Balanced Development for Africa:

The Cities of the Future – Beyond Chaotic Urbanisation

STATEMENT BY MRS ANNA TIBAIJUKA,
UNDER SECRETARY-GENERAL & EXECUTIVE DIRECTOR OF UN-HABITAT

AT THE 1027th WILTON PARK CONFERENCE WEST SUSSEX, U.K

5TH FEBRUARY 2010

Check against delivery
Distinguished participants
Ladies and Gentlemen

INTRODUCTION

Once again, it is a great pleasure to be back at Wilton Park and to have this opportunity of assessing what has been achieved and what are the outstanding challenges facing Africa five years after the Commission for Africa published its report and five years before the target date for completion of the Millennium Development Goals.

I have been requested to reflect on the urbanization aspect and to address the notion of balanced development with respect to cities of the future and to explore the implications of development beyond chaotic urbanization.

The report of the Commission for Africa, which was tabled at the Gleneagles Summit, underscored the fact that any strategy for growth and poverty reduction for Africa, must take seriously the issue of urbanization. It acknowledged that the continent is the fastest urbanizing region of the world and in 25 years half the entire population will live in cities. It noted however that the existing economic base cannot sustain this process resulting in increasing poverty, insecurity, absence of key services and generally a situation which is socially unsustainable.

The Commission strongly recommended that the international community should empower African governments in planning for rapid urbanization particularly by increasing the capacity of local governance. It underscored the need for creating viable urban communities which can be centers of opportunity and creativity. To achieve this requires investment in urban infrastructure and mechanisms for effective governance especially at the local level. Other key recommendations made in the report include supporting investments in infrastructure and housing particularly where some form of security is provided. The necessity for enabling the continent to manage risks and build resilience related to the climate was also underscored.

We have now reached a midpoint between Gleneagles and the achievement of the 2015 targets of the MDGs. As you may know, some of the urban related MDG targets – such as Target 11 of Goal 7 relating to the improvement of lives of slum dwellers – have up to 2020 to be achieved. Nonetheless, it is opportune at this point to take stock of the direction in which this critical component of African development is taking and the steps that can be taken to overcome some of the challenges and to avert adverse developments.

Excellencies
Ladies and Gentlemen

AFRICAN URBANIZATION

It has been confirmed, by the UN-HABITAT monitoring systems as well as by other agencies, that despite a globally slowing rate of urban growth, and the anticipated doubling of the world urban population by 2050, the African urban populations will more than double its
2007 level of 373.4 million as early as 2030, when 51% of its population will be urban. There will be close to 800 million African urban dwellers by that year, which will be more than today’s total number of city dwellers in the entire Western hemisphere. In fact, it is conceived that by 2050 there will be more people living in African cities than the combined urban and rural populations of the Western hemisphere.

The implications of this swift urban growth are clear: African cities have to be equipped with the capacity to cope with such a burgeoning population in terms of providing for their consumption and production needs. At the same time, the specific implications of the demographics of such a growth and shift as well as physical configurations which cities will acquire also have to be taken into account.

LARGE & INTERMEDIATE CITIES

Equally challenging is the fact that, it is the intermediate cities (towns with less than 500,000 inhabitants) that will be the localities where two-thirds of all African urban growth will occur. This will necessitate an urgent need to start strengthening the governance capacities of intermediate and smaller cities so that these fast-growing towns will be prepared for rapid increase and a new and additional demand for urban spatial planning, urban housing, urban services and urban livelihoods.

The dominance of future growth in intermediate cities does not mean that large cities should be neglected. Indeed, larger African cities will also continue to grow albeit at declining rates. However, since these lower growth rates apply to ever-larger urban populations, these cities will, in absolute terms, see more and more people added. For example, in 2005, there were 43 African cities with an average size of 2.5 million and a combined population of more than 110 million. In 2015, there will be 53 of these, with an average size of 3.1 million and a combined total exceeding 168 million inhabitants.

URBAN CORRIDORS

A related phenomenon is the new spatial urban configuration that is now also starting to emerge in Africa: - the City Region and the Urban Development Corridor.

Large metropolitan cores in relative proximity have the tendency to merge through their political, economic and spatial synergies into huge regional urban systems with total population figures that, in the case of Africa, can only be guessed. Among these are the North Delta Region of Egypt (the regional urban system comprising Cairo, Alexandria, Port Said and Suez) with an estimated 2007 population exceeding 77 million; the Gauteng Urban Region of South Africa (Johannesburg, Tshwane/Pretoria and Emfule/Vereeniging) with an estimated 10.5 million inhabitants; and the GILA urban corridor (Ibadan, Lagos, Cotonou, Lomé and Accra) stretching along the Gulf of Guinea coast of Nigeria, Togo, Benin and Ghana, comprising between 20 and 30 million people.
REGIONAL URBAN DEVELOPMENT

As a result of the changing urban spatial patterns and configurations, urbanization is no longer a city-based process. For the larger cities in particular, urbanization patterns are rapidly shifting towards regional configurations. African governments and city managers are urged to act upon these new realities and view the urbanization processes in regional rather than local contexts, aiming at nation-wide creation of a hierarchy of urban nodes with urban functions and roles assigned over this hierarchy of cities and towns, rather than concentrating them in the primate city alone.

There is need to think regionally and improve cross-frontier multi-nodal, multi-agency planning for integrating spatial, utility and economic planning. Trade facilitation measures will be key to efficiency and growth. Integrating cross-border regional economic growth models should be complemented with a shared approach to development at the city region level to eliminate duplication and mismatches between the plans and programmes of adjacent local authorities.

SLUM FORMATION

Coupled to these demographic and physical changes occurring in the Continent is the perennial challenge of slum formation and its connection to urban poverty. The latest reports have revealed a slight reduction in the proportion of urban populations living in slums. Whereas in 2005, Sub-Saharan Africa had 63% of its population residing in slum settlements, in 2007 the figure was 62.4% and the estimate for 2010 is 61.7%.

On the other hand, when attention is directed towards the absolute number of the urban slum population in the continent, the situation is somewhat different. In 2005, Sub-Saharan Africa was recorded to have an urban slum population of 169,515,000. The number increased to 181,030,000 in 2007 and it is estimated to be 199,540,000 in 2010.

It is evident that more individuals are being pushed to live in slum settlements despite the apparent stability of the slum proportion or even its slight decline. Very likely, the high slum prevalence in many African cities can be attributed to structural and political failures in the distribution of public goods, as well as to the lack of human and financial resources to address urban poverty. In the final analysis cities develop the way they are financed. If the financing is informal and chaotic, so will be the physical outcome!

It also appears that, economic growth in many cases has had little impact on either poverty or inequality, or both. In other words, sustained economic growth has not been in a position to drive the urbanization process with desirable results.

In the fastest growing African economies, such as oil-rich Angola and Sudan, slum dwellers constitute the majority—more than 80 per cent—of the urban population. Poor agricultural yields and civil war have been blamed for the high urban and slum growth rates in these countries, as rural migrants have flocked to cities to escape hunger or conflict.

While natural population growth in African cities is increasingly the norm (more people are born in cities than migrate to them), continued civil strife and environmental crises in some
countries are prematurely pushing rural populations to urban areas, where the majority of the migrants end up in slums or poorly-serviced neighborhoods.

Excellencies
Ladies and Gentlemen

WATER & SANITATION

It may be appropriate also to look at another dimension of what is normally associated with chaotic urbanisation. –that is, access to drinking water and to sanitation. Available data uses a baseline of 1990 and provides comparative coverage with 2006. During this 16 year period, there has been a general improvement in drinking water coverage (irrespective of source), in household connection to improved drinking water; and in sanitation coverage. It is, however, worthwhile to note that the range of change during this long period of 16 years was between 4 and 8 percent for all the regions. However, in a couple of cases the coverage even declined, particularly with respect to household connection to drinking water in East Africa and to improved sanitation in Southern Africa.

URBAN PRIMACY

The trend with respect to balanced development also exhibits mixed features. Urban systems at the level of individual countries continue to be dominated at functional and demographic levels by one or two cities. It appears that the tendency towards primacy remains powerful thus maintaining a rather skewed urban system in many countries.

URBAN INEQUALITIES

Another dimension of the lack of balanced development is the degree of inequity within African cities. UN-HABITAT has analyzed Gini coefficients for both income and consumption at the general urban level, and, where possible, for specific cities. The rationale was the more income inequality, the higher the potential for social unrest and, ultimately, political tension. This potential is mitigated by the institutional and other arrangements that prevail in any particular location. Such institutional arrangements (such as welfare) typically tend to be stronger in developed than in developing countries.

Across all countries, though, a broader definition of these arrangements also includes provision of services such as health care, education, housing and basic facilities, etc.; access to these can be unequal within individual cities, with the potential of enhancing or mitigating equality as measured in pure economic terms.

The results that we came up with demonstrated that trends in the economic divide in Africa’s urban areas are mixed. Among the 13 countries that were reviewed, eight showed lower values (if only marginally for some) and five featured moderate to significant increases. The region’s urban areas, and in sub-Saharan Africa in particular, retain the highest degrees of
poverty in the world, together with the highest prevalence of slum populations in urban areas. In African urban areas progress in poverty reduction has been rather slow overall, and these mixed results in the distribution of income and consumption can only point to the hope of future improvements.

According to recent national surveys on income and expenditures conducted in selected African countries, the most significant reductions in Gini values in urban Africa took place in Côte d’Ivoire between 2002 and 2008, and in Uganda between 2003 and 2006, when the respective coefficients decreasing from 0.51 to 0.44, and from 0.48 to 0.43, respectively.

Côte d’Ivoire experienced this significant narrowing in the economic urban divide even as annual GDP growth rate was rather poor (under 1 per cent), reflecting the incidence of civil strife in the country at the turn of the century.

In contrast, the significant decline in income inequalities in Uganda coincided with annual growth rates of around 6 per cent—which goes to show that economic growth does not necessarily go hand in hand with increasing inequalities. Reportedly but subject to confirmation, this is also the case in a few other African countries: Benin, Rwanda and Tanzania all managed to reduce urban consumption inequalities in a dynamic economic environment where GDP growth ranged between 4 and 6.5 per cent.

In the urban areas of several other African countries, the economic divide as measured by Gini coefficients has increased, signaling a widening gap between rich and poor in terms of access to basic resources. Burkina Faso, Egypt and Ethiopia have seen their urban consumption Gini coefficients increase by 7.8, 13.2 and 11.8 per cent, respectively. In Zambia, too, urban income inequality has increased by 8.2 per cent, pushing the country into the “extremely high” inequality bracket—even as Zambia’s GDP grew at an annual rate of about 5.5 per cent between 2003 and 2006. In Mozambique, consumption inequalities have widened only marginally.

Excellencies,
Ladies and Gentlemen

INSTITUTIONAL & POLICY DEVELOPMENTS

One can continue highlighting other different dimensions of balanced development as well as chaotic urbanization, including the aspects of urban mobility, rural-urban linkage and even the sustainability linkage of environment, economy and society. The trend will be almost the same – that initiatives are being taken, but the impact has been minimal and the prognosis for the future of the African city point to the absence of sustainable transformation.

At this point, however, I would like to reiterate four aspects which are key for enabling the African continent overcome the urban challenge it is currently facing and to move towards a path of sustainable development. These are:
1. Strengthening institutions of governance for sustainable urbanization at all levels.
2. Enhancing capacities for town planning and management;
3. The need to develop and direct innovative financial investment mechanisms for housing and urban development.
4. Establish research and monitoring systems.

Governance of African urban systems need to be supported at regional, national and sub-national level. In this regard, UN-HABITAT, in 2005 in Maputo, worked with the African Union to adopt Decision 21. This paved the way for the creation of AMCHUD, which is a forum for national governments to forge a collective strategy in pursuit of sustainable urbanization. The secretariat of AMCHUD is in Pretoria. There are also several regional level forums such AMCON that focuses on water and sanitation.

At sub-national level, local authorities convene under UCLGA, their aim being to share best practices in solving similar problems. Regrettably, UCLGA is currently embroiled in organizational disputes that make it difficult to deliver its goals. In order to minimize damage, UN-HABITAT recently hosted in Nairobi in 2009, a forum of African Capital Cities which discussed urban governance, democratic participation, gender equality, transparency, accountability and citizenship or the right to the city.

An overview done by the umbrella organisation of African local authorities (UCLG-A) concluded in 2008 that there has been significant progress at the institutional level in consolidating decentralization and local democracy in African countries. It noted, however, that the system is still confronting a number of set backs, particularly in the financial sphere. Devolved responsibilities do not match with the volume of financial resources that are made available to local authorities.

At the same time, local authorities are still faced with the challenge of obtaining qualified human personnel and also improvements in providing public access to local services. The report concluded that ‘tangible progress needs to be made in two key areas: the transfer of responsibilities, with adequate human and financial resources, and entrenching a culture of citizen participation, transparency and accountability.

It is almost 20 years since the first local government reforms were launched in Africa. It appears that more emphasis was given to effecting organisational changes and routine processes. However, the actual operationalization of the reform objectives has not been fully achieved and power relations, particularly between central and local governments have not been significantly altered.

To some extent, it is a question of political will, but it could also be attributed to lack of depth in the reform process and also failure to scale-up. The actual potential of local authorities, communities and neighbourhoods has not been adequately harnessed in African cities. It is ironic that there is a lot of vibrancy seen within the informal sector and sometimes in squatter and slum settlements, which is only further negatively compounded or neglected by the formal systems.
A major component in enhancing the capacities of African authorities for promoting balanced development and eliminating chaotic urbanisation is the process of planning. This is discussed at length in UN-HABITAT’s Global Report on Human Settlements 2009, which argues that in many parts of the world, urban planning systems have changed very little and are often contributors to urban problems rather than functioning as tools for human and environmental improvement. Future urban planning must take place within an understanding of the factors shaping 21st-century cities, including:

- the environmental challenges of climate change and cities’ excessive dependence on fossil fuel-powered cars;
- the demographic challenges of rapid urbanization, rapid growth of small- and medium-sized towns and an expanding youth population in developing nations, and, in developed nations, the challenges of shrinking cities, ageing and the increasing multicultural composition of cities;
- the economic challenges of uncertain future growth and fundamental doubts about market-led approaches that the current global financial crisis have engendered, as well as increasing informality in urban activities;
- increasing socio-spatial challenges, especially social and spatial inequalities, urban sprawl and unplanned peri-urbanization; and
- the challenges and opportunities of increasing democratization of decision-making as well as increasing awareness of social and economic rights among ordinary people.
- for cities to be without slums, the new urban planning must be people centred and environmentally sensitive.

BUILDING PROSPERITY

Finally, the issue, which I would like to conclude with, concerns investment for urban development.

Despite the acknowledgement of the centrality of the city in African development, particularly its contribution to national GDP, lately there has been a tendency to neglect the urban dimension resorting back to the constituent sectors, especially in external assistance. The unbundling of infrastructural investment has further exacerbated the situation leading to almost of a fragmentation of the African city.

While in the West, the city is regaining its prominence as a global player in business, politics and diplomacy, one notices a tendency towards abandoning the African city treating it almost as being superfluous as an entity. There is evidence to confirm that investment in urban development, including in housing, has a higher impact on employment, income generation, investment and savings. Indeed, it contributes almost exponentially to national economic growth and if well managed it can also serve as a strong stimulant to redressing the rural-urban balance.

In this regard, as my personal contribution to this debate, I have written a book to shed further light on this matter. Building Prosperity – Housing and Economic Development seeks to take the arguments of treating this sector as an economic and productive one back to the experts – the economists themselves!
Using case studies from different parts of the world, the book shows how housing is actually at the center of macro-economic stability. The sub-prime mortgage crisis in the US and other advanced economies was to unleash a global financial crisis and a recession that has yet to go away. The lesson for Africa and other developing countries is that the sector cannot be left on its own or just to municipal actors. Ultimately, it is a repository of national wealth and must be given appropriate attention and support through regulation.

Excellencies
Ladies and Gentlemen

CONCLUSION

The current state of African cities reveals the outcome of a desired change which has not been fully consolidated and sustained. While initiatives have been taken to contain some of the forces which generate chaotic urbanization and to foster more balanced urbanization the outcome has so far not been effective. The result is that the least urbanized region of the world, Africa, is losing an opportunity to gain from the positive lessons of others and avoid repeating the pitfalls.

If Africa is to meet the challenge of balanced territorial development, the international development community needs to continue to provide support to the urban sector particularly in the areas of capacity building and strategic investments. I thank you.