

E C L A C

Economic Commission for Latin America and the Caribbean

Latin American and Caribbean Regional Meeting Preparatory
to the United Nations Conference on Human Settlements
(Habitat II)

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REGIONAL PLAN OF ACTION FOR HUMAN SETTLEMENTS

I. PREAMBLE

1. The Latin American and Caribbean countries are in the process of updating their human settlement policies following an extensive transformation of the regional economic, social and urban framework that took place during the 1980s. The emphasis in urban development and housing strategies, which two decades ago was centred almost exclusively on public financing and construction, has shifted substantially towards an approach requiring broad support from all sectors in order to ensure the development of cities and existing housing.

2. The transformation of the economic framework has underscored the importance of macroeconomic and social policies at the territorial level and the need for coordination between national governments and local authorities. Education in the cities is another area that requires special attention in order to ensure growth and social equity.

3. Notwithstanding the predictions made at the United Nations Conference on Human Settlements held in Vancouver in 1976 concerning the future of Latin American and Caribbean cities, sustainable development in human settlements is now a realizable and enduring goal. Despite the persistence of serious problems, spurring concern and decisive efforts, it is clear that cities have evolved, and that their growth patterns are now more gradual and functional than those foreseen two decades ago, reflecting a process of adaptation to changing circumstances and the correction of some of the deficiencies prevalent in the 1970s.

4. A distinctive feature of human settlements in the region is social inequality, together with the related problems of segregation and marked differences in the quality of life. The obvious poverty of large sectors of the population contrasts sharply with the high standard of living of other social sectors. Major cities, medium-sized settlements and rural localities, towns and villages all manifest signs of inequality and potential for social conflict. The regional aim is to develop human settlements where poverty and shortages have been overcome and which give rise to a democratic and tolerant coexistence.

5. In some countries of the region, where urbanization processes are intensifying and consolidating, there is a need for policies designed to deal with the poor who migrate to cities. We must make provision for the complexities of urbanization processes and the consequent risk of loss of cultural roots and alienation.

6. Another distinctive feature of Latin America and the Caribbean is the constraint on the development and sustainability of human settlements in some of the smaller States and small island developing States deriving from limited land and other natural resources, ecological fragility, susceptibility to destructive natural phenomena, economic vulnerability and youthful and mobile populations.

7. The implementation of policies and actions to overcome social conflict calls for political, social and institutional agreements that are long-lasting and survive short-term political differences. The countries of the region must take up this challenge as a "matter of State". Any organized and efficient public, private and social action that is taken must be of this nature. We are facing a major political challenge that is of fundamental importance for the consolidation of democracy and social coexistence and for the growth and sustained progress of our economies, as well as for the quality of life of large social majorities. What is called for is a large-scale, sustained, effective and broad-based social response. Many of the shortcomings and difficulties associated with the important and varied forms of action taken to invest in and manage the region's human settlements are attributable to a lack of global support and long-term consistency in the application of policies.

8. A fundamental conclusion that can be drawn from the above is that the countries of the region must mobilize more material, professional and technical resources than are available at present. Otherwise, a proposal for change such as the one in question will serve no useful purpose. The situation calls for increasing the role of the private sector as an active investor in areas that have traditionally been within the purview of the public sector alone. Disadvantaged sectors should also make a greater contribution, in so far as they are able, since social endeavour helps to provide the sense of self-worth essential in overcoming extreme poverty. An imaginative approach is also needed towards tax policy, technical assistance and the improvement of international cooperation mechanisms.

9. Achieving this goal will require research, planning, implementation and management of cities and human settlements through a systemic approach that coordinates their social, economic

and environmental dimensions, as a prerequisite for the building of sustainable urban development.

10. In addition to demonstrating that cities and their problems are manageable through territorial planning and coordinated investment, as well as through sustainable, participatory and efficient public and urban management, the region perceives them as a resource for improving the quality of life of the population.

11. Thus, Latin American and Caribbean cities also constitute a cultural and political challenge as the matrix that must ensure the dignity and enjoyment of the citizens who will build and live in them in the future.

12. In short, what is needed is to give political priority to human settlements issues, making a determined effort to overcome inequality, adopting sound and comprehensive national political agreements and providing a level of resources in keeping with this important challenge. These are the major tasks before the countries of the region.

13. The Latin American and Caribbean countries wish their Regional Plan to be reflected in the Global Plan of Action to be adopted at the Istanbul Conference, so that the Global Plan will include the concerns and priorities of each of the five regions, as well as the variety of mankind's experiences in the field of human settlements.

II. GENERAL OBJECTIVES OF THE REGIONAL PLAN OF ACTION

14. The Latin American and Caribbean representatives will arrive at the Istanbul Conference resolved to implement authentic development strategies that can ensure social equity, economic growth, environmental sustainability and the realization of human potential within a democratic framework. Cities and other urban centres, as the location of the majority of the population and much

of the economic activity in the region, face challenges that will have to be met by national settlements policies. The objective of overcoming poverty must be incorporated; this will require efforts from all national sectors through participation and the introduction of technologies that make it possible to achieve adequate levels of productivity and competitiveness. Achieving social equity and overcoming urban poverty constitute another challenge requiring efforts from all sectors. It will be a matter of priority to give due consideration to the environment in human settlements and their surrounding areas in order to resolve existing problems and prevent those that might arise in the future. Another challenge that must be faced is promoting governability through democratic channels that ensure effective citizenship and participation in the benefits and obligations of development for all inhabitants of Latin American and Caribbean cities. This requires redefining and modernizing the policies and tools of urban planning and housing management within an adequate institutional, legal and financial framework in order to achieve levels of efficiency that can guide the future development of settlements in the right direction.

15. The human settlement problems that concern Latin America and the Caribbean today are, to some extent, similar to those faced by other regions. Nevertheless, their specific features make it appropriate to adopt measures at the regional level to enhance the efficiency and effectiveness of integrated urban development and housing policies. The region's countries agree on a series of actions to be taken not only by governments, but, more broadly, by the all social actors involved in the field of human settlements. Settlements can and should offer an environment conducive to creating the conditions and sharing and disseminating the resources required for regional development.

III. THEMATIC AREAS

1. Achieving social equity and alleviating urban poverty

16. The statistics revealing the spread of poverty, now rooted mainly in the region's cities, make it urgent for human settlement policies to be geared decisively to improving the quality of life, particularly for lower-income households. In addition to the positive impact that increasing the productivity of cities can have on overcoming poverty in the future, urban development and housing plans and actions should help to ensure tangible benefits within shorter time-frames, especially for those who need them most. Therefore, it is essential for there to be a climate of steady growth of employment, wages and incomes for the neediest segments of the population. The situation of female-headed households in various countries of the region is particularly important.

17. It is important to note that countries of the region have made significant progress towards overcoming their shortages of housing and of urban services. The prospects are therefore favourable that these problems will be overcome.

18. In addition to the need that remains unmet because of insufficient coverage by past and current programmes, demographic and household growth trends project a sharp and growing need for new housing in the near future. In view of the size and quality of existing housing, urgent measures are also needed to preserve it, thus avoiding a further intensification of the housing needs of the poor.

19. In order to remedy the serious lack of basic services and housing from which the population suffers, the countries agree to:

i) Emphasize the goal of overcoming poverty and indigence in their territorial, urban and housing policies and link it to

broader strategies and mechanisms for social development at the national and local levels. The governments assume particular responsibility for prioritizing national urban, housing and environmental policy in order to increase social equity. All sectors will be included in the urban and housing management process, to ensure their access to education, preventive health care, safe drinking water, waste water disposal, green spaces, recreation, trade, transport, environmental protection and sources of employment.

ii) Increase housing solutions substantially in order to cope with the lack of shelter, especially for lower-income families. The number of units should at least equal the number of new households formed each year so as to prevent a continuing increase in the housing shortage.

iii) Expand programmes to provide sanitation, shelter, regularization of tenure and access to public infrastructure for marginal groups and settlements within cities. At the local level, these efforts will be coordinated with other social-welfare and employment programmes, so as to break the poverty cycles persisting in these settlements and prevent an increase in the spatial concentration of poverty that dominates the region's cities.

iv) Establish programmes to maintain and upgrade existing housing so as to prevent the shortage from increasing as a result of its functional and material obsolescence. Special attention will be paid to the management of existing urban housing in areas undergoing densification and renewal.

v) Implement clear mechanisms for transparent and effective subsidies that can provide the region's inhabitants with genuine access to urban goods and services and housing. Better targeting should reverse the declining trend in the region's public housing expenditure.

vi) Develop mechanisms aimed at improving the living conditions of the population by providing access to credit and allowing citizens to select the alternatives that best meet their needs: purchasing dwellings or lots, building, or improving or enlarging dwellings.

vii) Expand the resources available for financing housing and urban services by means of a combination of investments by the public and private sectors and the communities themselves. To achieve this goal, the countries will promote the use of efficient systems for financing both supply of and demand for urban and housing goods and services and encourage savings and co-financing arrangements to the extent that economic growth and improved employment levels make it feasible.

viii) Enable citizens' associations to play an active and effective social role in the delineation and monitoring of programmes and activities which aim to improve the quality of life of the population. It is important to support and organize the capacity and creativity of the region's poorer population groups to provide housing for themselves into the development of more structured, innovative and efficient systems of self-management, co-management and co-financing of housing, facilities and services, to that end ensuring sufficient and appropriate assistance and comprehensive support on the local and community level.

ix) Encourage public investment, promote private investment and support social investment aimed at improving rural settlements and dwellings to ensure that the inhabitants of these areas have access to basic services, housing and employment similar in quality to those available to the urban population. It is thus essential to establish mechanisms to regulate private investment (particularly with respect to coverage of services and to charges), in order to ensure competitive and transparent incorporation of the private sector.

2. The productivity of human settlements for improving the quality of life

20. In view of the important role that cities and territories now play in promoting economic development, and the reciprocal influence which such development has had and will continue to have on the formation of settlements, urban management must strengthen the linkages between economic development policies and their physical area of application at all levels. The world's cities are now preparing to concentrate innovation and decision-making power, provide better and more advanced services, links and communication, and offer skilled human resources, in order to attract economic activities.

21. In recent decades, trends in the spatial distribution of the Latin American and Caribbean population have fostered a concentration of activities and population, as well as an uneven potential for development within territories and cities. While in many countries these trends have been mitigated, particularly by demographic and economic factors, urbanization and metropolitan expansion continue to be dominant features of land use in Latin America and the Caribbean. Aware that this may constitute a potential development factor, the Latin American and Caribbean governments, together with local governments and the private sector, agree to implement the following measures, in order to achieve a better balance in the future in the distribution of opportunities for economic, social and environmental progress, and to develop their cities' comparative advantages:

i) Address the issue of the quality of life of their citizens as a defining element of their competitive capacity.

ii) Ensure that regional, subregional and national development agencies attach due importance to human settlements in national and regional development strategies and define means and instruments

for launching or strengthening initiatives that can enhance their competitiveness and productive potential.

iii) Take advantage of complementarity and specialization among cities at the national and regional level, as well as of existing regional mechanisms, so as to raise their productivity and competitiveness vis-à-vis other cities or urban systems in the world.

iv) Strengthen integrated territorial and urban management, in order to achieve efficient land use, improve urban concentration patterns, avoid inequalities within countries, enhance the opportunities for obtaining employment and income in the territory and promote the appropriate location of urban centres and their economic activities in an economically, socially and environmentally sustainable manner.

v) Give top priority to the upgrading, expansion and modernization of urban and productive infrastructure, a basic requirement for increasing the productivity of cities. In view of the cumulative infrastructure deficiencies and the high levels now required in order to compete with other cities, new systems for the production and operation of urban infrastructure, which combine public resources with private-sector contributions and forms of user payment for services, will be implemented. To this end it will be necessary to develop statutory and regulatory mechanisms and frameworks, achieve broad political and social agreement on an urgent and substantial increase in investment in urban infrastructure, and operate such infrastructure efficiently.

vi) Integrate policies on housing, public infrastructure, basic services and preservation and restoration of the cultural, historic and architectural heritage into territorial and urban development and planning strategies, so as to stimulate new productive activities, enhance the accumulation of human capital

and the strengthening of civic identity, and provide effective support for the development of regions and localities in a spirit of economy, by taking advantage of the cities that already exist. Encourage, in addition, the conservation and restoration of the cultural and historical heritage in the region's human settlements.

3. Improving the environment in human settlements

22. The growth and development of urban areas have given rise to new problems, among them problems of the environment. The great advantages the city has to offer as a result of the concentration in one urban space of substantial positive externalities and economies of agglomeration may be cancelled out by the appearance of negative externalities of the growth process and deterioration in the quality of life. In order to maintain conditions of habitability compatible with growth in the economy, it will be necessary to control and direct urban growth in order to avoid an irreparable loss of sustainable development factors.

23. Human settlements policies and strategies must support the achievement of adequate environmental quality by regulating activities in the urban space and adopting measures to prevent environmental damage that might result from productive investment on the part of public or private agents. The following actions to prevent and manage urban environmental problems shall be put into effect in metropolitan areas, medium-sized and small urban centres, towns and villages and rural areas surrounding cities:

i) Foster a real commitment on the part of regional, subregional and national development agencies to achieving a sustainable urban environment, so that measures, controls and strategies are implemented and the requisite resources are provided to reinforce initiatives to improve the environment of cities.

ii) Update the regulatory and legal framework that governs property and the urban land market, in order to correct the tendency of the cities of the region to grow at the cost of inefficient use of natural resources and to occupy valuable agricultural land. Ways must be found, for example, to pass along to the developers who cause them the social, productive and environmental costs of incorporating new land into cities. In the implementation of housing programmes there is a particular need for careful urban land use in order to increase density in sectors of the city already occupied and in new areas of expansion, but with due regard for leisure and recreation amenities.

iii) Address urgently the problem of the traffic congestion generated by the steady increase in the stock of automobiles, which is affecting both the productivity and quality of life of city-dwellers, by favouring efficient public transport systems and arrangements that optimize the relation between residential areas, services and work places.

iv) Ensure the access of the entire population to quality drinking water and waste disposal services with special emphasis on those sectors and segments of the population still living in extremely marginal conditions. Address urgently the issue of a sufficient supply of water and, where applicable, the technology necessary to obtain it. Waste treatment, particularly of toxic wastes, and the coordination of sanitation programmes with local health care systems will help to reduce rates of ill health, morbidity and mortality. Special attention should be paid to pollution from industrial activities and sewage channels.

v) Create mechanisms that will ensure full, effective participation by the community and the local authorities in the handling of urban environmental matters that have a direct bearing on the daily lives of the citizens.

vi) Adapt the designs and technologies used in urban development and construction to the climatic, geophysical, economic and cultural realities for which they are intended, with special emphasis on housing programmes that meet the region's needs for shelter in a manner that is sustainable, environmentally sound and accessible to low income groups in particular.

vii) Develop environmental education policies on the formal and informal levels aimed at creating a new set of attitudes towards nature and the human environment.

viii) Bear in mind in the planning, management and operation of human settlements the importance of creation and preservation of open areas and green spaces; water needs; energy conservation; collection, disposal and treatment of solid wastes; management of hazardous wastes; altitude and topography as a constraint on urban expansion; and the prevention of damage from earthquakes, hurricanes, flooding and landslides. In addition, coordinating mechanisms should be set up to deal with environmental matters, particularly watershed management and control of air pollution in metropolitan areas.

4. Governability and participation

24. Even though the rate of growth of the large urban centres of the region is gradually slowing, the levels of population already attained and the complexity of the problems and challenges facing human settlements call for adjustment of the institutional and regulatory framework in order to allow the cities to be administered adequately. This task is particularly relevant in the light of the process of democratization that has been occurring in Latin America and the Caribbean.

25. Among the challenges of governability is that of ensuring that the vast segments of the population now living in Latin American

and Caribbean cities have effective scope for participation and legitimate systems of government and delegation of authority, to ensure that they can become effective citizens and participate fully in the opportunities and responsibilities of development. To this end, it is agreed to:

i) Set up coordinating mechanisms between the sectoral agencies and levels of government that deal with housing and urban development and the local governments, so that the responsibilities and, where applicable, the resources of the former in the field of human settlements can be effectively and gradually decentralized and transferred to the latter.

ii) Define mechanisms of coordination for metropolitan areas, medium-sized and small cities, and towns and villages that require urgent attention because of their dynamic growth.

iii) Advance further in the process of decentralizing government through consistency in the transfer of decision-making powers, financial resources and professional capacity-building.

iv) Strengthen the administrative, technical and financial capacities of local governments at all levels and of other administrative bodies, within a framework of democratic local and urban management that encourages the participation of the inhabitants in decisions regarding their own city, neighbourhood or dwelling and respects the diversity of cultures, ethnic groups, interests and identities to be found in urban and rural centres in Latin America and the Caribbean.

v) Set up programmes of intervention aimed at the spatial and social integration of the urban territory and the revitalization of urban spaces and symbols that are shared by the majority of the inhabitants. With regard to the location of public housing, housing policy should give special attention to easy access to jobs and

urban services so that poor households are integrated into the life of the city and a reduction in the spatial segregation of poverty is promoted.

vi) Establish communications channels that provide accurate and timely information on human settlements management so that people may take advantage of programmes with full understanding of what is being offered and what they require and may choose the most appropriate solution to their housing needs. Information and debate on issues related to human settlements and housing should not be limited to those directly affected but should involve broad sectors of public opinion in order to create a basis for consensus on criteria and actions for improving human settlements.

vii) Promote partnership arrangements involving public and private sectors, non-governmental organizations (NGOs) and community-based organizations (CBOs) in planning and decision-making and also in financing, handling and maintaining human settlements facilities and infrastructure.

5. Policy and management efficiency

26. The dimensions and complexity of the urban phenomena occurring in the region make it necessary to replace many aspects of conventional urban management with an efficient operating techniques that make it possible to take advantage of economies of scale and agglomeration and avoid the diseconomies that can develop in cities. This process entails linking together the different levels of habitat: the territory with its urban systems, the cities, the neighbourhoods and the dwellings. Moreover, programme processes and controls should be increasingly decentralized, and the private sector should become involved in many activities traditionally carried out by the public sector in the field of housing and urban development. To achieve this goal, it is agreed to:

i) Promote forums for regional debate and coordination in the areas of population and human settlements, population shifts between countries and cities and integration of the regional space, within the framework of existing regional and subregional integration mechanisms.

ii) Administer the system of territorial management, urban development and housing in an integrated fashion so that policies at each level take into account the costs and benefits that their implementation will entail at other levels and the effect that any decisions taken will have on the efficiency of the entire system.

iii) Establish a clear and stable regulatory framework for the creation of markets and the regulation of competition in the field of production and operation of urban services and housing, in order to make it possible to establish an effective partnership between the public and private sectors, taking into account the role of the State as regulator and facilitator and the contribution of the private sector to investment in housing and urban services through financial systems which are both transparent and efficient.

iv) Develop appropriate skills in human settlement planning, construction and maintenance, as well as investment assessment and management.

v) Promote the integrated functioning of the various housing markets in order to avoid segregation of the social housing sector; this will require clear, simple rules that are stable over time, and information channels especially directed towards potential demand among lower-income groups. Improvements should be made in the allocation of subsidies by applying fiscal sustainability criteria and in the focus of programmes through more accurate identification of target groups and a diversified offering of solutions in keeping with the needs and possibilities of the

different strata and income groups most affected by the housing shortage.

vi) Facilitate the functioning of the various housing markets so that they are interrelated and developed, thereby avoiding the segregation of social groups while optimizing markets.

vii) Reinforce the mechanisms for financing investment of local entities, including credit mechanisms, in order to maximize the mobilization of private sector resources.

viii) Establish and reinforce on the regional, national and local levels reliable and comparable systems and channels of statistics and indicators in order to optimize planning, allocation of benefits and evaluation in the field of human settlements. In this regard, special attention should be paid to the design and preparation of the next population and housing censuses and to the use of the indicators programme.

ix) Intensify technical cooperation among countries of the region in order to exchange experiences, particularly on best practices, foster the development of technology and technical skills and increase the efficacy of urban and housing policies and management, with the backing of coordinated and complementary support from multilateral and bilateral arrangements.

x) Promote interchange on the regional and national levels of successful experiences in the field of urban management, selecting practices that have helped to improve the quality of life of the population.

xi) Promote, within the appropriate legal and regulatory framework, access to land and security of tenure for all socio-economic groups, particularly low-income families.

xii) Issue or update regulations in the region specifically governing human settlements; delineate or adapt public urban and housing policies; and create or reorganize governmental institutions, particularly local government institutions, so that they can implement legislation and comply with relevant policy, in keeping with the goal of social participation.