The Global Challenge of Urbanization

Trends Analysis

City Prosperity Initiative

Action Planning for Cities Oriented by the SDG 11 and Supported by the City Prosperity Index

May 2017

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Mission

The United Nations agency for cities with the mandate emanated from the Habitat Agenda (1996) and various resolutions of the UN General Assembly

1. Sustainable urban development
2. Adequate shelter for all

Normative Mandate

UN-Habitat, the United Nations agency for human settlements, helps the urban poor by transforming cities into safer, healthier, greener places with better opportunities where everyone can live in dignity.

UN-Habitat works with organizations at every level, including all spheres of government, civil society and the private sector to help build, manage, plan and finance sustainable urban development. Our vision is cities without slums that are liveable places for all, which do not pollute the environment and deplete natural resources.
Sectoral Expertise: Housing
Regional Knowledge: Quick Guides for Policy Makers:
1. Urbanization
2. Low-Income Housing
3. Land
4. Eviction
5. Housing Finance
6. Community-Based Organizations
7. Rental Housing

UN-Habitat’s seven focus areas
- UN-Habitat is presently addressing its mandate through the 2014-2019 Strategic Plan. The plan outlines seven focus areas:

Urbanization
Low-Income Housing
Land
Eviction
Housing Finance
Community-Based Organizations
Rental Housing

World Urbanization Prospects
- Global and regional challenges/opportunities of Urbanization
- UN-Habitat is addressing its mandate through the 2014-2019 Strategic Plan. The plan outlines seven focus areas:

Urban economy
Urban planning and design
Research and capacity development
Urban basic services
Urban legislation, land, and governance
Urban planning and design
Risk reduction and rehabilitation

World’s urban population is projected to increase from 3.9 billion in 2014 to 6.3 billion by 2050, adding 2.4 billion people to the cities.
- World’s urbanization rate will increase from 54% to 66% between 2014 and 2050.
Urbanization Prospects in Asia-Pacific

- By 2050, 54% of the global urban population is expected to live in APMCHUD member countries, with nearly 30% in China and India.
- Urban population of Asia-Pacific is projected to increase from 2 billion (2010) to 3.5 billion (2050).

Global Urbanization Issues

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<th>Persistent Issues</th>
<th>Emerging Issues</th>
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<tr>
<td>Unsustainable urban growth</td>
<td>Emerging urban issues include climate change</td>
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<tr>
<td>Change in family pattern/increasing housing need</td>
<td>Exclusion and rising inequality</td>
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<td>Growing numbers of urban residents living in slums and informal settlements</td>
<td>Rising insecurity and urban risk</td>
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<td>Challenge of providing urban services</td>
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Major challenges of urbanization

- Extreme urban poverty,
- Poor living conditions for slum dwellers,
- Constraints on productivity due to inadequate infrastructure, and
- Risks due to natural disasters and climate change.

Urbanization as an Opportunity

Countries with the strongest urban GDP growth tend to have large populations and high levels of urbanization.

Job Opportunities
- Starting point of virtuous cycle of employment, income, improved labor power and more job opportunities
- Reduce inequalities

Economies of Scale in Infrastructure Provision
- Public transportation
- Water and sewerage system
- Electricity and internet connection
- Serviced land and public rental housing
- Education and healthcare facilities

Suitability of System-Based Approaches
- Local planning and community participation
- Financing infrastructure and housing for the urban poor
Four Features of the Global Urbanization Trends

1. Demographic growth
2. Inequality
3. Low density growth and
4. Urban informality (slum formation)

Urbanization as a Transformative Force

"Urbanization has helped millions escape poverty through increased productivity, employment opportunities, improved quality of life and large-scale investment in infrastructure and services" (Source???)

The Fate of Housing

- Accounts for more than 70% of land uses in most cities (Source???)
- Determines urban form and densities
- Providing employment and contributing to growth

Housing Challenges
- NOT the central to national and international development agendas
- Housing shortfalls:
  - 980 million urban households lacked decent housing (2010); another 600 million between 2010 and 2030
  - One billion new homes are needed worldwide by 2025, costing an estimated $650 billion per year, or US$9-11 trillion overall
The Widening Urban Divide

- Distribution of wealth and opportunities: growth of middle class, widening of economic inequalities; 75 per cent of the world’s cities have higher levels of income inequalities than two decades ago
- Marginalization, exclusion and expulsions: fail to make sustainable space; “Expulsions” instead of forms of exclusion
- Income gap is widening: Latin America and the Caribbean continues to be the most unequal region in the world, followed by Eastern Europe and Central Asia
- Social movements and the fight for justice
- Technological innovations: resulted in new urban landscapes but also splinter physical space into highly unequal, fragmented environments

Urban Governance and Legislation

- Good quality urban law contributes to investment, strong economic performance and wealth creation
- Legal frameworks are essential to mediate any contests that arise from competing powers.
- Legislation has the potential to set effective frameworks for sustainable development, or instead add to inequalities and exclusion
- Outdated or inadequate urban laws generate inequality
- Urban legislation must be enforced, not just enacted
- Effective local governance rests on participatory service delivery, planning, budgeting, management and monitoring.

Environmental Sustainabilities

- Cities face multiple environmental challenges at different scales, from local to global
- Urban areas are emerging as privileged grounds for effective environmental action
- Environmental planning and management are essential to the advent of sustainable cities
- Multi-level governance plays an essential role

Changing Dynamics of Urban Economies

- Estimates show that 80 per cent of global GDP is generated in cities
- Rising inequality between economies of large cities, secondary and small cities; growth of cities increased challenges in scale and complexity; rising inequality
- Spatial concentration of people in cities and towns has created a new economic geography.
Introduction to City Prosperity Initiative

How do we measure the performance of cities and the outcome of public policies?

UN-Habitat is adapting the City Prosperity Initiative to SDGs structure.

The new CPI framework is integrating all the indicators of Goal 11 and a selected number of other SDG indicators that have an urban component.

Countries that decide to use the CPI will be able to identify, quantify, evaluate, monitor and report on progress made by cities and countries, towards SDG Goal 11 in a more structured manner.

How do we measure sustainability in cities?

Countries that decide to use the City Prosperity Initiative will be able to identify, quantify, evaluate, monitor and report on progress made by cities and countries, towards SDG Goal 11 in a more structured manner.

Defining Urban Prosperity

Protection of commons and provision of Public Goods

- Success
- Wealth
- Thriving conditions
- Well-being
- Opportunity

A sense of general and individual socio-economic security for the immediate and foreseeable future, which comes with the fulfillment of other, non-material needs and aspirations.

Objectives of the Initiative

**MEASURE**

- By producing critical mass of data and information

**UNDERSTAND**

- By formulating policies, strategies and actions

**CHANGE**

- By the nationals developments of policies

**INFLUENCE**

- By the nationals developments of policies
THANK YOU