



Financing Urban Development: the Millennium Challenge

Habitat III Thematic Meeting
Mexico City, 9 - 11 March 2016

PROGRAMME

Tuesday- March 8, 2016

9:00- 19:00 Side events

Wednesday- March 9, 2016

9:00 -17:00 Side Events

17:00– 18:30 Opening Ceremony
Financing Urban Development: the Millennium Challenge

19:00 –21:00 Welcome Reception



Thursday- March 10, 2016

9:00– 11:00

Plenary Session1: **Local finance Governance: multilevel and multi stakeholders coordination**

The urban development Financing policies, in order to be effective, they must consider the various stakeholders as part of decision-making, implementation, monitoring and evaluation. Governing without citizen participation, the private sector and social organizations has become almost impossible. This also includes close coordination between different levels of government. In recent years there have been considerable changes and transformations in the form of understanding economics and finance from the point of view of urban and regional development. It is no longer just about macro-finance but also meso and micro-finance, and in relation to that new players have emerged, new systems and mechanisms, new sources, new paradigms to face the challenge of financing urban development. Financing metropolitan areas, where there are different levels of government and actors and whose weight is crucial in national and global economies, requires specific responses and may be a laboratory in this regard. But it should be also analyzed the situation of the intermediate or secondary cities to avoid leaving them behind from the mainstream of development.

Speakers:

- **Parks Tau** – Mayor of Johannesburg
- **Pedro Páez** - National Inspector of Control of the Market Power, Ecuador
- **Maryse Gautier** - Auditor, Ministry of Sustainable Development, Government of France
- **Malick Elhadji Diop** - President of the Economic and Financial Committee of the Council of Local Governments, West African Economic and Monetary Union (UEMOA)
- **Edgar Amador Zamora** - Secretary of Finance of the Government of Mexico City, Mexico
- **Jordi Borja** - Sociologist and urban planner, Director of the City Management and Urban Planning Department at the Open University of Catalonia, Spain

Moderator:

Paul James - Professor of Globalization and Cultural Diversity, Western Sydney University, Australia

11:00– 11:30

Coffee - Break

Parallel sessions

11:30 – 13:30

Session1a: **Efficient use of resources: planning, transparency and accountability**

The efficient use of public resources is one of the biggest challenges in a context where the need for investment in services and infrastructure is growing. In this sense, legislation that promotes accountability, strengthening institutional capacities and the implementation of mechanisms of transparency to citizens is required. Efficient use of resources also requires proper planning, better management of city assets and effective delivery of public services ("do more with less") that includes a project portfolio in the medium and long term that might attract private sector investments in a transparent and planned manner.

Speakers:

- **Bachir Kanouté**- Coordinator of Enda Ecopop and President of the African Network on Participatory Budget
- **Sebastián Ordóñez**- Advisor on Urban Development Projects for the Mayor of Quito, Ecuador
- **Turd - Od Lkhagvajav**- Chairman of the Mongolian Foundation for Democracy
- **Gerardo Ardila**- Anthropologist at the National University of Colombia
- **Danny Zulu**- Principal Economist, Department of Housing and Infrastructure, Ministry of Local Government and Housing, Lusaka, Zambia

Moderator:

Gabriela Alarcón- Director of Urban Development at the Mexican Institute for Competitiveness, Mexico

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11:30 – 13:30

Session1b: *Local priorities in the global agenda of urban financing*

Sustainable urban financing is a key element in the implementation of Agenda 2030 for sustainable development, adopted by the United Nations General Assembly in September 2015, and the new urban agenda Habitat III to be adopted in October 2016. The recently approved Sustainable Development Goals include a goal#11 specific to sustainable urban development and other goals and objectives that also require the intervention of local governments. This session will emphasize the need to strengthen cooperation among multilateral agencies, national governments and local actors in the construction of an urban agenda, working together for the "localization of the SDGs," particularly following up on the third Conference on Financing for Development held in 2015 in Addis Ababa.

Speakers:

- **Nathalie Ledenmat**- Executive Secretary of the Committee on Local Finance and Development, United Cities and Local Governments (UCLG) and Member of the Habitat III Policy Unit 5
- **Roberto Dondisch**: General Director of Global Affairs, Secretary of Foreign Affairs, Mexico
- **Prabha Khosla**- Principal, Khosla Associates
- **Magdalena García Hernández**- Coordinator of the Ibero-American Women's Network for Equal Budgets between women and men
- **Judit Torokne Rosza**- Head of Unit H1, Directorate General for Regional and Urban Policy, European Commission
- **Louis-Antoine Souchet** - Expert in Local Finance, French Agency for Development, France
- **Elkin Velázquez**- Director of the Regional Office Latin America and the Caribbean (ROLAC), UN-HABITAT

Moderator:

Fernando Guzmán, Executive Director of the Colombian Association of Capital Cities (Asocapitales), Colombia

11:30 – 13:30

Session1c: *The metropolitan phenomenon: sub-national economies and regional development*

Subnational economies have a specific weight that has not yet been recognized in the world. Some cities they have a bigger GDP than many countries. The concept of "urban complexity" refers to the institutional intertwining network that goes beyond the traditional municipal focus, being that multiple administrative structures overlap in the same territory. The urban functional areas they no more coincide with the traditional political-administrative structure. The regional development involves the valorization and mobilization of endogenous resources, recognizing the diversity of economic actors and integrating local communities with a perspective that goes beyond the traditional administrative boundaries and sectorial vision of politics. This can promote the harmonious growth of the various territories and regions, metropolitan areas, balancing urban and rural areas, centers and peripheries, as a means to reduce inequities and provide more development opportunities to the neediest populations.

Speakers:

- **Felip Roca**- General Secretary of the World Association of Major Metropolis
- **Alicia Ziccardi Contigiani** -General Director of the University Programme of City Studies, National Autonomous University of Mexico (UNAM)
- **Antonio Beltrán** - Mayor of Puebla de Guzmán, Huelva, and President of the Provincial Tax Management Service at the Provincial Council of Huelva, Spain
- **Salomón Chertorivski** – Secretary of Economic Development, Mexico City Government (to be confirmed)
- **Áurea Queiroz** – Adviser of the Presidency at the Paulista Enterprise for Metropolitan Planning, Sao Paulo, Brazil

Moderator:

Eugene Zapata Garesché - Regional Director for Latin America, Global Fund for Cities Development (FMDV)

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13:30 – 15:00

Lunch

15:00 – 17:00

Plenary Session 2: **Sources and innovative financing mechanisms for urban development**

Several studies suggest that financing urban infrastructure and services will double or triple in the coming decades. However, from a macroeconomic point of view, a growing gap between funding needs and priorities of investors is observed. This gap is particularly important in the financing process of urban infrastructures. Despite the favorable conditions for long-term investments (low rates, abundant funds) and the increasing recognition of the role of cities in the development, large institutional investors do not prioritize urban investment, and public funding has decreased significantly in the last years. To find new macroeconomic solutions and institutions it is essential to unlock the channeling of public and private savings into urban development if we are to achieve the SDGs and realize the New Urban Agenda.

Speakers:

- **Felipe de Jesús Gutiérrez Gutiérrez**- Secretary of Urban Development and Housing, Mexico City Government, Mexico
- **Peter Head**- Ecological Sequestration Trust Executive Chairman and Member of the United Nations Sustainable Development Solutions Network (UNSDSN)
- **Ana Claudia Marinheiro Centeno Rossbach**, - Regional representative for Latin America and the Caribbean, Cities Alliance
- **George W. McCarthy**- President and CEO of the Lincoln Institute of Land Policy
- **Henry de Cazotte**- Special advisor to the director for development and Global Public Goods, French Ministry of Foreign affairs and International Development
- **Geoffrey Makhubo**- Counselor at the Mayoral Committee of Finance of Johannesburg and President of the Global Fund for Cities Development (FMDV)

Moderator:

Josep Roig- General Secretary, United Cities and Local Governments (UCLG)

17:00–17:30

Coffee-Break

Parallel sessions

17:30 - 19:30

Session 2a: **Social management of the land: creating and capturing value**

Value capture is a mechanism of urban development that is based on two axes: the legal framework and public investment. It consists of an innovative method of collaboration between the public and private sectors that aims to spread risks and benefits of development projects and is a source of funding for local governments reinvestments. This session will address the management of local heritage as a way of generating non-tax revenue for the city and putting limits on land speculation.

Speakers:

- **Anne Claes** - Director of International Relations, Brussels, Belgium
- **Moussa Ndiaye** - President of the Committee of Decentralized Cooperation of Pikine, Senegal
- **Mariana Fix** - Economy Professor at the University of Campinas, Brazil
- **Benoit Filippi**, Economist,- Specialist in local markets and habitat
- **Leonardo Castro** - Secretary of Urban Planning, Belo Horizonte, Brazil
- **Luis Bonilla Ortiz Arrieta** – Operative Director of TECHO International, Chile
- **Dr. Francesco Piazzesi** - Council of Assisted Autoconstruction of Green Housing, Convives, México

Moderator:

Carlos Morales Schechinger, Head of Urban Land Policies, instruments & Development, Erasmus University Rotterdam

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17:30 - 19:30

Session 2b: **Cities, climate change and green funds**

Resilient and low carbon infrastructure needs exceed the investments made to date. There are innovative mechanisms to increase the flow of financial resources for green infrastructure. The achievements on climate change by local governments demonstrate the need to design new tools to finance their environmental policies and resilience. The session will address the funding needs of green infrastructure, particularly energy efficiency, mitigation and adaptation to climate change. The session will address the economic impact at the urban scale of the transition to a low carbon economy and its financing.

Speakers:

- **Tanya Müller García** - Secretary of Environment, Mexico City Government, Mexico
- **Ronan Dantec** - Senator of Loire-Atlantique, France, and Spokesperson on climate change for United Cities and Local Governments (UCLG)
- **Gilberto Valladares** - Director of the project ArteCorte, Havana, Cuba
- **Michael Berkowitz** - President of 100 Resilient Cities, Rockefeller Foundation
- **Rhamatouca Sow** - Deputy Director of the Office of the Mayor of Dakar, Senegal
- **Yunus Arikan** - Co-Chair of the Global Assembly of Partners, Local Governments ICLEI

Moderator:

Jean François Habeau, Executive Director of the Global Fund for Cities Development (FMDV)

17:30 - 19:30

Session 2c: **The Urban Century: public-private partnerships and new alliances**

This session will address new type of partnerships between public and private actors and innovations through information technology. Some examples of how ICTs can improve the delivery of public services and schemes of public-private partnership companies will be presented. Mechanisms include new partnerships and new resources, such as participatory budgeting, crowd-funding, bond issues based on the savings of local populations, insurance companies and sovereign wealth funds, cooperative banks, etc.

Speakers

- **Rovena Negreiros** - President of the Metropolitan Planning Enterprise of Sao Paulo, Brazil
- **Milder Villegas** - President of the International Association of Investors in Social Economy
- **Rafael Hueso** - Director of International Networks, General Secretariat of Foreign Action of the Basque Government, Spain
- **Renaud Pague** - Expert in Urban Innovation on the Paris Town Hall, France
- **Margery Perlmutter** - Chair / Commissioner, NYC Board of Standards and Appeals, United States

Moderator:

Juan Carlos Castro – CEO at BRIQ México

20:00– 22:00

Dinner hosted by the Mayor of Mexico City

Friday - March 11, 2016

9:00– 11:00

Plenary Session 3: **Finance, decentralization and local autonomy**

In a context of rapid urbanization, local authorities assume an increasingly important role in development. This importance also implies greater responsibilities for the provision of infrastructure and basic services, in which decentralization and financial autonomy are essential in the whole process. Any decentralization or increased powers to local governments should be accompanied by adequate resources or capacity building to generate them. However, the sub-national funding has stagnated or declined in recent years, partly as a result of the economic crisis and austerity policies. The structure of national and local taxation is not properly adapted to changes in the economic structure (service economy, dematerialization of production, relocation, tax optimization of large companies). While the production of wealth is concentrated in cities, there are few tax systems allowing cities being funded on even a portion of the value added produced within them. Also, the current distribution of resources often tends to increase inequalities between regions within a country.

Speakers:

- **Marco Kamiya** - Acting Director of the Urban Economy and Finance Department, UN-HABITAT Global Headquarters
- **Adrián de la Garza Santos** - Mayor of Monterrey, México
- **Jaime Salinas** – President of Cooperation and International Relations of the Metropolitan Municipality of Lima
- **Joaquim Oliveira** - Head of the Organization for Economic Cooperation and Development (OECD) Regional Development Policy Division
- **David Jackson** - Director of Local Development Finance, Least Developed Countries, United Nations Capital Development Fund (UNCDF)

Moderator:

Manuel Perló Cohen- Director of the Institute of Social Investigations, National Autonomous University of Mexico (UNAM)

11:00 –11:30

Coffee - Break

Parallel sessions

11:30 – 13:30

Session 3a: **Strengthen and innovate on tax collection at the local level**

Decentralization processes are not always accompanied by the transfer of resources and capacities for local governments to face them. Locally, there is a gap between the capacity to generate income and expenditure responsibilities. To improve, upgrade and modernize local tax collection systems it's essential to increase their own income, thus, the local financial autonomy. This should include making local taxes a more flexible tool and reactive to economic cycles to capture the value added generated within its territory.

Speakers:

- **Huáscar Eguino** - Urban and Municipal Development Specialist at the Inter-American Development Bank (IADB)
- **Salah Sheik Osman**- Minister of Public Works, Reconstruction & Housing, Somalia
- **Daniel Platz** – Specialist in Economic Affairs, United Nations Department of Social and Economic Affairs, (UNDESA)
- **Juliana Assis Ferreira** - Banco de Desarrollo de Minas Gerais, Brasil
- **Jorge Rodríguez** – Responsible Coordinator of the Technical Secretariat of Mercociudades
- **Alejandro Ramírez Rico** – Fiscal Attorney of the Mexico City Government

Moderator:

José Ángel Nuño Sepúlveda -Director of Legal Development and Administrative Collaboration for Municipalities of the Institute for Technical Development of Public Finances (INDETEC)

11:30– 13:30

Session 3b: ***Pooled financing and local access to credit***

Access to sources of credit under suitable conditions remains a bottleneck in many countries, especially in those where sovereign guarantee for local governments to obtain favorable financing from international organizations is required. International financial organizations could play a strategic role to create guarantee mechanisms that facilitate future access. The sub-national pooled funding mechanisms (pool funding) allows collective access to private capital markets (bank and bond funds) as well as public financing on better terms for municipalities that share objectives and conditions of solvency, but they do not have the experience or credit history required to access alone to the capital markets.

Speakers:

- **Ellis Juan** - General Coordinator of the Inter-American Development Bank's (IDB) Emerging and Sustainable Cities Initiative (ESCI)
- **Ana Patricia Cañón** - Commercial Vice-President at Findeter, Colombia
- **Philippe Camille Akoa** - Director of the Special Council Support Fund for Mutual Assistance (FEICOM) and President of the Network of African Finance Institutions for Local Authorities (RIAFCO)
- **Michael Metzler** - Director of Development Credit Authority, USAID
- **Barbara Samuels** - Executive Director of the Global Clearing House for Development Finance (Global DF) and Vice-Chair UN Financing for Development Business Steering Committee
- **Syed Hasinur Rahman** - Managing Director of Bangladesh Municipal Development Fund, Bangladesh

Moderator:

Anne Massen- Energy, Climate, and Finance Associate at the World Resources Institute (WRI)

11:30 – 13:30

Session 3c: ***Relocating the economy and finances: land and the reduction of inequalities***

This session will address the consequences of the crisis and awareness by various public and private stakeholders and citizens about the importance of "rethinking and redesigning" traditional frameworks of action of economics and finances towards more sustainable, equitable and supportive objectives. The strategies and mechanisms for relocation of the economy and finance to allow better control and management of resources and the re-valuation of the local wealth will be discussed. Social economy as a source of resilience to the crisis will be also discussed.

Speakers:

- **Yasy Morales** - Board Member of the Mont Blanc Meetings and Professor of Sociology at the University of Costa Rica, Costa Rica
- **Judith Hitchman** - Responsible for advocacy at the International Network for Community Supported Agriculture (URGENCI) and Member of the Board of Directors of the Intercontinental Network for the Promotion of Social Solidarity Economy (RIPESS)
- **Mateo Daniel Arbulo Ferreira** - Coordinator of the Social and Solidarity Economy Unit, Municipality of Montevideo, Uruguay
- **Emmanuelle Ott**- Advisor of the President of Plaine Commune, France
- **Enrique Ortiz** - President of the Habitat International Coalition
- **Juan Carlos Lastiri** - Under Secretary of Urban Development and Housing, Secretariat of Agrarian, Territorial and Urban Development of Mexico
- **Nuria Sanz** - México's Representative of the United Nations Educational, Scientific and Cultural Organization (UNESCO)

Moderator:

Carlos de Freitas- Director of Programs, Global Fund for Cities Development (FMDV)

13:30 – 15:00

Lunch

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Closing Ceremony