#### UN-HABITAT/World Urban Forum, June 19-23, 2006

# Business Roundtable on Corporate Leadership for Sustainable Urbanization: Discussion paper

# **Rob Sinclair**

The reality of urban development is that commerce and industry are two of its core drivers. Without the full participation of the private sector in efforts towards sustainable human settlements, the present and looming crisis of rapid urbanization, particularly in the South, will not be mitigated. The aim of this paper is to provide an overview of issues related to private sector engagement in sustainable human settlements development, and to present possible strategies for enhancing UN-HABITAT's engagement with the private sector in order to strengthen the effectiveness of approaches to addressing these issues. The paper forms a basis for discussions during the Private Sector roundtable at the WUF in June 2006.

22 April 2006

#### **1** Introduction

"The successful implementation of The Habitat Agenda relies on the ability of many different actors within the human settlements sector to work in partnership. Understanding how all the different actors interface may prove to be the most important consideration in the implementation process and will largely rely on the principles of mutual benefits.

"The private sector in developing countries is increasingly involved in virtually every aspect of human settlements development and management. UNCHS (Habitat) is committed to developing a framework for co-operation to facilitate the process of bringing together key private and public sector actors so as to maximize the private sector's contribution to the implementation of the Habitat Agenda."<sup>1</sup>

On its part, the private sector has been increasingly engaged in addressing the issues around sustainable development, through policy forums such as the UN's Global Compact, the World Business Forum, and the World Business Council for Sustainable Development (WBCSD), as well as through normative movements such as for corporate social responsibility, the triple bottom line and social audits.

In 1999, at the World Economic Forum in Davos, the UN Secretary-General highlighted the critical role that business can and must play to ensure that globalization develops as a force for positive change rather than as a catalyst for backlash and protectionism. Corporations were receptive to the warning and encouraged the Secretary-General to create a formal programme designed to include business in the traditional government–civil society nexus. As a result, the United Nations Global Compact, based on shared values and principles in the areas of human rights, labour standards and environmental practices, was officially launched at UN headquarters in New York on 26 July 2000.

1

The 2005 World Summit resolved to enhance the contribution of the private sector and civil society in national development efforts, as well as in the promotion of a global partnership for development, including through public private partnerships. This decision was reinforced by a resolution of the Second Committee of the UN General Assembly in December 2005, Towards Global Partnerships (A/C.2/60/L.38), which requested the Secretary General to take appropriate action to enhance partnership management through a variety of measures.

These trends present many opportunities for synergy and partnership between the private sector and UN-HABITAT, and it is for this reason that the Agency decided to convene, during the Third World Urban Forum in June 2006, a "Business Roundtable on Corporate Leadership for Sustainable Urbanization".

The aim of this paper is to provide an overview of issues related to private sector engagement in sustainable human settlements development, and to present possible strategies for enhancing UN-HABITAT's engagement with the private sector in order to strengthen the effectiveness of approaches to addressing these issues. The paper will form a basis for discussions during the Private Sector roundtable at the WUF in June 2006.

### **1** Private sector and sustainable urbanization - key issues

The Habitat Agenda states that sustainable human settlements should...

"... make efficient use of resources within the carrying capacity of ecosystems and take into account the precautionary principle approach, ...provide all people, in particular those belonging to vulnerable and disadvantaged groups, with equal opportunities for a healthy, safe and productive life in harmony with nature and their cultural heritage and spiritual and cultural values, and ... ensure... economic and social development and environmental protection, thereby contributing to the achievement of national sustainable development goals."<sup>2</sup>

It is almost superfluous to state that there is a close relationship between the private sector and urban development. Aside from the agricultural and extractive industry sectors, most private sector enterprise – from manufacturing to service industries – are based in cities, where they have access to the infrastructure, labour, and markets necessary to their existence and growth. What is not superfluous to state is a corollary of that relationship, that the unsustainable deterioration of urban infrastructure, labour and markets is a threat to their existence and growth. It would thus seem obvious that the private sector has a major stake in maintaining the health of urban settlements. And while the private sector is a key actor in the on-going functioning of cities – building and maintaining infrastructure and services, providing employment and supplying goods demanded by the local population – it has not assumed a key role in developing policies and strategies to address the problems that threaten the sustainability of those same cities.

The Commission for Africa<sup>3</sup> defines the principal roles of the private sector in sustainable human settlements in relation to: employment, enterprise development, providing goods including finance, and paying taxes that can be used for social development. To this list we might add technical and managerial expertise. It is

important to note that this list describes private sector functions in the course of carrying on their core business, rather than undertaking non-core functions, such as social philanthropy. While philanthropy undoubtedly makes an important contribution to improving the welfare of individuals and cities, it only makes a small contribution to sustainable urbanization compared to the core business functions. It is therefore the latter that must be focused on in assessing how to engage the private sector as indispensable partners in urban development. Another way of describing this is as the challenge of harnessing the profit motive for sustainable development.

In tackling this challenge we may want first to ask why the private sector has not been fully engaged in the past in the effort towards sustainable urbanization. From the perspective of the private sector the answer may lie in the very urban problems that mitigate sustainability at the moment, namely poverty, poor education and training, poor urban governance and management, poor infrastructure and insecurity. Translated into constraints on business activity, these issues represent low market potential, paucity of skilled labour, restrictive policy environment, and the high costs of doing business.

From the perspective of the political and policy environment, the private sector has not been accorded facilitative access to either the planning and policy formulation processes or to the opportunities to devise innovative market solutions to urban dilemmas. Partly this is a result of historical mistrust between the private and public sectors, and to some extent animosity of civil society towards the private sector. But an important consideration here is also the historical inertia of the centralized governance still pervading in most developing countries, causing public sector officials, at both the local and national levels, to lack either the motivation or the skills to work in partnership with the private sector and other stakeholders.

This analysis leads to a conclusion that the main obstacles to be tackled are perceptions and attitudes. Secondly, skills and mechanisms need to be fostered to build the confidence and capacity of the public, private and civil society sectors to work together.

To address attitudes it is necessary to understand what is the motivation for the private sector to engage in efforts towards sustainable human settlements, and how can the constraints be changed into opportunities. The motivation may be quite simply to make cities a better place to work and live, which further translates into a better place to *do business*. Put in the framework of corporate social responsibility (CSR), it should mean that improved living and working conditions for their employees improve productivity and profits, and improved urban social conditions (especially education and health services, and security) enhance the employment market as well as the market for products.

That all sounds good in theory, but it is unlikely that theory alone would be enough to convince businesses in the South, particularly SMEs, that they can make any significant headway against the seemingly intractable problems they face. Motivating the private sector to seriously address sustainable urbanization in developing countries will require comprehensive and practical measures, particularly in the areas of governance and innovation.

### **2** Strengthening private sector in sustainable urbanization

The rationale for engaging the private sector in sustainable urbanization efforts is easily made, but the real challenge is putting in place the right incentives to motivate companies and entrepreneurs to invest their resources in that direction. For the truth is that private resources will only go where an attractive return on investment is anticipated. This does not mean that profit should be the sole criteria for selecting initiatives for engaging the private sector. The point is rather that an engagement strategy will have the greatest potential impact where "win-win" approaches are prioritized, approaches that contribute to building sustainable human settlements through the core business of the private sector, i.e. where both increased profits and improved human well-being of the urban poor are the results.

Opportunities for engagement of the private sector in sustainable human settlements can be separated into two general spheres of activity, namely, market and investment opportunities that benefit the urban poor, and strengthening policy and governance mechanisms to enable a conducive environment for private sector engagement in development.

### a) Market and investment opportunities

There is a strong demand among the urban poor for better services, as well as an ability to pay for better services. The failure of governments and the private sector to provide adequate services is in fact a contributor to poverty. For example, slum dwellers often pay far more for water of poor quality than residents of wealthier neighbourhoods where piped water is supplied directly by the city. Similarly, while rent is regularly paid to landlords by millions of slum-dwellers, the quality of the shelter provided is usually very sub-standard and represents a major factor in the poor health and security condition of these people. In these and many other areas there are clear opportunities for improving the lives of the urban poor, through provision of adequate services that the poor themselves will pay for.

Recent research as well as on-the-ground experience presents a strong case that there are vast opportunities for market development and investment focussed on the needs and resources existing in the "poor" urban sector. Several examples are outlined in Appendix I. Some potential key approaches could be the following:

- Housing finance Using "bottom of the pyramid" approaches, working with the financial sector to open mortgage financing to the urban poor, and strengthening micro-finance institutions (MFIs) for mortgage lending.
- Promotion of employee housing provision survey of private sector provision of housing and other social services; working with local authorities and national governments to create fiscal and legal environment to support employer-provided housing.
- Linking with the Fair Trade sector technical assistance to the downstream component of Fair Trade programmes (i.e. design and implementation of community development initiatives financed through fair trade retail premiums).

- Sustainable reconstruction projects for disaster areas (e.g. BASF and tsunami relief in Sri Lanka), including mobilization of the construction sector.
- Entrepreneurship development and mentoring programmes: promoting market chain analysis and capacity development of SMEs by larger enterprises to strengthen their supply base; supporting the growth of business development services; scaling up of micro-credit services through engagement of financial services sector.

# **b)** Strengthening policy and governance

While the above examples illustrate key areas where the profit motive can be engaged to address the needs of the urban poor, they would still require an enabling policy environment, supportive governments and effective partnering mechanisms in order to have broad impact. Knowledge development and awareness-raising are also critical. Leadership by the private sector will be doubly important at this level. Key areas that need to be addressed include the following:

- Capacity development of local authorities and national governments in working with the private sector using approaches such as: economic assessments; enabling policies for the private sector; public-private partnership mechanisms; transparency and accountability in revenue enhancement strategies and public procurement procedures; public recognition of private sector contributions.
- Private sector participation in governance processes: How to engage the private sector in participatory planning mechanisms; developing partnerships with chambers of commerce, manufacturers and employers associations, etc.; linking the private sector with CSOs and labour unions in designing and implementing initiatives for sustainable urbanization; development of model legislation.
- Developing infrastructure to attract investment: direct support to infrastructure development (especially in secondary cities/towns) and capacity-building of local authorities in promoting private sector investment (e.g. Lake Victoria Water and Sanitation Initiative).
- Knowledge development and awareness-raising: Developing case studies and promoting best practices in public-private partnerships and "bottom of the pyramid" approaches; private sector engagement in international research on sustainable urbanization, as well as participation in the Human Settlements Network.

# **3** Facilitating private sector engagement

Assuming that the private sector, once motivated to play a leading role in sustainable urbanization, will define its own strategies and mobilize its own human, technical and financial resources to implement them, what useful role can be played to facilitate processes, by governmental and inter-governmental agencies – UN-Habitat in particular – and other international bodies, especially private-sector based networks?

Existing private sector global mechanisms that provide potential models or partners include: UN Global Compact – Cities Programme, World Business Council for Sustainable Development (WBCSD), International Chamber of Commerce, World Economic Forum and the UNDP Commission on the Private Sector and Development.

The WUF Business Roundtable may consider establishing a forum or working group linked to one of these existing mechanisms – or something completely separate – to carry forward the outcomes of its discussions. Optimally it would also consider modalities for working with international networks of local governments, such as United Cities and Local Governments (UCLG), and with the UN itself, particularly through UN-Habitat.

UN-Habitat has launched its own private sector partnership programme, which will look for guidance from the Business Roundtable as to how it can best provide support to strategies emerging from these discussions. UN-Habitat's partnership with the private sector must take its lead from where the private sector sees its own most promising opportunities for engaging in sustainable urbanization. From there it can develop strategies within its mandate to ensure an enabling environment for private sector initiatives. Such strategies could include:

- Developing models for public-private partnerships,
- training local authorities in private sector engagement approaches,
- youth employment promotion initiatives,
- joint programmes with ILO, UNIDO, UNEP and other agencies to support private sector engagement,
- linking UCLG with private sector initiatives,
- launching a global annual award for private sector best practices in sustainable urbanization,
- Establishing a private sector advisory body for UN-Habitat (see Appendix II).

Based on the programmatic strategies arising from these discussions, UN-Habitat will need to determine, in consultation with the private sector and other stakeholders, what sort of institutional mechanism should be put in place for coordinating UN-Habitat's work with the private sector. In which areas should UN-Habitat strengthen its operational capacity to better support these strategies? For example supporting development of business-friendly policy environments at local and national levels will require skills to address legal and legislative issues. The best practices database will need to strengthen its attention on cases involving the private sector.

Enhancing private sector engagement in sustainable urbanization is not without risks. Enthusiasm for corporate social responsibility has all too often resulted in a business focus on high-profile philanthropic projects, rather than on the nature of their core business activities. While the majority of philanthropic activities have real microlevel benefits, in practice the vast majority do not have a macro effect.<sup>4</sup> Initiatives by UN-Habitat or private sector networks aimed at sustainable urbanization will need to maintain a focus on a "sustainability through profitability" approach if significant outcomes are to be achieved. At the same time, this approach will always run the risk of being accused of profiting through exploitation of the poor, or of being another sort of "greenwash". The best protection against this risk is the partnership route, working closely with governments, local authorities, civil society and community organizations, to build a common vision and consensus strategy regarding the private sector's role in making human settlements sustainable.

# **4** Conclusions

The reality of urban development is that commerce and industry are two of its core drivers. Without the full participation of the private sector in efforts towards sustainable human settlements, the present and looming crisis of rapid urbanization, particularly in the South, will not be mitigated. Strategies to engage the private sector fully in these efforts must be envisioned and mobilized by business leaders themselves, individuals and companies who recognize both the necessity of changing the way cities are developing, and the opportunities for engaging profitably in sustainable urbanization approaches.

The international community, in particular the UN and other inter-governmental bodies, have a critical role to play in this process. They have already, by and large, acknowledged the need for engagement with the private sector in strategies for sustainable development. With respect to sustainable development of urban settlements, however, there is an urgent need to focus on strategies to enhance private sector engagement, and to create the platforms for dialogue and partnership-building. It is hoped that the Business Roundtable on Corporate Leadership for Sustainable Urbanization at the World Urban Forum in Vancouver will be a significant first step in this direction.

## **5** Appendices

### a) Appendix I - Example Practices

- i. Employer-assisted housing USA
- ii. Corporate mining town development Papua New Guinea
- iii. Slum Upgrading Facility UN-Habitat
- iv. School-Industry Integration and Development of Technology Based Micro Firms
   Brazil
- v. Committee for Melbourne Australia

### i. Employer-assisted housing

Employer-assisted housing is an important trend picking up across the United States, aided by a bill in Congress sponsored by Senator Hillary Clinton. Senate Bill 1330 is supposed "to amend the Internal Revenue Code of 1986 to provide incentives for employer-provided employee housing assistance, and for other purposes". The ideas on employer-assisted housing (EAH) emerged in the early 1990s and culminated in the preparation and submission of the afore-mentioned bill. In developed countries, such as the US, housing is a pivotal life issue for employees, offering an opportunity to significantly enhance the value of a benefit programme mix. It provides an opportunity to strengthen a company's ability to attract, retain, and/or reward its work force.

It remains to be seen through thorough research to what extent the principles and policy instruments of EAH can be equally applied in developing country environments.

One important aspect of EAH schemes is the fact that the lack of creditworthiness, i.e. the relatively high risk of loan default on the part of the individual employees is mitigated by the employer who is dealing with the respective housing finance institution. Since the counterpart of the housing finance institution is a business company, risks are generally lower, allowing for lower interest rates and a whole range of other financial instruments which make housing more affordable. If this process of risk shifting is fully supported by government-induced legislation to provide fiscal incentives, then EAH should in principle also be successful in developing countries.

### ii. PAIAM - "A Place to Stay"

**Theme:** Private Sector and Sustainable Urbanization **Location:** Paiam, Enga Province, Papua New Guinea (PNG) **Organization:** Paiam Town Management Company Pty Ltd & JNP Pawsey & Prowse, Land Use Planners & Landscape Architects

**Summary:** The PAIAM project resulted from a partnership between government, local landowners & a resource developer (Government of Papua New Guinea, Porgera Landowners Association, and Porgera Joint Venture company operating the Porgera Gold Mine). The Paiam town development project demonstrates how through dialogue and joint visioning traditional and modern lifestyles can be integrated to create a safe, liveable and sustainable community.

**The Process:** With the construction of the Porgera Joint Venture (PJV) mine in 1989, urbanization trends in the town began, including the emergence of modern technology and commercial activity. Landowners were concerned that benefits from the mine would be short term and that a 'ghost' town would be left after mining ceased. In 1998 Land Use Planners and Landscape Architects, JNP Pawsey & Prowse were engaged on the basis of a track record in culturally appropriate design and visioning. The process involved reviewing the local village and town conditions, economic opportunities and cultural and social needs. A modified Master Plan resulted, achieving a culturally appropriate urban design that builds on aspects of traditional life. Village-like housing clusters encourage neighbourhood contact and casual surveillance of shared spaces and access. The town layout encourages walking, thus encouraging community contact and reducing the need for the expense of roads and cars. The planning and construction programme was designed to harness capital creation flowing from the mine to create a viable community which will continue beyond the mine's lifetime. To implement this, an innovative agreement was made between government, landowners and the resource developer. Funds were to be allocated from the mine's tax credit scheme to be utilized in the town development. To assist negotiations the visioning for the town was effectively communicated by culturally evocative illustrations.

**Results:** Over US \$8.1 million of tax credits and other funding sources have been allocated to date, achieving the design and development of facilities, establishment of a management and administration company, sealing of roads and the construction of prototype housing built in the new village cluster layout.

Source: UN-

HABITAT Best Practices Database

#### iii. Slum Upgrading Facility

The **Slum Upgrading Facility (SUF)** is a new global facility located within UN-HABITAT. SUF is designed to lead and coordinate technical cooperation and seed capital initiatives established to develop bankable projects that promote affordable housing for low-income households, the upgrading of slums, and the provision of urban infrastructure in settlements in cities of the developing world. The key clients of SUF are municipal authorities, CBOs, NGOs, and relevant departments of central government, as well as the local, private sector, including retail banks, property developers, housing finance institutions, service providers, micro-finance institutions, and utility companies.

A central objective of SUF is to mobilize domestic capital for upgrading activities by facilitating links among these local actors and by packaging the financial, technical and political elements of development projects. This will entail identifying projects, building local capacities, networking, and providing direct technical assistance and seed capital. A second objective of SUF is to ready local projects for potential investment by international donor facilities, international financial institutions and, potentially, investors in the global capital markets – with the specific intent of leveraging further, domestic capital for slum upgrading.

SUF is being executed by the Human Settlements Financing sub-programme of UN-HABITAT in conjunction with the Cities Alliance, the collaborative initiative of the World Bank Group and UN-HABITAT set up to advance strategies to improve conditions of cities in the developing world. SUF will be advanced in cooperation with international donor facilities such as the Private Infrastructure Development Group, international financial institutions including the World Bank Group, International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), Asian Development Bank (ADB), etc., as well as the United Cities and Local Governments, Slum and Shack Dwellers International, and the UN-HABITAT Governing Council. UN-HABITAT and its partners seek to capitalize the facility with USD 30 million for an initial 3-Year Pilot.

The design phase has included fund raising, establishment of inter-institutional relations among key SUF partners, and identifing a pipeline of prospective field pilots in cities of Sub-Saharan Africa and South and Southeast Asia, developing in greater detail four projects selected from among the initial pipeline. Further work is being undertaken in the four projects in Ghana, Tanzania, Sri Lanka and Indonesia, including consultation with local partners, initiation of capacity building activities, and the design and initial field-testing of financial mechanisms to mobilize domestic capital for slum upgrading.

#### iv. School-Industry Integration and the Development of Technology-based Micro Firms Cluster in Santa Rita do Sapucaí, Brazil

Theme: Entrepreneurship

Area: Prefeitura Municipal de Santa Rita do Sapucaí

**Organization**:Local Authority; Incubadora Municipal de Empresas "Sinhá Moreira" de Santa Rita do Sapucaí (Municipal Firm Incubation Agency of Santa Rita do Sapucaí)

Partners :

- SEBRAE (Brazilian Micro and Small Business Support Service)
- BDMG (Minas Gerais State Development Bank)
- Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ). GmbH-International Agency
- INATEL/NEMP (National Telecommunications Institute) Academic/Research
- FAI (Information Technology and Administration University)
- Private Sector organizations

**Summary:** The main purpose for this initiative was to foster economic development, supported by the strengthening of the scientific and technological locally based micro and small enterprises coupled with the attraction of new resources and businesses. A large proportion of the firms to be incubated were linked to technical universities as the main sources of technology for commercialization. Furthermore partnerships and strong interactions existed between the faculty, graduate students, INATEL and PROINTEC (the local government agency) and the business firms and the community. INATEL is the executing agency for the International Cooperation Agreement signed by the Brazilian Government with GTZ, to consolidate the Technological Pole of Santa Rita do Sapucaí. INATEL also takes part in the "Cresce Minas Project", sponsored by the Federation of Industries of the State of Minas Gerais (FIEMG).

**Business networking:** A significant benefit observed as an outcome of business networking has been the virtuous cycle of increased demand for skilled labour by the various businesses, which generated higher demand/supply in training and education. Moreover, local government has also created business opportunities, besides playing its role as the leader of the process, as one important buyer in the city. The municipality of Santa Rita do Sapucaí plays a decisive role in providing business development services to micro and small firms. It includes a joint-partnership with Inatel (training and technology) and agencies such as GTZ working directly with firms. For sustainability of interventions, the municipality provides subsidies.

**Results**: Many companies have already passed through this programme and today supply technology developed during their incubation time to multinational companies. There are over 20 of these companies, generating 400 jobs in a small town and stimulating the region's economy. Achievements were due to the existence of strongly committed sponsors and a well defined mission, since the major local participants, the Municipal Government, INATEL and PROINTEC provided sound work support to other promoters.

Source:UN-HABITAT Best Practices Database

#### v. The Melbourne Model

The Melbourne Model is the central component of the proposed new Global Compact Cities Programme. It is designed to ensure that the programme is and will remain entirely focused on producing concrete outcomes for the urban societies that engage the programme. The Melbourne Model aims to achieve this by providing a logical and effective framework within which solutions to specific issues can be developed, proven and communicated. The Melbourne Model is purposely rigid in its approach to ensure that the process remains results-driven. Verification is built in to continually ensure that resources are used effectively and that stakeholders are engaged and working together.

The first city to engage the Global Compact in 2001, Melbourne has continued to develop the concept of 'city as a neural hub' by formulating the Melbourne Model. Designed as a city-specific subset of the business-oriented Global Compact, the Melbourne Model proposes to provide a new and effective mechanism to help resolve longstanding and intractable social, environmental and economic urban issues. It is proposed that this be achieved by business, government and civil society combining and coordinating their resources within narrowly defined and objective-oriented projects. Project objectives will be to develop sustainable and effective blueprint solutions to long-standing intractable problems.

The Melbourne Model seeks to ensure concrete outcomes by ensuring stakeholder engagement by way of sustained involvement in objective-oriented projects. The model comprises seven steps ensuring engagement, evaluation, concept-testing and reporting.

**Melbourne Principles:** Developed to assist cities that wish to achieve sustainable development objectives, the *Melbourne Principles for Sustainable Cities* lists ten urban-related social, economic, environmental and cultural value propositions. It is proposed that the Melbourne Principles be positioned as a city-specific subset to the overarching principles embodied in the Global Compact itself. Companies, organisations and governments will be expected to engage both the Global Compact and Melbourne Principles if they wish to be involved in City Programme projects. In addition, all proposed Cities Programme projects will be measured against these values to ensure they fit within the desired outcome parameters.

*I*. Provide a long-term vision for cities based on: sustainability; intergenerational, social, economic and political equity; and their individuality.

2. Achieve long-term economic and social security.

**3.** Recognise the intrinsic value of biodiversity and natural ecosystems, and protect and restore them.

4. Enable communities to minimise their ecological footprint.

**5.** Build on the characteristics of ecosystems in the development and nurturing of healthy and sustainable cities.

**6.** Recognise and build on the distinctive characteristics of cities, including their human and cultural values, history and natural systems.

7. Empower people and foster participation.

8. Expand and enable co-operative networks to work towards a common, sustainable future.

9. Promote sustainable production and consumption, through appropriate use of environmentally sound technologies and effective demand management.
10. Enable continued improvement based on accountability transportance and environmentally sound technologies.

*10.* Enable continual improvement, based on accountability, transparency and good governance.

### Appendix II -Role of private sector advisory body for UN-Habitat

Below is an indicative list of functions that could be assumed by a private sector advisory body to UN-Habitat.

- Identifying strategies for internalizing an understanding of the role and functioning of the for-profit sector in sustainable urbanization processes;
- Identifying new opportunities for engagement with the private sector and mobilizing domestic capital;
- Exchange of expertise and promotion of normative projects regarding urban development and regional cooperation;
- Dissemination of information on and application of environmental technologies through awareness raising and partnership projects;
- Presenting a private sector voice in international forums on sustainable urbanization;
- Communicating to the global business community/business training centres the strong need for participation by the private sector in sustainable urban development activities;
- Bridging the divide and enhancing relationships between private sector and CBOs community based organizations (NGO's and CBOs are often sceptical of private sector involvement in development, how could the private sector advisory body for Habitat bridge the ideological divide that exists between these two communities?).

<sup>&</sup>lt;sup>1</sup> UNCHS and the Private Sector in Partnership, UNCHS internal paper, 1996

<sup>&</sup>lt;sup>2</sup> The Habitat Agenda, UNCHS 1996

<sup>&</sup>lt;sup>3</sup> "Corporate Social Responsibility: Issues and Options", Commission for Africa discussion document, 2005

<sup>&</sup>lt;sup>4</sup> Commission for Africa, <u>ibid</u>.