

Today more than half of the world population live in or near cities. By the middle of the 21st century, urban areas will host to over two-thirds of the global population and a large share of economic activities and wealth. Cities can generate economic growth and creating jobs while becoming greener – this is the key message of the OECD’s new “Green Growth in Cities” report. Based on case studies of Paris, Chicago, Kitakyushu and Stockholm, the report identifies green policies that can respond to urban growth priorities and suggests how to implement and finance them.

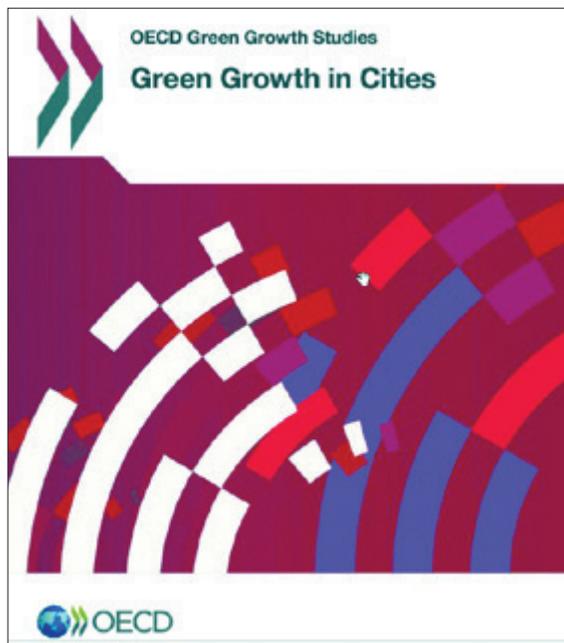
Cities must be an integral part of international and national efforts to make economies more sustainable, societies more inclusive, to reduce increasing urban environmental impact, stimulate economic growth and improve well-being of their residents. The potential synergies and interlinkages between the environment and the economy in cities are obvious. For example, reducing traffic congestion and air pollution makes a city more efficient and more attractive to firms and highly skilled workers, healthier and more liveable for the local population.

The OECD’s city-level case studies provide city leaders with new insights on how well-designed environmental policies can contribute to different types of growth. Right urban sustainability policies can create new jobs including retrofitting the existing building stock for improved energy efficiency. For example, the Chicago Tri-State metropolitan region has built a regional specialty in green building design and retrofitting. In 2010 it gave 45,000 people green jobs, 36% of which were in the green building sector.

Efficient transport systems, in particular, good public transport networks, help cities to attract new firms to invest and workers as well. The private sector in the Paris/Île-de-France region has long recognised this, and firms that benefit from proximity to the transportation system contribute to its financing.

Cities can also foster innovation, entrepreneurial spirit which can stimulate growth of the green technology sector by creating green regional clusters that build on existing industries, services, research and innovation. Kitakyushu in Japan has built an impressive recycling cluster, the Eco-Town, which recycles hundreds of tons of industrial waste every day, while producing energy for residential and commercial purposes in neighbourhoods.

Urban redevelopment, housing stock renewal and development of eco-districts can enhance land values while increasing density and reducing residents’ envi-



ronmental impact. Following the success of its Hammarby Sjöstad eco-district, city of Stockholm is now working with the private sector to develop the Stockholm Royal Seaport eco-district following the SymbioCity concept. The buildings there will use less than the energy of others in Stockholm and the new district will have an advanced smart grid and district heating system.

According to the findings of the OECD report there is an urgent need to find better ways to “green” urban finance and to mobilise private sector money for green infrastructure development. Introducing green incentives into municipal revenue streams would be a big step towards a more sustainable growth path. Property taxes could help prevent urban sprawl by eliminating the preferential tax treatment of single-family homes that exists in many places. Traffic regulation, congestion charges and parking fees can help reduce traffic and air pollution, while fees for water and waste services should be more responsive to actual resources used consumers. For example, the city of Stockholm is greening its income with revenues from the traffic congestion charges system. Introduced in 2006, this system has led to lower carbon dioxide emission and traffic congestion and is also becoming a substantial source of local government’s income. National governments also have an important role to play in setting the right price signals and standards that will provide coherent and attractive environment for green financing.

This book is recommended for urban geographers, planners, environmental scientists as well as wider audience interested in urban issues and environmental challenges.

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