



G20 High Level Principles on Sustainable Habitat through Regional Planning

During the last century, the world experienced a rapid urbanisation process demonstrating that urban regions can create opportunities and contribute significantly to national economic performance, boosting growth and reducing poverty. Urban regions can also have positive effects on the peri-urban and rural areas around them. However, in some instances, urbanisation has also led to congestion and to the emergence and spread of unplanned settlements mostly characterized by low-income levels, inadequate living conditions, degraded environment and ecosystems, high inequality, and growing isolation of rural areas.

Today, around one billion people worldwide live in informal settlements, of which an estimated 881 million reside in developing countries. Spontaneous and unplanned population movements result in human settlements where socio-spatial fragmentation and the lack of infrastructure and economic opportunities are reinforced, increasing inequality and creating disconnected and unbalanced territories. Urban, peri-urban and rural linkages are being undermined, reinforcing social and economic disparities within countries while negatively affecting the surrounding ecosystems, productive agricultural land, as well as soil, air and water quality.

The urbanisation process will continue at a rapid pace. By 2050, nearly 70% of the earth's population will reside in urban centres, compared to 55% at present. This will particularly affect regions such as Asia and Africa that could account for almost 90% of the increase in urban population. An integrated approach tailored to specific local contexts is needed to envision and develop quality human settlements in spatial, social, economic and environmental terms and enhance the interconnectivity of the whole territory.

Integrated urban, peri-urban and rural development policies and planning (hereafter *regional planning*) are key instruments to address the global challenge of urbanisation and its environmental impacts while also contributing to tackling other global challenges, including energy security and access, sustainable economic growth, and tackling climate change. They imply a decision-making process that considers urban, peri-urban and rural areas within countries and their linkages, to harness their mutual strengths and advantages, aiming to achieve equitable regional development. This involves the design and implementation of policies that integrate the three development dimensions in a balanced manner: social policies to enhance social inclusion and cohesion, economic policies to promote sustained and inclusive growth and environmental policies to promote the sustainable use and protection of natural resources, resilience and public health, taking into consideration local specific contexts. Therefore, the way in which the regional development is planned and managed is critical for achieving greater equity and growth while addressing the environmental sustainability of human settlements.

Building upon the New Urban Agenda, the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda and the broader ongoing efforts of the G20 to promote sustainable growth, the *G20 High Level Principles on Sustainable Habitat through Regional Planning* (HLPs) propose an integrated and comprehensive view, interlinking the different development dimensions that should contribute to a sustainable habitat. The Principles encompass cross-cutting issues and are mutually reinforcing, prompting their joint implementation. They present the basis for further developing action-oriented strategies.

The G20 encourages that these principles be taken into account by all countries, consistent with national systems and priorities, legislation and levels of decentralization, and by relevant development partners. This will contribute to anticipating and better responding to future demographic, social, economic, technological and environmental challenges, creating an enabling environment to improve the quality of life and livelihood for present and future generations, leaving no one and no region behind.

PRINCIPLE 1. Implementing effective multi-level governance: A regional planning approach should enhance governments' ability to foster coordination, coherence and complementarities between different policy fields, levels of government and administrative boundaries, including urban, peri-urban and rural areas. Effective multi-level governance depends on the alignment of interests, capacities and objectives between and within the national and sub-national levels. To this end, legal and institutional frameworks should, as appropriate, support and encourage effective integration, collaboration and a long-term sustainable development vision. Such frameworks should result in more consistent service provision, better allocation of responsibilities and funds, enhancement of monitoring, evaluation and accountability arrangements to increase the efficiency across governmental levels and strengthen municipalities and other local institutions through capacity building. Overall, effective multi-level governance will contribute to the needs of the least developed areas in sectors such as livelihood, transportation, urban space and access to labour markets while increasing its efficiency.

PRINCIPLE 2. Encouraging multi-stakeholder engagement: The engagement and active participation of different stakeholders is key for the effective design, implementation, monitoring and assessment of regional planning frameworks and processes. The interests of relevant actors, namely the public, private and civil spheres, including the most vulnerable groups, should be taken into consideration as they can contribute to articulating plans and programmes, strengthening sustainability and scaling-up positive outcomes. Such participatory processes should adequately take into account and be tailored to local contexts to better address population needs and concerns, provide opportunities for all and strengthen the productive capacity of the local economy. Creating ownership and win-win situations and empowering a wide range of actors will help to build capacity while enhancing accountability and transparency in decision-making processes, thus fostering social and economic inclusion.

PRINCIPLE 3. Enhancing strategic economic integration: Regional planning measures should contribute to shaping the functions of urban, peri-urban and rural areas and the linkages among them by enhancing productivity and fostering inclusive and sustainable economic growth. Several factors affect productivity, including the sectoral composition of the economy, labour-market regulations, rates of women's labour force participation, human capital, investment schemes, tax systems, technological development, the capacity of local institutions, local politics, resource ownership and the state of the natural environment. A regional planning approach should take into consideration all these factors and contribute to achieving integrated and equitable development within and across regions, giving the areas lagging behind the opportunity to catch up. Secondary or intermediary cities can help unlock the potential of regions by relieving the pressure on urban agglomerations and can offer key drivers of growth and diversification for rural economies and livelihoods. Therefore, it is important that policies identify vulnerabilities, needs and strengths of the territory to design strategies accordingly. Policies should promote balanced investments, apply sustainable and long-term land-use planning, coastal, watershed and landscape management and improve the connectivity of urban, peri-urban and rural areas. Particularly, the promotion of infrastructure projects, including accessible transport services, are essential to create an integrated and inclusive job and employment market along with efficient and sustainable supply chains.

PRINCIPLE 4. Ensuring quality infrastructure (QI): Regional planning policies should ensure quality infrastructure, both physical and digital, and serve all three dimensions of sustainable development. QI should be affordable, accessible, inclusive, broadly beneficial and intrinsically linked to productivity and economic performance and human and social development. They should deliver sustainable services in water and sanitation and solid waste management. QI plays an important role in promoting more environmentally friendly and low carbon human settlements, generating positive effects on the environment while mitigating greenhouse gas emissions and air pollution. This includes sustainable and cleaner energy solutions along with resource-efficiency, which are essential to ensure sustainable production and consumption patterns. QI should also ensure resilience against disaster in order to guarantee continuity of service-delivery and other lifeline support infrastructures. Investments should aim to ensure economic efficiency in view of life-cycle costs, safety, resilience against natural disaster, job-creation, capacity-building, and transfer of expertise and know-how on mutually agreed terms and conditions, while addressing social and environmental impacts and aligning with economic and development strategies. An integrated long-term approach to regional planning, tailored to national circumstances and consistent with local laws and regulations, should address these issues across the entire life cycle of infrastructure projects.

PRINCIPLE 5. Building resilience: A regional planning approach should contribute to addressing shocks and vulnerabilities while creating strategies for the prevention and management of all types of hazards, including slow-onset changes, extreme weather events and human-made crises. The adopted measures should ensure the ability to better withstand and quickly recover from disasters and hazards of all types, including multi-hazards, and address specific vulnerabilities and risks of particular regions as well as contribute to maintaining cultural heritage and environmental landscapes. To advance in this respect, it is important to create financial, institutional and regulatory frameworks that support and promote resilience along with the provision of adequate data and information. Such frameworks will contribute to make informed decisions on comprehensive risk management, including disaster-risk reduction efforts and nature-based solutions. These measures can especially diminish the exposure and vulnerability of people living in coastal delta cities that face rising of sea levels, salinisation and storm surges as well as low-income populations that reside in informal dwellings, watershed zones, and contaminated or hazard-prone areas.

PRINCIPLE 6. Fostering Inclusion: Regional planning measures and the design of urban and rural infrastructure as well as public spaces should foster inclusiveness, enabling individuals, households and communities to maximize their social and economic potential while safeguarding the environment. This requires the adoption of a people-centred approach in which no one is left behind. Policies should be respectful of human rights and dignity to achieve human development and social cohesion. Special attention should be paid to those living in vulnerable situations, including people living in poverty, people with low incomes, women, youth, children, indigenous people, older persons, persons with disabilities and forcibly displaced people.

PRINCIPLE 7. Integrating a gender perspective: Regional planning policies should contribute to gender equality in its multiple dimensions by addressing potential and existing gender barriers, leading to inclusion and equal opportunities for all. Barriers for women and girls include access to appropriate and affordable housing, quality basic services, productive assets such as land and property rights, finance and markets, participation in decision-making processes, safety concerns, mobility conditions, access to decent jobs and appropriate design of public spaces. Improving women's access to public services and safety, enhancing economic opportunities and supporting women's leadership and empowerment are initiatives that can lead to and foster equality and can contribute to reducing gender-based discrimination and violence. Improving women's participation in decision-making also supports greater resilience and better responses to emergency situations. Adopting a gender-inclusive perspective in regional planning and infrastructure investment would lead to increased health, social and economic benefits not only for women's welfare and living conditions but also for the broader community, contributing to more sustainable living environments.

PRINCIPLE 8. Ensuring long-term financing mechanisms: Enhancing regional integration and sustained economic growth requires the mobilization of large amounts of resources to finance sector-specific projects. Traditional sources of financing – such as tax revenues, sovereign bonds, international public finance, including official development assistance, loans and loan guarantees, among others – need to be complemented with innovative mechanisms to improve long-term sources of investment and to help communities address their needs and hazards that threaten their sustainable development. The private sector and financial markets play an important role and their participation should be enhanced by creating an enabling environment for private investment and for promoting sustainable finance. Regional planning policies should contribute to the efficient mobilization and allocation of these resources by strengthening co-ordination with sub-national levels, enhancing institutional, legal and regulatory frameworks and contributing to transparent decision-making in investment and project selection.

PRINCIPLE 9. Strengthening data availability and monitoring and evaluation systems: The availability and access to adequate data, both private and public at all levels, as well as the strengthening of monitoring and evaluation systems at national level are important to developing integrated regional development strategies. Reliable and disaggregated data is important to enhance the analysis of ongoing policy-implementation and to anticipate future needs and threats. This includes information regarding household level socio-economic conditions, sex and disability equality gaps, demographic dynamics, rural-urban mobility patterns and inequalities. It also includes information regarding land and its distribution, forest cover, water availability, ecosystems and environmental resources and risks, as well as access to social infrastructure and economic opportunities. Regional planning strategies can benefit from such information to allocate resources more

efficiently, adjust policies when necessary and generate effective practices while contributing to the transparency, accountability, resilience and integrity of public expenditures and investments.

WAY FORWARD

The G20 is committed to contribute to sustainable habitat through regional planning by showing leadership in concrete implementation efforts, following these cross-sector and multidimensional principles. This will positively impact on bridging the global infrastructure gap, maximizing the potential of individuals, households and societies, prompting integrated development and enhancing connectivity within and across urban, peri-urban and rural areas and anticipating future needs.

Governments at all levels play an essential role in developing and implementing regional planning strategies, mobilizing resources and creating the right environment to engage the private sector and other relevant stakeholders. In order to drive implementation forward we:

Encourage the implementation of a regional planning approach in G20 countries and international cooperation initiatives involving developing and low-income countries (LICs), taking into account the integrated HLPs as appropriate in the context of our respective national systems and priorities, capabilities, local laws, regulations and levels of decentralization. Governments and development partners participating in these initiatives should consider integrated policy approaches and support capacity building in regional planning, including through North-South, South-South and Triangular Cooperation as well as peer-to-peer local government cooperation. Such approach should be implemented in coherence with other adopted frameworks and related initiatives, and in cooperation with the private sector and other relevant stakeholders.

Call on IOs and MDBs to identify data needs for an adequate regional planning approach and suggest a way forward. The availability of disaggregated and territorialized data as well as capacities on national, regional and local levels are critical to design, implement, monitor and evaluate regional development policies. We call on the OECD to work with other relevant stakeholders to support the G20 in assessing and addressing data needs for a regional planning approach, and also sharing effective experiences, especially those related to the design and implementation of mechanisms to strengthen data collection. U20 cities and other relevant local authorities could be actively engaged in this goal to subsequently expand the analysis and participation of peri-urban and rural areas. We look forward to a first report in 2019.

Call on IOs and MDBs to promote effective and multi-stakeholder partnerships to stimulate and deepen the sharing of experiences and lessons learned in regional planning and work together on the implementation of the HLPs. Regions across the world are facing different challenges in the current wave of urbanisation. Those regions, which have already undergone substantial urbanisation, such as Latin America, have a wealth of experiences they could share with other regions currently facing these challenges. We call on the IDB and other relevant stakeholders, to support and lead the exchange of knowledge on regional planning and its different dimensions, taking into account the vulnerability of all groups. We suggest that due consideration should be given to gender and the interlinkages with the principles listed above to target gender disparities. Relevant evidence-based experiences should be compiled and disseminated. This knowledge sharing and multi-stakeholder partnership would be a valuable source to strengthen capacity for regional planning.

Commit to develop action-oriented strategies towards reaching Sustainable Habitat. Quality infrastructure is a crosscutting issue where regional planning strategies within countries can significantly contribute to a better allocation of investments, increasing positive impacts and efficiency. Yet, it is necessary to develop a shared understanding of “quality infrastructure” within the G20 to support and promote infrastructure projects that are reliable and economically, financially, socially, environmentally and institutionally sustainable, across the entire life cycle. We will coordinate across both the Finance and Sherpa tracks to avoid duplicating efforts and meet global infrastructure needs.

The Annex presents voluntary policy options to put the HLPs into action.

ANNEX. VOLUNTARY POLICY OPTIONS FOR REGIONAL PLANNING STRATEGIES

PRINCIPLE 1

Implementing effective multi-level governance

- Creating a **specialized national governmental office** or **strengthening existing institutions** for regional planning to develop the action plan, coordinate policies, and monitor and evaluate processes.
 - Enhancing international cooperation by local governments to provide **effective and result-oriented technical assistance**.
 - Creating **legal and institutional frameworks** or enhancing existing institutions to foster effective multi-level governance, e.g. by means of National Urban Policies.
 - Encouraging collaborations within and between national and sub-national levels to **coordinate** the delivery of **public services** and favour the **sharing of effective experiences**.
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PRINCIPLE 2

Encouraging multi-stakeholder engagement

- Promoting **citizens' participation** and oversight in regional development planning, implementation, monitoring and assessment and service provision.
 - Involving the **private sector** throughout the **investment cycle** by creating an enabling institutional environment.
 - Encouraging **networks** amongst private and public actors, international organizations and multilateral development banks.
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PRINCIPLE 3

Enhancing strategic economic integration

- Enhancing **land-use planning and coastal management** at a regional level to protect agriculturally productive land, watersheds, fragile ecosystems and coastal areas, densify areas already well served by public services and plan the future growth of human settlements.
 - Prompting integrated development within urban, peri-urban and rural areas and enhancing connectivity through **transport and communications infrastructure projects** with a special focus on public transport projects that are safe, affordable and low-carbon.
 - Promoting and investing in **innovation and entrepreneurship initiatives** for the development of local and regional economies, taking into account the specific needs of secondary and intermediary cities.
 - Enhancing the linkages of rural, peri-urban and urban areas through the **promotion of inclusive and sustainable value chains** and of the productive infrastructure and services (e.g. energy, finance) that underpin such chains.
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PRINCIPLE 4

Ensuring quality infrastructure (QI)

- Ensuring **quality infrastructure** in the delivery of services and in the implementation of regional projects, including through proper land value capture.
 - Support project identification and design, incentivizing the inclusion of social, economic and environmental considerations in **project preparation** for infrastructure projects and improving open access as well as sustainable finance.
 - Prioritizing investment in the **provision of sustainable basic services** (water, sanitation, solid waste management, electricity, energy, housing and transport) to universalize its access.
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<p>PRINCIPLE 5</p> <p>Building resilience</p>	<ul style="list-style-type: none"> ▪ Creating institutional and regulatory environments to support and promote resilience and comprehensive risk management across sectors. ▪ Elaborating action plans for institutional capacity building and effective adaptation. ▪ Developing and systematically applying indicators to identify risks and vulnerabilities and measure the resilience of human settlements vis-à-vis risks and disasters. ▪ Developing disaster risk reduction and early warning systems.
<p>PRINCIPLE 6</p> <p>Fostering inclusion</p>	<ul style="list-style-type: none"> ▪ Creating different communication channels and mechanisms to bring local governments and citizens closer and foster participatory approaches. ▪ Developing public policy tools to support vulnerable populations and to integrate diverse demographic groups, migrants and people with disabilities. ▪ Investing in skills development throughout the whole lifecycle with a specific focus on the integration of sustainable development in curricula. ▪ Increasing the accessibility of public spaces and transportation as well as public and commercial buildings to people with disabilities and older persons.
<p>PRINCIPLE 7</p> <p>Integrating a gender perspective</p>	<ul style="list-style-type: none"> ▪ Enhancing gender-inclusive services to encourage women’s and men’s equal participation in the labour force (e.g. investing in affordable childcare services close to the work place). ▪ Promoting women’s tenure security through equal rights to land and property and usufruct rights to forests, water and other natural resources. ▪ Ensuring women’s voice in decisions on, and delivery of, infrastructure, so that infrastructure promotes women’s safety and independence, access to markets and human capital development (e.g. increasing women and girls access to quality education and employment opportunities through safe and affordable public transport systems).
<p>PRINCIPLE 8</p> <p>Ensuring long-term financing mechanisms</p>	<ul style="list-style-type: none"> ▪ Encouraging public-private partnerships (PPPs) and other relevant modalities that suit local capacities, such as financial market development for subnational entities. ▪ Developing finance assessments for investment effectiveness in the management and performance of services provision. ▪ Encouraging risk transfer mechanisms, such as disaster or climate risk insurances and weather derivatives. ▪ Increasing the creditworthiness of the city in project financing mechanism.
<p>PRINCIPLE 9</p> <p>Strengthening data availability, and monitoring and evaluation systems</p>	<ul style="list-style-type: none"> ▪ Identifying data needs for adequate regional planning processes. ▪ Promoting national, subnational and local collection, dissemination and access to disaggregated and territorialized data, including strengthening the capacities of statistical offices. ▪ Developing evidence-based analyses and evaluations. ▪ Developing a robust integrated regional information system.

