastructure, services and life opportunities is essential to fight social exclusion and improve a city's economy, dynamism and social integration.**

Spatial inequality is a major global urban trend that needs immediate action, particularly in a period of declining densities[3]. Over the period 1990-2015, sprawl[4] has outpaced densification in 155 of the 200 cities tracked by the Urban Expansion Programme. Low density urban growth spreads out services and infrastructure making it unfeasible to provide full coverage, increasing the likelihood of under-served areas to remain excluded. Spatial inequality excludes not only individuals from urban society but also has economic and ecological implications for the wider city level as it breaks the urban fabric - making cities less efficient, productive and resilient.

Urban regeneration is one tool to reduce spatial inequalities by improving quality of life in targeted areas of the city, while also incubating economic, social and environmental benefits for the wider city. Urban regeneration, refers to a combination of physical and socio-economic measures that can help to restore, integrate, redevelop and revive parts of the city and connect their transformation to the overall city.

Done wrong, it can lead to gentrification and a deepening of socio-spatial inequalities, as well as destruction of valuable cultural heritage in the name of modernization. Done right, urban regeneration can transform socially,

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1   Spatial inequality refers to the concentration of multiple deprivations from social, economic and environmental perspectives in some areas.

2   UN Sustainable Development Goals Report 2019, p. 45.

3   A study of urban expansion by UN-Habitat, NYU and Lincoln institute for the period of 1990-2015 shows that urban land consumption rate has grown faster than the urban population growth rate in both developed and developing countries

4   Urban Sprawl is the physical expansion of the city's built environment, which usually uses up surrounding rural areas. It is generally characterized by low-density settlements that are car dependent and often lack access to public infrastructure and services

economically and ecologically dilapidated urban areas into dynamic, diverse and vibrant neighbourhoods that value and cultivate their natural and built heritage. **Yet, there is no global reference on inclusive and sustainable models of urban regeneration.**

UN-Habitat's approach to urban regeneration encompasses a combination of different strategies that can restore, redevelop and revive declining urban areas while making these areas accessible and useable by all. It unlocks value of neglected assets and community resources, leveraging their potential and generating mid- and long-term investments. It has the potential to create jobs, homes and infrastructure, paving the way towards sustainable and inclusive cities and communities that are resilient to a variety of shocks and stresses.

Such an approach will ensure that urban regeneration interventions contribute towards the objectives of i) reduction of spatial inequality, ii) enhanced prosperity and improved sustainable quality of life for all iii) sustainable urban development and improved urban environment and iv) enhanced integration and resilience in cities - identified in UN-Habitat's strategic Plan 2020-2023. The initiative on inclusive urban regeneration will directly contribute to the implementation of SDG 5 on Gender Equality, of SDG 10 on Reduced Inequalities, SDG 17 on Partnerships and SDG 11 on Sustainable Cities and Communities particularly target 11.1[5] and target 11.7 [6].

It will enable member states to progressively deliver the Right to an Adequate Standard of Living - Adequate Housing, the Right to Water, Sanitation and the Right to Gender Equality for all and equal access to public and green spaces, among others.

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5 By 2030, ensure access for all to adequate, safe and affordable housing and basic services, and upgrade informal settlements.

6 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, particularly for women and children, older persons and persons with disabilities.

B. Objective

This flagship programme **aims to transform socially, economically, environmentally deprived areas and strategic locations of the city into connected, dynamic, diverse and vibrant neighbourhoods that achieve increasing equality of outcomes for all.**

The programme will not only increase the quality of life for all and reduce inequalities, but will yield economic, social, and environmental benefits for the wider city, and thus leave no one and no place behind. It will make regenerated parts of cities accessible for all including people with disabilities, elderly, youth, children and women while opening pathways for broader socio-economic transformation.

The flagship programme addresses the need to establish and mainstream an inclusive and sustainable approach to urban regeneration that will lead to:

• Social inclusion: Reduction of poverty, exclusion and improvement of living conditions with a priority on the fundamental right to an adequate standard of living under the International Covenant on Economic, Social and Cultural Rights.

An integrated approach should aim at avoiding and governing processes of gentrification and exclusion, addressing possible risks for human rights in accordance with international law and related standards (e.g. issues of evictions, displacement, compensation, loss of livelihoods, gentrification, coercive actions by state) and setting in place a strategy to avoid, mitigate and manage the resettlement.

• Shared economic prosperity: Promotion of economic activities and socio-economic diversity in the revitalised areas. Inclusive urban regeneration should aim at benefiting the city as a whole, directing private investments for the commons while expanding revenue streams for the city.

• Physical functionality and environmental sustainability: Addressing issues of connectivity and functionality with a city-wide perspective, improving land use efficiency and for more sustainable use of assets in cities.

C. Outcomes, initiatives and results

Together with the other flagship programmes and in collaboration with other UN Agencies, as well as state and non-state actors, this flagship is expected to achieve the following outcomes:

Outcome 1   Local authorities and government undertaking urban regeneration are guided by global norms and monitoring frameworks for urban regeneration which provide an integrated and spatially based approach, mainstream human rights, recognize gendered experiences of urban deprivation, and foster inclusive and culturally sustainable economic development.

Outcome 2   Enabling institutional environments are created at country and local level for sustainable and contextually appropriate urban regeneration policies, strategies, plans, investment models, legal and financial frameworks, and inclusive governance mechanisms that provide for the rights to participation and to an effective remedy for any breach of rights.

Outcome 3   Strategic initiatives build multi-stakeholder partnerships and community action and demonstrate inclusive and sustainable regeneration in deprived urban areas while preserving cultural heritage and urban ecological assets.

Outcome 1 will be achieved through a variety of initiatives, including:

- Mapping of global expertise and experiences, leading to the formulation of principles and standards, policy and planning guidance on urban regeneration;

- The development of a generic matrix for identifying and assessing Human Rights risks and benefits and their associated catalysts or causes in urban regeneration;

- Establishment of global reference group for urban regeneration initiatives;

- Creation of global knowledge network with knowledge hubs, linked to global NUA Implementation platform, and relevant networks;

- Support capacity building at the global, national and local level in areas related to urban regeneration.

Outcome 2 will be achieved through a variety of initiatives, including:

- Supporting urban regeneration actors in developing policies, plans and projects that advance the implementation of the SDG's, promoting integrated approaches and partnership models for urban regeneration and guiding the development of territorial approaches (systems of cities) that incorporate regeneration;

- Matching of progressive, accelerated urban transformation with investment opportunities from government, private sector and communities;

- Formulating of adequate institutional follow-up mechanisms, including monitoring and evaluation mechanisms to track achievement of targets and the NUA;

- Formulating generic and context specific recommendations on measures to ensure the rights to non-discrimination, to participation in public life, to access to and enjoyment of cultural heritage and to an effective remedy.

Outcome 3 will be achieved through a variety of initiatives, including:

- Support local governments and key stakeholders in implementing urban regeneration participatory processes and plans and the strategic formulation of inclusive business models, upstream processes and cost-benefit analysis, including quality assurance;

- Provide targeted technical advice and capacity building on inclusive policy, legislation and methodologies on urban regeneration to key actors, with a focus on local governments, private sector and local communities' associations, targeting the national upscaling of local and city-wide initiatives in accordance with international law and standards;

- Support the identification and implementation of short, medium- and long-term urban projects as well as the creation/capacity of urban regeneration agencies.

A robust results framework will be developed to track the impact of the flagship programmes through SMART indicators, including:

- By 2030, 500 million people improve living standards and realization of their fundamental human rights through ongoing or upcoming regeneration programmes;

- Specific indicators to promote disproportionate benefit to target groups including women, children and youth, older people, those with disability and those in absolute or relative poverty;

- By 2030, 250 cities with reduced spatial and social inequality measured by sustainability indicators of neighbourhood planning and design (compactness, connectivity, inclusion, resilience etc.);

- By 2030, 50 countries have aligned their national urban policies with global norms for inclusive and sustainable urban regeneration;

- By 2030, 1000 partners have joined UN-Habitat network of community of practice.

D. UN-Habitat's comparative advantage

UN-Habitat intends to change the trajectory of urban transformation processes worldwide by supporting principles and capacities for inclusive urban regeneration. UN-Habitat's inclusive and sustainable approach to urban regeneration is unique because:

1. It has a strong spatial foundation, which complements the focus of partners on economic revitalization.

2. A city-wide strategic planning led approach to urban regeneration - to make the benefits accrued from connecting and integrating the city through urban regeneration schemes serve the wider needs of the city and not only an area-based improvement.

3. Human-Rights based approach – No one else has yet put people at the center with a strong policy to avoid, mitigate and manage risks of regeneration (evictions, displacement, compensation, loss of livelihoods, gentrification, coercive actions by state, resettlement) and deduce recommendations for rights holders and duty bearers affected by regeneration schemes.

E. Preliminary proposed locations

Urban regeneration is relevant in urban contexts where assets are underutilized and opportunities for improvement are available, but interventions will have to respond to the actual gaps in capacity and tools in each context.

The selection of cities will be based on criteria of diversity (across regions), demand for regeneration and the typologies and natures of the areas and communities. In addition, partners, countries and cities will be able to join the programme when engaging in regeneration initiatives as observer, members of the community of practice or peers.

Initially identified countries with strategic interest in urban regeneration: Canada, USA, Argentina, Brazil, Mexico, Colombia, Ecuador, Sweden, Denmark, Germany, Spain, France, Italy, Russia, Kazakhstan, Azerbaijan, Turkey, Korea, Indonesia, Japan, Malaysia, Vietnam, Egypt, Morocco, Tunisia, Kenya, Ghana, Senegal, Tanzania, South Africa, Sao Tome e Principe, etc.

Initially identified cities with strategic interest in urban regeneration: Sao Paulo, Buenos Aires, Rio de Janeiro, Mexico City, Bogotá, Medellín, Quito, Stockholm, Copenhagen, Berlin, Stuttgart, Madrid, Barcelona,

Bilbao, Valencia, Paris, Rome, Milan, Moscow, St. Petersburg, Ekaterinburg, Yakutsk, Nur Sultan, Baku, Ganja, Istanbul, Seoul, West Java County, Tokyo,

Kuala Lumpur, Hanoi, Cairo, Rabat, Tunis, Nairobi, Mombasa, Accra, Dakar, Dar Es Salam, Zanzibar Town, Johannesburg, Cape Town, Sao Tome, etc.

F. Partnerships

Investment in urban areas (government and/or private sector led) is happening all over the world as cities grow. For the partners already investing in urban regeneration, UN-Habitat's flagship programme will serve as a multi-stakeholder and multi-level platform including, international development partners, national and local governments and their networks; civil society organizations, academia, urban professionals, financing partners, and the private sector partners including real estate companies and other investors.

The World Bank, AFD and other global stakeholders are supporting interventions on urban regeneration and global knowledge and exchange initiatives. The flagship programme will aim at consolidating a network for peer to peer exchange and learning. It will aim to influence

urban regeneration practices to ensure inclusivity and sustainability and framing with the urban policy, planning and governance drivers while promoting the positive impact of transformative investments.

A consolidated approach for inclusive and sustainable urban regeneration will provide clear entry-points for other UN System entities and contribute to the coordination of the urban dimension within UN Country Teams and regional coordination mechanisms as part of the UN System-Wide Strategy on Sustainable Urban Development. Within the UN system, partnerships with UNESCO, ILO, UNDP, UN-Environment and UNIDO will be most significant, in particular the collaboration with UNESCO in urban regeneration in historic urban areas.

G. Phasing and milestones

Urban regeneration requires long-term engagement. The flagship is envisioned to last until at least 2030 in three phases:

- Years 1-4 (2020-23) - Established global norms and monitoring frameworks for urban regeneration and demonstration of the approach through implementing strategic initiatives that build multi-stakeholder partnerships and community action, in 50 cities in all sub-regions globally.

- Years 5-8 (2024-27) - Building an enabling institutional environment for urban regeneration policies, legal and financial frameworks, and inclusive governance mechanisms, and scale up implementation to 200 cities.

- Years 9-10 (2028-29) – Refine normative guidance, report on impact of ongoing initiatives and scale up implementation to 250 cities.

| Years 1-4 (2021-24) Established global norms and monitoring frameworks for urban regeneration | Years 5-8 (2025-28) Building an enabling institutional environment for urban regeneration policies, legal and financial frameworks, and inclusive governance mechanisms | Years 9-10 (2029-30) Implementing strategic initiatives that build multi-stakeholder partnerships and community action |

H.   Budget

Given the scope of the flagship programme (global, regional, national and local) and the range of activities, it is estimated at $100 million USD over a period of 10 years to catalyze a global investment of over $1 billion USD. UN-Habitat will drive the development, implementation and monitoring of the initiative in conjunction with a wide range of credible and experienced partners.

On average, Outcome 1 would need $2 million per year and 20 million USD in total, Outcome 2 would absorb $3 million USD per year and 30 million USD in total and Outcome 3 (with most activities on the ground) would require at least $5 million per year and 50 million USD in total.