Framework for Africa Urban Agenda

Background Paper Commissioned for AMCHUD 5
1. Introduction

Among AMCHUD’s resolutions adopted at its 4th session convened in Nairobi in 2012 was The Nairobi Pact for Habitat III which identified Strategic Options and Action Points for optimizing the benefits of Africa’s rapid urbanization and overcoming its challenges. Inspired by a shared perspective and a collective commitment to taking action the Ministers’ pact underlined the critical imperative of optimizing the evolving opportunities of urbanization and overcoming its challenges. Key measures were identified, to be operationalized within the specificity of each country, on harnessing the territorial advantages of urbanization; improving the delivery of basic services; as well as mitigating and adapting the effects of climate change.

The Nairobi Pact was important, not for outlining what needs to be done. To a large extent, many of the measures identified were already being implemented in the respective countries. Its profound significance lay in the recognition and bringing to bear the transformative power of urbanization and the complementarity it forges with the broader dynamics of national development. While acknowledging challenges that are still being faced, the Pact put more emphasis on the energy generated and momentum gathered through the evolving process of urbanization. It de-sectoralized urban development and underscored its demonstrable capacity to be a lever for change.

In the two years since the last session of AMCHUD the continent’s urbanization momentum has become more pronounced. Not only are the demographics of cities and towns revealing increasing complexity, but also the overall functionality, morphology and relationships among human settlements are showing features associated with advanced levels of development. More significantly, the emerging urban trends have coincided with developments at the regional and global levels that have accentuated the potential of cities and human settlements in contributing to national, continental as well as global change and transformation.

At the regional level, the integration agenda has become more robust. With long term barriers and impediments to growth surmounted, increasing attention is now given to the cumulative momentum for accelerating socio-economic and political transformation. The impressive rate of growth sustained over the past decade has encouraged African leaders to initiate new development pathways aiming for an integrated, people-centred, prosperous Africa, at peace with itself.

A new collective vision is being developed – Africa Agenda 2063 - that will propel the Continent in the next 50 years to a higher orbit. As acknowledged by all estimates, the Africa anticipated in the new vision will be dominantly an urban one. More than two thirds of the projected total population of 2.5 billion people will be living in urban centres by 2063. The attendant implications of such a demographic, spatial and structural shift will be quite profound. It is therefore important for the urban and human settlement dimension of this shift to be included as a key component of the Africa Agenda 2063. The AMCHUD platform is thus an appropriate forum for determining the substantive inputs and modality of incorporation.

At the global level, Africa’s urbanization prominence and the vitality of its human settlements during the last couple of years is taking place at a time when the international community is adopting new development agendas and initiating new commitments relating to the world that we want. The last session of AMCHUD in Nairobi issued a comprehensive statement with regard to the United Nations...
Conference on Sustainable Development --Rio+20--- held in Rio de Janeiro on 20-22 June 2012.\textsuperscript{3} The statement strongly reaffirmed Africa’s commitment, as part of the global community, to promoting sustainable urban development. As the Ministers reconvene in N’Djamena, Chad, for their 5\textsuperscript{th} AMCHUD session, across the world further consultations are proceeding not only on the follow-up to the Rio+20 conference (Sustainable Development Goals), but also on the successor to the Millennium Development Goals (Post-2015 Development Agenda) and on Habitat III.

Several forums have been held in the last two years to develop an African position on these issues. The N’Djamena meeting is therefore an opportune occasion for Ministers of Housing and Urban Development also directly to engage into this process, to consider the urban implications of the issues being addressed, and to determine the modality of presenting the outcome of their discussions as inputs to the ongoing consultations.

This document provides a brief outline, by way of a framework, for an Africa Urban Agenda. It takes to a next level the discussions Ministers held during the 2012 AMCHUD’s 4\textsuperscript{th} session in Nairobi. A substantive contribution of this document is in introducing four key trends and several issues which can determine the basis and content for articulating an Africa urban agenda. It also makes reference to the operational implications of the agenda framework. In N’Djamena, initially experts and later Ministers will consider the relevance of these framework issues and also advise on the way forward.

In preparing the document, cognizance is taken of the intended purpose of establishing a basis for African Ministers of Housing and Urban Development to provide an input to the larger Africa Agenda 2063. It is in this regard that the document starts with a brief summary of the political and analytical background that underscore an urgency and importance of articulating an Africa urban agenda as part of the on-going continent wide exercise of reflecting on a new vision.

2. Political and Analytical Background

The Solemn Declaration of Heads of State and Government of the African Union assembled to celebrate the Golden Jubilee of the OAU/AU captured at the highest political level a growing awareness across all sectors about the continent entering a new phase.\(^4\) The pronouncement they made on the need for a new shared vision that would guide development in the next 50 years was not only timely and fitting but it also encapsulated a pursuit which many of the member states had already initiated in their respective long-term development perspectives. The need for a fresh reflection on the continent’s destiny resonated strongly with analytical findings of development institutions working in the region as well as with proposals and recommendations from scholars and practitioners.

Much has happened in the last 8 months, since May 2013 when that proclamation was made and when the Commission of the African Union initiated an extensive process of consultations for determining the content of the new vision. During this period, regional and sub-regional institutions, civil society organizations, media, professional bodies, United Nations agencies, as well as some Ministerial conferences have been exchanging views and engaging with the process of giving content to the new vision. Preliminary findings of these consultations, packaged as the Agenda 2063 Framework Document, were scheduled for submission to the Summit at its session of January 2014. The final agenda is to be adopted at the meeting of Heads of State and Government in June 2014.

Related to the consultations on Agenda 2063 is the process of determining Africa’s collective position on the on-going global discussions, particularly with respect to the successor to the Millennium Declaration - the Post-2015 Development Agenda. In May 2013, the Summit adopted Dec.475 (XXI)\(^5\) which established a High level Committee of Heads of State and Government to sensitize and coordinate the activities of African Leaders and members of the High Level Panel, and build regional and inter-continental alliances on the African Common Position on the post 2015 Development Agenda. Madame Ellen Johnson Sirleaf, President of the Republic of Liberia was elected as the Chairperson of the High Level Committee which comprises of two Heads of State and Government per region to be nominated by the five (5) regions, through consultations to be carried out by the Regional Deans. The summit requested the High Level Committee to crystallize and synthesize, and even further consult as deemed necessary, so as to finalize the African Common Position and ensure that the priorities identified in the said African Common Position are integrated on the New Global Agenda.

In the meantime, UN-Habitat as part of the process of preparing for the 3\(^{rd}\) session of the UN Conference on Housing and Sustainable Urban Development (Habitat III) has been engaging with representatives of member states on the process of reviewing progress made since the Habitat II conference of 1996 and also initiating the preparation of national reports which will form a basis for the regional and global synthesis.\(^6\) As it will be elaborated in a separate document, a preparatory meeting for Habitat III is scheduled for September 2014. Also, as a follow-up to the Rio+20 outcomes, a proposal to include an "a stand-alone urban goal and/or a set of urban targets" in the Sustainable Development Goals seems to be gathering substantial support. African members in the Open Working Group have been considering this aspect, which has an important bearing on the overall Africa urban agenda.\(^7\)

\(^{7}\) Sustainable Development Solutions Network. 2013. WHY THE WORLD NEEDS AN URBAN SUSTAINABLE DEVELOPMENT GOAL. Note prepared by the SDSN Thematic Group on Sustainable Cities. Supported by UN-Habitat, UCLG, Cities Alliance, ICLEI, and Metropolis. www.unsdsn.org
The above series of consultative processes, decisions and commitments expose a new mood of reflection and visioning in the past two years about the continental and global future. Indeed, this is an indication that a dynamic of change is gaining momentum in the continent, a feature which has been also commented upon by an extensive body of scholarly research, operational analysis, as well as policy and strategy reviews and recommendations. A number of papers have been recently published unraveling trends and assessing progress. Similarly, institutions such as the UN Economic Commission for Africa, Africa Development Bank, UN-Habitat, World Bank, UNCTAD, UNDESA, and UNEP have released seminal documents which provide illuminating insight on the state of Africa’s development and also offering a prognosis of the future.8

Underlying the new awareness and the quest for defining a renewed vision are salient trends which compel the adoption of appropriate responses at national and regional levels. Some of the trends are highlighted below.

3. Salient Trends and Issues for an Urban Agenda

As the African continent emerges out of almost two decades of retarded economic development, persistent conflicts, frequent environmental calamities and increasing marginalization in the global arena a new dynamism is gradually building up. There is a combination of trends which tend to be pervasive while also offering new opportunities as well as generating challenges. The manner in which African governments individually and collectively prepare for responding to the effects and impact of these trends will determine the scope of the urban agenda in the different phases of the next 50 years.

3.1 Responding to a Massive Change of Scale

More prominent among these trends is the magnitude and scale of urban growth. The higher average annual rate of change of the urban population (3.23%) in the continent will entail a doubling of the total urban population in the next 20 years, and the population will triple two decades after. It is projected that by 2035 the current urban population will increase from 400,651,000 in 2010 to an estimated 858,242,419 people, thus making the continent to have slightly more than half of its people living in urban centres of various sizes. By 2063, the percentage distribution between urban and rural will be around 62% and 38% with urban centres accommodating almost 1.5 billion people. It is, however, important to underline that, even at that time, close to a billion people will still have their settlements in rural settings.9

The critical implication of the above numbers is the urgency for a systemic readiness to respond to the changing scale—both in terms of opportunities as well as the related challenges. The massive population increase will have both social and economic repercussions, as well as far-reaching spatial consequences. Apart from the amenities to be provided, existing urban centres will expand, new locations will emerge, and a number of current rural settlements will be transformed. Developing the capacity for managing a transition with such complex features needs to be a key aspect of a new Africa Urban Agenda.


Relatively a striking and unavoidable feature of the coming decades will be the construction of new spaces for accommodating the trebled urban population as well as a rural population which will also increase by 50% in 2063. At the basic minimum, the number of human settlements will double during this period, even if governments succeed to promote the highest level of sustainable and compact urban centres. Experience of the past 50 years in containing the sprawl of human settlements has not been satisfactory, even after the laudable commitments of Habitat II. Important lessons can be derived on how to deal with the ‘yet to be built’ towns and cities of the future. The programmatic and operational preparations need to be informed by a rigorous planning paradigm befitting the desired vision.

Indeed, the quantitative and demographic dimensions of urbanization and human settlement development have been well documented. However, there is relatively less understanding of the spatial aspects of both national and regional development. Scanty information exists on the growth configuration of African urban centres, apart from scattered presence of individualized master plans. A strategic and holistic understanding of the locational aspects of agglomeration remains vaguely understood and the direction of its growth cannot be fully captured.

Also associated with the scale amplification is the unique African feature of the simultaneous occurrence of increased urban growth, increased rate of urbanization, as well as a continuing rise of the rural population. Unlike the experience of urbanization in the West where industrialization and agriculture productivity led to a rapid diminishing of the peasantry who moved to the cities, in the current situation of Africa the absolute decline of the rural population will not occur even by 2050! For this reason, it is absolutely important that Africa’s urbanization agenda needs to address the dynamics of human settlements in the framework of increasing urbanization accompanied by an absolute increase in the number of the rural population.

Furthermore, there is evidence from different regions of the Continent that while attention is concentrated on officially designated urban centres, quite a significant number of settlements in the rural setting are exhibiting characteristics of ‘incipient urbanization’, in terms of demographics, function & morphology. While this phenomenon could be easily discounted as belonging to the rural development agenda, it does draw attention to the crucial issue of anticipating and managing the process of change in a holistic and interlinked manner - from village settlements to urban centres, at all stages of growth. Indeed, the process of urbanization in Africa is underpinned by human settlements concerns beyond the officially designated places of cities and towns.

Clarity on the paradigm informing planning is also linked to the principles guiding the patterns of human settlements and the parameters for an appropriate urban form. The on-going extensive retrofitting of cities all over the continent and the modeling of new ones raises the issue of urban design. Of particular relevance in this connection is how to translate the notion of the African Renaissance in the manner cities and human settlements are designed and built. Specifically, how important and viable is it to embed the requirements for making urban systems modern and livable and

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at the same time incorporating a genuinely articulated African identity. There is a cultural thread connecting the rich diversity of African urbanism as it has evolved historically and which is distinctively different from that of other regions. Understandably, it is often not easy to resolve the inherent tension between market imperatives; economic value and efficiency on the one hand, while also preserving positive historical legacies and reflecting indigenous cultural identity on the other hand. There are examples in the Continent where foreign designs and models are emulated and replicated unreservedly thus generating stark incongruences with the realities of the Continent. Indeed, the N’Djamena Consultations on the Africa urban agenda offer an opportune occasion for addressing modalities of incorporating a spirit of the African renaissance in steering the urbanization process for the next five decades.

The same applies also to the relationship between the public and private domains within the context of the continent’s expanding scale of urbanization. Historically and almost all over the world, the fundamental essence of cities and human settlements in general is the optimization of private interests through a consolidation as well as enhancement of agglomeration and the collective sphere. The conditions are ripe for Africa to reap the benefits and advantages of its urban transition, but only if utmost attention is given to nurturing, protecting and strengthening of the public sphere.

Received models of the past couple of decades have encouraged the tendency of bolstering private interests, at times to the detriment of the collective public domain. Public spaces have been privately appropriated; facilities have been inaccessible to sections of societies; inequities have prevailed; and value creation has been restrictive. Unlocking the full potential of urbanization at the local, national and continental levels therefore entails redressing these distortions and anomalies as well as fostering a closer and symbiotic relationship between the public and private spheres, especially in the urban centres that are yet to be built.

3.2 Unleashing the Generative and Transformative Potential of Urbanization

Despite the many prevailing challenges, urban human settlements have served as the engine of economic growth in all parts of the Continent. As shown below, almost 2/3 of the gross domestic product (GDP) is generated by sectors located in urban centres.12

Like cities all over the world, African urban centres have enabled improvements in productivity, promoted the growth of knowledge and innovation centres, fostered a concentration of enterprise, and have facilitated the provision of improved basic services as well as accelerated the provision of advanced infrastructure. Locational advantages are growing and agglomeration economies building up. Yet, the full potential of urbanization in the continent has not been fully realized.

Much of the dynamism seems to be taking place in capital cities and in a few major urban centres of every country. While the generally narrow industrial base, real estate and construction, as well as communication sectors do generate substantial multiplier effects, the scope of their impact on employment and income is rather limited. The linkage between the agricultural sector and rural based activities with the urban economy remains weak. Within urban centres, the informal economy dominates as the major employer.

Clearly a dynamic African Urban Agenda must aim to promote an urbanization dynamics that promote rapid industrialization and sustainable rural-urban nexus. A number of studies provide narratives of a significant shift in the growth dynamics of African countries. McKinsey & Co. attested to growth across African countries. Unlike previously observed growth which was often concentrated around particular resources like oil and agriculture, this new growth in African countries, appears to be more widely spread among sectors. There are six sectors identified as experiencing major growth—agriculture, infrastructure/utilities investment, trade, resources, finance, and telecommunications—which had captured 83% of the total growth. Of these six, the finance and telecommunications sectors had been the best performing sectors in Sub-Saharan Africa (SSA) since 2000, and had also experienced the most consistent growth. However, we do not know fully why these sectors are growing as they are and how deep and sustained the growth will turn out to be in time; but more importantly a 21st Century Urban Agenda must steer policies in direction of rapid increases in GPD with equity; relatively high share of manufacturing in GDP and as well rise in levels of employment.

Presently African countries and cities where processing takes place, tend to record high levels of agricultural labor force and low manufacturing contribution to GDP. The Agenda should aim for structural change through an industrialization pathway that will induce the shift of resources from agriculture to manufacturing; and in the process bridge the rural-urban gap while raising the standard of living of both urban and rural dwellers. Industrial manufacturing pathways is a faster road to capital accumulation; this is particularly so in spatially concentrated manufacturing (cluster agglomeration) compared with spatially dispersed agricultural activities.

An African Urban Agenda must focus on value-added activities because the region has experienced notable de-industrialization over time. In the period 1980 through 2010, the share of manufacturing output in total gross output on the content declined from 12 per cent to about 11 percent. East Asian countries had contrasting experiences in this respect, maintaining a share of manufacturing output to gross output of about 31 per cent over the same period. In addition, while much of growth in Africa are not employment generating some East Asian countries by encouraging the rise and development of labour-intensive industries generated employment, accompanied by rising incomes and sustained growth experiences and improved social welfare situation.

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13 The 2007 World Bank African Development Indicators
15 Growth is measured by contribution to GDP.
Africa is endowed with physical, natural and human resources that can be employed to support industrialization and structural changes driven by value-addition promoting urban-related policies at all levels. The share of Africa in the world mineral reserves is 12 per cent, 42 per cent of world’s gold, over 80 per cent of chromium and platinum group metals, 60 per cent of arable land as well as wood resources.

With increased global demand for minerals and raw materials, Africa thus has a comparable advantage as a supplier of such materials. Her endowment of resources is a platform for new partnerships. However, natural resources can be at risk as it is for most of such goods, because the price is determined in the global market, which is subject to volatility over time and unpredictable fluctuation in the volume of trade. What the region should therefore be concerned about is not just urbanization with growth but sustained and inclusive growth.

An Africa urban agenda will aim to correct the dysfunctional urban-rural, formal-informal connections. The fact that the continent is just entering the urban transition provides it with sufficient scope for gradual enhancement as it progresses to an advanced level of urbanization. Policies and institutions for resource-based industrialization would improve the rural-urban linkage. Again, greater Foreign Direct Investment (FDI) in tertiary and manufacturing sectors should be combined with employment-generating and socially inclusive policies. A nurturing of the nascent emerging middle class, mainly located in urban centres, can contribute to the growth of a domestic market for as long as its impact on increasing inequality is regulated.

Importantly, a new agenda for the continent has to consider the parameters of urbanization and human settlements which, if properly managed, can contribute to widespread boom in estate and construction industries while being mindful of the poor. Clearly, the convergence of industrial development and planned urbanization and that stimulates growth of the domestic market – are significantly affected by the mode and content of spatial planning and design. Key factors such as location, agglomeration and density, which are in the domain of urban development and human settlements play a critical role in generating efficiency, facilitating transactions and improving incomes.

Traditionally, urban and human settlement agglomerations in Africa have served as markets for rural and agricultural products, supplier of inputs including extension services, as well as service and administrative centres. An industrial base has developed over the past half century, substantial in a few countries and minimal in many. A bulk of industrial development has been primary processing and downstream import-substitution manufacturing of consumption goods. The spatial ramifications of such a productive base replicated the salient features of the global 20th century urban model – rigidly zoned and functionally segregated, sprawling, rent seeking in fiscal operations, dependent on cheap resources, environmentally unsustainable, with poor linkages among settlements. 16

For these reasons, land is an important component of the generative potential of human settlements. While the process of planning addresses its functional utilization (land-use), there are other far-reaching implications of this important factor of urban development. These include the issue of tenure as well as its valorization as an asset base. Modalities of acquiring land and systems which are in place for its access and utilization are critical facets both for economic development and also for the maintenance of peace and security in the Continent. Too many conflicts have arisen due to contentions related to land ownership. The additional 80 million people joining African urban centres by 2063 may exacerbate the potential for such conflicts if scaled-up systems are not in place. Furthermore, as urbanization advances and human settlements develop, a process of land valorization takes place whose benefits can be deployed as a strategic lever for transformation.

16 Turok.2012
An Africa urban agenda has to rectify the above distortions. The fact that the continent is just entering the urban transition provides it with sufficient scope for gradual enhancement as it progresses to an advanced level of urbanization. The call for resource based industrialization would improve the rural-urban linkage. The traditional quest to attract more foreign direct investment in tertiary and manufacturing sectors remains tenable especially with the shifting alignment of global accumulation system. A nurturing of the nascent emerging middle class, mainly located in urban centres, can contribute to the growth of a domestic market for as long as its impact on increasing inequality is regulated.

A new agenda for the continent has to consider the parameters of urbanization and human settlements which, if properly managed, can contribute to the above outcomes. For example, all the above three options – industrial development, attraction of investment, and growth of domestic market – are significantly affected by the mode and content of spatial planning and design. Aspects such as location, agglomeration and density, which are in the domain of urban development and human settlements play a critical role in generating efficiency, facilitating transactions, and improving incomes.

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3.3 Building Systemic Linkages and Promoting Integration

As a powerful force for change, urbanization in Africa derives its optimum potential when the entire urban population and the overall range of human settlements in the continent are taken into account. There are only a handful of countries which individually have managed to initiate their structural transformation and separately deployed the urbanization factor among their levers for change. For the majority of countries, the attainment of such a critical mass can be accelerated and augmented largely through fostering systemic linkages across borders and by promoting regional integration.18

17 Ibid
18 See Diagram from McKinsey. Ibid p.6 showing differences in stages of Development, a feature which can be harnessed for the Continent’s holistic transformation.
The historical aspiration for continental unity and cooperation is thus critically important for harnessing the benefits of urbanization. Urban centres and human settlements create the necessary hubs and provide the nodal linkages in the networks for integration. The experience of Regional Economic Communities (RECs) demonstrates that a large part of the flows, exchanges and interactions takes place among the people using urban centres as the platform. Strategic promotion of local economic development taking into account all the endowments at the larger regional level may not only advance the cause of integration but also enhance the benefits of urbanization within the respective member states.

Well planned human settlements which optimize localization and agglomeration economies reduce enterprise costs thus making it competitive for intra-African investments. Similarly, population concentration in large cities and small towns serve as important nuclei for arrangements such as a common market. In the case of border towns proximity and linkages do enable the sharing of services, including excess capacity in such areas as electrical energy.

Of critical importance for the Africa Urban Agenda is the urgent need to consider the process of urbanization in systemic and network terms. Connections and synergies have to be developed among networks of cities according to their size and factor endowments. Lessons from other developing regions which have managed to advance in rectifying the above anomalies underline the importance of developing urban systems. While cities may appear to be discrete, diversified and heterogeneous entities, their individual and collective dynamism can be enhanced by fostering systemic complementarity and synergy among them. There is already a firm foundation for a network of cities at the national and regional level. The rank-size order conforms to global historical patterns, the number of urban centres is similar to those of other regions, the distributional pattern is fairly widespread, and there exists a modest degree of functional diversity among the range of agglomerations.

### 3.4 Concluding the Unfinished Business of the Millennium Targets

In 2000, a special Millennium Summit of the United Nations established a series of goals for humanity in the 21st century, based on key policy documents from the series of major UN Conferences held during the previous decade, including *Agenda 21* and *The Habitat Agenda*. Two years later, a Road Map was established with a set of 8 goals (MDGs) and 18 targets (MDG targets) that were to be measured against 32 indicators.

There are commitments that Africa, as part of the global community undertook to accomplish by 2015 and 2020. As UN-Habitat has shown, while globally the slum target of improving the lives of 100 million people...
has been reached, but the absolute number of people living in slum conditions has actually increased. In the case of Sub-Saharan Africa, for example, in 1990 around 103 million people were in slum settlements, by 2012 the number was 213 million. Success was achieved in Northern Africa where the number was brought down from 20 to 13 million.  

On the aspect of water services, the Joint Monitoring Programme 2012 Update notes that coverage in the developing world overall stands at 86 percent, but it is only 63 percent in countries designated as ‘least developed’. According to the report, only 61 percent of the people in Sub-Saharan Africa have access to improved water supply sources compared with 90 percent or more in Latin America and the Caribbean, Northern Africa, and large parts of Asia.  

While being forward looking, the new agenda has to find ways of overcoming the challenges which have delayed the achievement of above targets. Strategies have to be developed for accelerating the completion of pending business before the unfolding process overwhelms existing capacities.

4. Priority Issues for an Urban Agenda

One way of establishing a basis for determining a continental perspective on addressing the urban agenda is by examining the shared concerns expressed by key decision-makers on urban development during the past decade. Their deliberations and commitments in various forums as well as initiatives launched to follow up on those agreements provide a true reflection of key national and regional priorities as well as strategies collectively perceived as appropriate by member states. In the case of the AMCHUD process and within the context of the past decade, nine areas were given prominent attention by member states as well as by African regional institutions during this period. While these issues emerged out of the circumstances of the past decade, their long term nature and the fact that many of them are associated with the urban transition dynamics, qualifies them to constitute a basis for formulating a framework for an Africa urban agenda of the next 50 years.

4.1 Promoting Consultation, Collaboration and Coordination - Durban Inaugural Conference – 2005

The inaugural conference of AMCHUD in 2005 signified a quest for Continental actors at the highest level of decision-making to enhance their collective capacity and to forge a joint voice in articulating Africa’s concerns and vision, within and outside the continent. It was a desire to build a foundation for cooperation and collaboration in achieving sustainable urban development nationally and regionally. Progress in this regard, was in putting up structures for this purpose and also in establishing linkages and connections with other decision and operational bodies in the Continent. Mainstreaming of the urban dimension as an important component of the overall national and continental development was to be among the pursuit of AMCHUD.  

It is 9 years since the creation of the Ministerial body. Much has been achieved during this period on meeting the intended goals and objectives. Increasingly and through this body, African governments have been consulting, pertinent issues identified and discussed, potential areas of cooperation explored and structures for institutionalization being put in place. Structures for engaging sub-national level governments as well as municipal authorities are consolidating. Partnerships and linkages which have been a weak link over the years need to be consolidated through cascaded policies, inclusion and strengthened partnerships at all levels. Recently governments, such as that of Nigeria and Ghana, have

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22 Ibid
provided resources to promote partnership in the Continent and the advancement of the urban agenda.

Much remains to be done in ensuring an optimum functioning of platforms envisaged in the Durban Declaration and the Framework of Implementation. The deepening desire for promoting continental integration will entail a further consolidation of consultative platforms in different development spheres. Therefore, an urban agenda for a new African vision will have to incorporate the aspect of promoting structures of consultation and collaboration.

4.2 Improving Shelter Delivery and Accelerating Slum Eradication - Nairobi Special Conference -2006:

A special session of AMCHUD was held in Nairobi in April 2006, under the theme, “Achieving the Millennium Development Goals in Africa: Strategies for the Realization of the World Summit Commitments on Slums” It was convened to review the responses of members to the goals set by the United Nations Millennium Summit, the World Summit on Sustainable Development, the thirteenth session of the Commission on Sustainable Development, and the World Summit, in the context of housing and urban development. In particular, it aimed at reviewing actions taken in response to the World Summit Outcome. With article 56 of the Outcome, the General Assembly resolved “to achieve significant improvement in the lives of at least 100 million slum-dwellers by 2020, recognizing the urgent need for the provision of increased resources for affordable housing and housing-related infrastructure, prioritizing slum prevention and slum upgrading, and to encourage support for the United Nations Habitat and Human Settlements Foundation and its Slum Upgrading Facility.”24 The first special session was also expected to build on the Enhanced Framework of Implementation and Related Outputs, adopted at the first session of AMCHUD, held in Durban in 2005.

The deliberations focused on the theme of urbanization and slums within the broader perspective of urban planning and housing delivery policies adopted by African countries. In view of the rapid urbanization occurring in African countries, where informal settlements form a large part of urban areas and where existing systems and policies are unlikely to meet future demand for affordable and properly located and serviced land, Governments both at central and local level were invited to discuss the existing planning processes and ways of improving them.

The special session was able to identify the causes of slum formation and the problems faced in dealing with slums, such as evictions. It was also examined the inadequacy of existing policies, legal, institutional and regulatory frameworks and their inability to deal with the rapid and uncontrolled rate of urbanization in Africa. Based on the discussions at the special session, AMCHUD agreed on a framework memorandum for mobilization of Governments for slum upgrading and slum prevention, an instrument which was to be further improved.25

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23 This was underscored strongly at a meeting held in Nairobi 4-6 December 2013 on Strengthening Partnerships for a new Africa Urban Agenda. The meeting brought together a cross-section of representatives from all regions and sectors of non-state actors involved in promoting urban development in Africa.

24 http://ww2.unhabitat.org/amchud/amchud2/default.asp

The subject of housing delivery and slum eradication has remained topical throughout the past decade. Indeed, it will remain so for much of the period in which Africa goes through its urban transition. The projected increase of both rural and urban population by slightly more than two and a half times in the next 50 years will require effective systems for housing delivery and the requisite services. A recent report by UN-Habitat has noted that many African governments are gradually adopting and implementing policies and strategies aimed at making housing habitable, affordable and accessible which offers some promise for expanding access for low- and middle-income households. Pro-poor, proactive action by African governments to provide and scale-up affordable land and housing is crucial to reverse the trend that new migrants settle in largely informal, non-serviced housing because there are few other affordable housing options available to them. The supply and affordability of key inputs to housing (for example land, finance, and building construction costs) need to be systematically and simultaneously improved through the development and implementation of supportive institutional and regulatory frameworks. Scaling up affordable housing provision has the potential to contribute to national economies, create jobs, improve the construction industry, and improve the living conditions for the health and wellbeing of all Africans. In this respect, an urban agenda for the future will have to include the key components of housing delivery, slum eradication and the development of housing markets.

4.3 Overcoming Finance and Resource Challenges for Sustainable Housing and Urban Development Abuja – 2008/ N'Djamena - 2014

The issue of finance remains one of most challenging aspect of urban development. The fact that AMCHUD V in 2014 is revisiting this subject, after a substantial consideration during its 2008 session – demonstrates its gravity and the necessity for addressing it at different periods. In Abuja, an implementation plan was adopted containing a series of profound recommendations and considerations which African governments were called upon to undertake as a way of enhancing their capacity for financing sustainable urban development. Ministers committed to apprise their respective Heads of State and Governments on the outcome of the conference and to take appropriate action towards implementing the Abuja Plan.

The gist of the three major decisions made by AMCHUD II relating to finance addressed the modality of overcoming the pervasive slum challenge; developing general housing financing mechanisms; and putting in place appropriate arrangements for the overall funding of urban development. With respect to affordable housing, for example, the Abuja plan recommended and provided suggestions on how governments can establish legislative and policy frameworks for the provision of housing finance options that meet the needs of different income groups. 26

As the continent embarks on defining a new development agenda, and deriving from the experience of the last six years since the Abuja meeting it is worthwhile to highlight some additional insights particularly with respect to financing infrastructure and basic services. Right now there is a booming wave of huge infrastructure investments mostly in capital cities, but also in smaller urban centres and towns. Multi-lane roads, bus rapid transits, drainage systems, water reservoirs, power lines, sports facilities are all being laid out. How sustainable is the emerging mode of increasing infrastructure investments. Despite these impressive and highly visible investment levels, as at 2008, AICD for instance refer to estimates of annual infrastructure services (all) funding requirement of USD 93 billion, and actual spending of around 45 billion.27

Apart from revenue shortfalls, the most serious limitation, particularly in the financing of urban infrastructure lies in the sources and modality of financing, including the legislative framework. Traditional arrangements for sources of urban capital investments and recurrent expenditures have

27 See e.g. http://infrastructureafrica.org/themes/spending-needs
been mainly central government budgetary transfers, official development assistance, loans, and local municipal taxes – mainly property rates. In a few undertakings, including energy supply, some governments have encouraged private investments.

Over the years, the African Development Bank, and recently UN-Habitat have been analyzing emerging innovations within and outside the continent on financing infrastructure and public space investments.

4.3.1 Land value sharing

Land value sharing is a powerful method of public financing whereby increases in private land values generated as a result of public investments in infrastructure are captured all or in part by the public sector for the use of public purposes. The increases in private land value (or capital gains) due to public investments are unearned profits to the private landowners who do not have to bear any costs. These unearned profits can be captured indirectly by means of real estate taxes, betterment fees, or other forms of taxes or directly by converting them to land-related benefits such as on-site improvements and trading of urban development rights. It is a way of internalizing the positive externalities of public investments and redirecting this capital towards public services and amenities. Value sharing funding is commonly associated with expensive transport infrastructure improvements. Since such improvements increase private land values, capturing even a small share of the rise in value can help finance transport infrastructure projects. Value sharing is being successfully used as a tool for generating municipal revenue in developed countries and also in some developing countries such as Brazil, Colombia and China. However, value sharing is hardly used by municipalities in Africa.

Some examples of land value sharing

A common way used to share land value is through betterment taxes. A betterment tax is a one-time tax generally applied to the increase in value of privately-owned land, generated as a result of public investments in infrastructure. Betterment taxes generally vary from 30 to 60 percent of the value increment.

In Colombia, betterment taxes have been used since as early as 1921. Urban authorities in Bogota, Cali and Medellin generate over 25 percent of their annual local revenue from betterment taxes. In 2007, city of Bogota generated USD900 million from betterment taxes from 1.5 million lots of land.

City of Sao Paulo, Brazil uses a different method to capture land value. An agency of the local government identifies the amount and type of new developments that will be permitted in different areas within the municipality of Sao Paulo. These new development are going to increase the value of private lands in these areas. To capture part of these capital gains that will be enjoyed by private land owners, this local government agency issues Certificates of Additional Construction Potential and these certificates are then auctioned by the municipality through electronic auction.

In India, many cities now have put in place necessary legislation to levy betterment taxes under the new Town Plan Act. Through betterment taxes, cities of Surat in Gujarat and Bangalore generate municipal revenue. Mumbai, Delhi and Bhopal also are now using betterment taxes as an instrument for capturing land value increments generated by public investments in infrastructure.

4.3.2 Municipal development funds

Municipal development funds are state institutions that lend to local authorities for financing urban infrastructure and services. They are financial intermediaries that assist local authorities in building self-sustainable municipal credit systems that can mobilize funds from both domestic and international capital markets. Loan mechanisms that municipal development funds use are quite similar to the procedures employed by the World Bank and regional development banks in international lending. A big advantage of municipal development funds is that they can lend to a large number of local authorities as well as provide small loans. It is important to recognize the fact that municipal
development funds do not provide direct loans to finance poverty alleviation programmes. But they do contribute to poverty alleviation efforts through improved urban infrastructure and services and public spaces.

4.3.3 Improving revenue generation efficiency from existing sources of revenue

Apart from looking for new revenue sources, urban authorities should also need to institute more efficient and effective mechanisms for collecting revenue from existing sources. Appropriate and low-cost land registration and recording systems can provide vital information to implement efficient land-based financing systems. Although land related taxes are the most common source of municipal revenues, they are seldom taken advantage of. Many urban authorities tend to ignore various charges and fees such as business license fees, which are a good source of revenue. Municipalities also need to introduce reasonable charges and fees that reflect market prices and are affordable to the majority. Considering the gradual increase in the role of the local authorities and the private sector in the provision of services, municipal authorities should improve their management, organization and capacity to become financially sustainable. Furthermore, privatizing collection of taxes and fees, simplifying municipal accounting and billing systems, improving financial management by computerizing municipal accounting systems, following standard auditing systems, and introducing participatory budgeting, all will improve the efficiency of revenue generation from existing sources of revenue.

4.3.4 Strengthening Municipal Financial Management in Somaliland and Puntland

Since 2001, UN-Habitat has been contributing to building and strengthening financial management systems at the local government level in Somalia. Starting with one district in Somaliland under the Berbera Technical and Institutional Assistance Programme, the current phase of the intervention, a part of the United Nations Joint Programme on Local Governance and Decentralized Service Delivery, covers nine districts in Somaliland and four in Puntland. The objectives of this intervention are to (a) strengthen the revenue base of local governments; (b) improve planning and budgeting at the district level; (c) link increased revenues to improvements in service delivery; and (d) enhance the provision of local services, either directly by assisting the district administration or through public–private partnerships.

With assistance from the international non-governmental organization Terre Solidali, UN-Habitat has installed computerized accounting and billing systems to the finance departments of partner local governments in Somaliland and Puntland. The pilot version of the accounting systems was installed in Puntland in 2010. Already, installed systems have improved transparency, accountability and local governance practices.

Similar systems have been installed at the departments of districts and regions of their respective ministries of the Interior and of Finance, and at the Magistrate of Accounts in Somaliland. UN-Habitat and the ministries of Interior and of Finance as well as local government finance departments produced guidelines for municipal finance policy development in Somaliland and Puntland. The local consultation process on the guidelines has resulted in increased awareness of municipal finance and service delivery among a broad range of stakeholders. A first step in this is the preparation of draft ministerial decrees on service-based budgeting and accounting, as well as on the official adoption of automated systems for financial management and reporting for local governments in Somaliland.

In order to effectively address the challenge of mobilizing adequate financial resources, urban authorities should also explore exogenous sources of financial resources. The capital market is the largest source of private capital in both equity and debt. It exists in various forms, including savings accounts, balances in commercial banks and savings societies, savings in national social security and pension funds, insurance life funds and compulsory savings schemes. Borrowing from the capital market is an alternative way to mobilize additional financial resources for municipalities. But to be able to borrow, cities need to first demonstrate they are creditworthy. Creditworthiness is a
determining factor that investors and banks use to assess risks involved in lending to municipal governments.

4.3.5 Kenya Bond Market

Kenya has one of the leading bond markets in Sub-Saharan Africa, alongside South Africa, Nigeria and Mauritius. The market has seen substantial growth since 2000 and bond maturities have increased dramatically during the last decade, with the longest bond tenor now standing at 30 years. This makes the market an appropriate source of debt finance for long-lived assets such as human settlements infrastructure. The market is dominated by government bonds, with a value of US$ 4.75 billion in 2009, equivalent to 16% of GDP. The corporate bond market is much smaller.

Government has over the years issued bonds to finance infrastructure projects. In the housing sector, Shelter Afrique has issued corporate bonds in local currency to support property development by local companies; and Housing Finance, one of the leading housing finance institutions, has in recent years issued a medium-term note to support its mortgage lending.

Two challenges are worth highlighting. The first is that economic and financial shocks in western markets have negatively impacted the local economy, with harmful effects on the Kenyan debt market. Second, slower-than-expected reforms in the secondary bond market have constrained liquidity and market growth. In spite of these challenges, the outlook is for a growing bond market with an increasingly important role in financing housing and human settlements infrastructure. The primary market is expected to expand with the continued issuance of infrastructure bonds as well as products to attract savings by Kenyans in the diaspora. In the secondary market, reforms will seek to improve the legal framework and the operational environment. Moreover, a government bond index, launched in 2012, will provide a critical tool for measuring market performance.

4.3.6 Financing integrated housing and infrastructure development programme in Ethiopia

The Government of Ethiopia is promoting an integrated housing and infrastructure programme, which provides housing units, roads and streets, and urban services. In the capital city Addis Ababa, the programme has produced over 175 000 housing units of different sizes and types. In the last five years it has created over 600000 permanent and temporary jobs, especially for young men and women. Also, investment in sewer network, roads and sidewalks, and water supply improvement are implemented.

An interesting feature of the programme is the financing model which brings together the savings of the benefiting households, and the public resources of the city and national governments. The benefiting families pay down payments ranging from 10-40 percent of the cost of the housing unit; the national government waves value added tax, offers long term loans (ranging from 15-20 years) to all qualifying beneficiaries, and subsidizes interest rates to low income borrowers; the city government avails land.

The programme has become popular and the result has been significant. Women and disadvantaged groups have been particularly targeted through quota system. Beside the direct benefits of access to housing and urban services, the secondary benefits in job creation and entrepreneurship are considerable. The programme avails credit, equipment and technical support to youth entrepreneurs and granted them contracts to build cobble stone walk ways and streets, and participate in the supply chain of the housing and infrastructure construction itself. 40 percent of the construction projects are is allocated to micro and small enterprises.
4.4 Improving Land and Natural Resources Management & their Asset Potential – Bamako 2010

As a principal factor of development, land and its function in urban development have been at the core of public policy throughout Africa’s post-independence history. Apart from being the base upon which all urban activities and processes take place, land possesses an inherent propensity to accumulate value and to generate wealth. At their meeting in Bamako, Mali, in 2010, AMCHUD ministers considered at great length the priority importance of the urban land question in the continent. They recalled the Durban Declaration of 2005 by which it was resolved to champion and support innovative urban development and land management practices in Africa. They recalled further the Abuja Plan of Action of 2008 which urged governments to use land for leveraging resources in the provision of housing and infrastructure. Ministers recognized the commitment of the African Union, working with the African Development Bank and the United Nations Economic Commission for Africa, which adopted the Land Policy Initiative Framework and Guidelines to encourage African member states to pursue land policy development and implementation, in order to eradicate poverty.28

Ministers agreed that land policies need to be developed to facilitate land governance that enhances gender equality, decentralized land management and grassroots participation, urban equity, efficiency and sustainability. Africa’s rapidly growing cities need to be strategically guided for longer-term sustainability. In Africa, as elsewhere, land and natural resources are economic and environmental asset as well as a social and cultural resource. Land and natural resources also have a strong geo-political dimension that often goes beyond national boundaries. These multiple facets of land and natural resources, therefore, require clear directives and principles that will govern how land and its resources are owned, accessed, used, managed, administered, transferred, etc. They acknowledged that to effectively address these diverse functions, a land policy should aim at enhancing land productivity and contribute to national development, particularly its social, economic, environmental and political aspects. Without a comprehensive land policy, sectoral reforms will not go far enough to create the sustainable development African countries desire.

At the end of their deliberations, a comprehensive action plan was adopted which included concrete recommendation on actions required in supporting Sustainable Urbanization; i promoting regional Collaboration; improving delivery systems for Land and Housing, and also in ensuring sustainable environment. Most of the recommendations made were of a long term nature, hence this agenda will remain important and relevant for much of the next few decades. More urgently, the land dimension of the urban agenda may need to give priority to specific aspects of developing systems for land administration and management; strengthening supporting mechanisms for land development; fostering transformational rural-urban interface that ensure effective environmental preservation; enhancing land market regulation and creating modalities for land value capture; and also promote policy harmonization for supporting the objectives of continental integration.

It is also noted that urban development, in the rapidly urbanizing situation of Africa, puts pressure on land and its associated ecosystems. As African cities grow, it is essential that an approach to city-region development should be adopted to mitigate urban sprawl and make consumption patterns more sustainable and compatible with environmental limits. The answer lies in better guidance and control of city-region configuration and improvement of policies to protect biodiversity and enhance natural resources management. Avoiding fragmentation of a landscape and disrupting natural systems can for instance protect valuable ecosystems services (e.g. regulation of water and air quality) and biodiversity hotspots while increasing resilience to climate change and food insecurity. An effective approach to addressing the shortage of land in urban setting is the process of land readjustment. This is a tool that can support sustainable urban development by allowing for planned and managed urban extension and densification. This technique brings a group of neighbouring landowners in a partnership for the

largely voluntary land contribution or sharing, joint planning and servicing of their contiguous plots with equitable sharing of costs and benefits among public bodies, landowners and developers. The surrender of land for infrastructure and other public space needs, and sometimes also for sale to offset infrastructure costs, is a key characteristic of land readjustment. UN-Habitat believes that there are many potential benefits of land readjustment in terms of managing urban growth via expansion and densification. The attraction of land readjustment for landowners is that they can the neighbourhood where their property is located facilitating in the process increases in the value of their property. For local and municipal governments, land readjustment can facilitate the efficient urbanisation of land at a reduced cost because the project site and infrastructure rights of way do not have to be purchased or compulsorily acquired and development costs can, in some cases, be substantially provided from within the project. There are, however, some significant limitations to conventional land readjustment approaches. While the technique has been widely used in developed countries such as Germany, Japan, Korea or Spain, there has been limited success in using it to produce sustainable pro-poor and inclusive outcomes, particularly in developing countries. The absence of conducive legal frameworks, complex institutional arrangements, lack of financial planning and capacity to utilise land value gains and a limited professional capability to manage the process, combined with the absence of a genuine commitment to stakeholder and community engagement, have all served to limit the potential of land readjustment to date.\(^{29}\)

A critical dimension of land, particularly taking into account its dual bearing both as a space which define location and also as asset defining property relations is its representation of public-private relations. The configuration of urban land, specifically the pattern of street distribution, arrangement and connectivity is a major indication of the management of public space in an urban setting. The street system provides the connectivity matrix for the city, which is fundamental for urban mobility. The efficiency of this mobility is a determinant for urban economic productivity. Secondly, the street pattern also provides the matrix for the layout of urban basic services, mainly energy, water supply and sanitation, drainage, transportation, parking slots and other services. The affordability of these urban services is related also the quality of street patterns. Thirdly, the street pattern, including plazas and public gardens, is the key element of personal interaction and communication between the citizens. In that sense, it defines the cultural and political quality of city life. Fourthly, the walkability of the spaces, the safety of the sidewalks and the form and location of shops along the street determines the quality and quantity of street life. When safety and security issues arise, public space is abandoned and gated communities emerge as a form of protection against the rest of the city. This results in the failure in the function of cultural life of the street. The relevance of street patterns and public space requires planning at the initial stage of urban growth. Otherwise, if urbanization happens spontaneously, the introduction of public space afterwards becomes very difficult and expensive, both politically and economically. This paradox of the public space is that we need to design it in advance of the growth. Usually, when governments face the initial stage of growth, there is insufficient legal and technical capacity to address the planning issue. A political decision should be firmly in place to avoid the risk of unplanned growth. The perverse consequences are congestion, inequalities, segregations and lack of street life and safety. Together, this jeopardizes the chances of prosperity for the people living in the city.\(^{30}\)


**4.5 Territorial Planning, Improving Basic Service Delivery, and Responding to Climate Change – Optimizing the Urban Advantage - Nairobi 2012**

The three issues addressed by the 4th session of AMCHUD in Nairobi, 2012, have been recurrent themes since the founding conference in Durban. The decision to devote an entire session to address them, and in the end to situate the three within the overall consideration of optimizing the rising urban advantage is an indication of their impact on urban development. As it was summarized in the introduction of this document, the Nairobi Pact went to great length to outline what needs to be done for each of those issues. Right at the outset, the action points in the pact are tasks to be accomplished over a long period. What needs to be reiterated at this point is that territorial planning is the anchor for all that is desired of the future African urban system. It is appropriate planning that will provide a basis for responding to rapid growth; for accelerating economic transformation; and even for fostering closer integration among countries. As agreed at the Nairobi meeting a more rigorous and revitalized approach to territorial planning is required. Urban systems of the future will have to be different by avoiding the current shortcomings and deficiencies.

Similarly, among the trends referred to earlier is the aspect of meeting the commitments of the Millennium Declaration -which essentially are in the sphere of basic services. Backlog of the past two decades coupled with demands of the rapidly growing population underscore the primacy of this agenda items. In fact, the very principle of improving the well-being of Africa people by 2063 cannot be attained if urban service are insufficiently and poorly provided. Once again, new approaches are needed and innovative business models have to be developed.

**4.5.1 Improving Basic Services Delivery**

Similarly, among the trends referred to earlier is the aspect of meeting the commitments of the Millennium Declaration -which essentially are in the sphere of basic services. Backlog of the past two decades coupled with demands of the rapidly growing population underscore the primacy of this agenda items. In fact, the very principle of improving the well-being of Africa people by 2063 cannot be attained if urban basic services are insufficiently and poorly provided. Once again, new approaches are needed and innovative business models have to be developed. It is also important to foster African regional and south-south cooperation, and enhance political prioritisation to address urban basic services challenges that trigger investments and make basic services infrastructure become accessible and affordable to all.

New cities should integrate resource efficiency measures and renewable energy systems in their planning and design. With the rapid urbanization taken place in Africa more than any other continent, the transition towards low carbon cities should be given high priority. African cities are endowed with renewable energy potential that have not been tapped. Transforming municipal waste into energy is gradually been adopted by several local authorities as a solution to their solid waste management system.

Transportation and Mobility are central to sustainable development and can enhance economic growth, improve accessibility, and also achieve better integration of the economy while respecting the environment. The development and implementation of accessible, affordable, efficient, financially sustainable, environmentally friendly, and safe transport systems in Africa to improve access and mobility for the poor will be paramount for such growth.

To enhance the gains in the water and sanitation sector in Africa, efforts should be directed at accelerating efforts at leveraging financial resources and improving institutional capabilities and mechanisms to enable the scale-up and replication of successful approaches and good practices for affordable, water and sanitation services delivery that target the poor.
Rapid urbanization process in Africa has all the ingredients to increase the factors for increased urban storm water flows and the challenges associated with their management. Hitherto, storm-water management as an important component of urban infrastructure services has received inadequate priority and consideration. Storm-water drainage is however one of the few urban services that configure and shape a city and its form, and African leaders need to consider measures to effectively consider this fact in the planning of urban spaces.

On the third issue addressed by the Nairobi meeting – mitigation and adaptation to climate change – the gravity of this agenda item cannot be overemphasized. The very geography of current urbanization in the Africa call for serious attention be given to this issue. Many urban centres in the continent are in vulnerable settings - not very far from coastal areas; are prone to flooding; erratic water sources; competing with fertile agricultural lands. As settlements expand and new ones are built with the growing population the severity of climate change impacts will increase.

4.6 Enhancing the Urban Productive Base

While this is an issue not yet taken directly by AMCHUD ministers, it is a major attention area for regional institutions – UNECA & AfDB – and of significant importance to Ministers of Finance and Planning in Africa. The issue is premised on an acknowledgement of the dynamic role urban centres are playing in the continent, particularly in their substantial contribution to the GNP. As shown at the beginning of this document despite the many constraints, a bulk of the gross domestic product in the Continent is generated from activities based in urban centres. Indeed, like in other regions of the world, urban centres in Africa have always been nodes of innovation, creativity and relative productivity.

It has to be noted, however, that the overall continental productive base is still very low, surpassed by that of individual countries such as India, Italy or Brazil. The continent has the lowest gross domestic product. At the same time, employment generation is low and the multipliers of economic activities remain still weak.

In its new urban strategy, the African Development Bank calls attention to transforming African cities into engines of economic growth and social development. The Bank recognizes that the continent’s cities and towns can be a major driving force for economic development.

It outlines its vision for urban development in Africa as “to make African cities and towns (i) healthy environments for citizens to live and work; (ii) competitive and bankable with a strong development base; and (iii) well governed. The Bank Group’s assistance will boost the viability and competitiveness of cities to enable them foster sustainable economic and social development and to serve as engines of growth. This will be done within frameworks of national development, characterized by strong urban-

Source of Data: World Bank, 2013
rural linkages, and with emphasis on achieving the MDGs. In terms of policy choices and strategies, the Bank observes that Africa has largely neglected its cities. It cannot afford to continue to do so if the anticipated urbanisation scenarios become a reality. Africa will need to develop the policies and institutions to support urban growth. The main aim of urban policy should be to help cities deliver agglomeration economies while reducing the costs that come with rising congestion.

The linkage between urbanization and economic development was also addressed during the 5th Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance Planning and Economic Development in March 2012. It was observed in a Note for the High-level Panel Discussion on “Africa in 2050 – The making of a global pole” that Industrial and innovation policies (which have a bearing on the business climate) go hand in hand with urbanization policies. Together these affect what sort of productive activities flourish, their competitiveness, how much employment they generate, their growth potential and the revenue they produce for cities. Managing urbanization in order to extract the productivity gains from agglomeration and urbanization economies and a variety of spillover and demonstration effects will be a test for policymakers. This must be accomplished while containing the higher per capita resource and energy costs, and also containing the negative externalities that undermine the quality of urban life and contribute to environmental degradation.

Enhancement of the urban productive base is therefore a sine qua non for sustainable urban development in Africa. As the continent embarks on its urban transition the essential actions and strategies in the realm of the urban economy have to be part of the urban agenda.

4.7 Improving Management Systems, Governance & Legislative Frameworks

Way back since the 1970s, with the first wave of decentralization and institutional reforms, it was recognized that the institutional and legislative framework is an important factor in achieving development goals. During the past 40 years a number of initiatives have been taken almost in all countries aimed at enhancing the performance capacity and effectiveness of systems and frameworks both at the level of central governments, local authority as well as parastatal bodies. By the turn of the century some countries were even embarking on a fourth and even fifth generation of reforms and revitalization, including expanding the scope for citizen participation, increasing transparency and raising levels of accountability.

Despite the many achievements gained from the past decades of reforms, it is quite evident that effectiveness in dealing with even the current level of urban and human settlement development is still very limited. Structural bottlenecks prevail within and among institutions charged with the responsibility of managing the sphere. AMCHUD ministers have brought up in one way or another the urgency of improving management, governance and legislative frameworks in relation to almost every issues they have considered in their meetings.

Apart from the common absence of national urban policies in several countries, coordinating the multifaceted sectors of human settlement and urban development has remained a major challenge. Frequent changes in the configuration of ministries responsible for the two areas have impeded the organizational growth of these steering institutions. Restrictive relations between central and local authorities, as well as that of the latter with structures (if any) at the neighbourhood levels have weakened performance effectiveness. Positive norms of governance are still being developed in many institutional settings. And with respect to legislation, many countries are still at the beginning of the

33 Transforming Africa’s Cities and Towns into Engines of Economic Growth and Social Development. AfDB. Tunis, Tunisia. P.11
process of streamlining statutes, rules and regulations relating to the various aspects of urban development and human settlements.

There is no promising evidence that the above challenges can be overcome in a few years to come. The complexity associated with urban growth and increasing urbanization will require further enhancement of systems capacities. Economic transformation and regional integration will also need commensurate strengthening and adaptation of institutional and legislative processes. For much of the next five decades the process of enhancing management, governance and legislative frameworks will have to remain an essential part of the urban agenda.

4.8 Urban Safety, Risk Reduction, Disaster Preparedness and Response.

Urban areas, especially in the developing world, are increasingly confronted by crises of urban violence and crime, as well as increasing vulnerability to natural and human made disasters. The quest to increase urban safety, especially during the last two decades during which safety deterioration has escalated in some places to a level of terrorism is recognized as among key challenges of the 21st century. Similarly, increasing levels of agglomeration of people and physical structures, including also rising speed of flows have increased the risk of all types of disasters. The phenomenon of climate has exacerbated both the incidence and magnitude of disasters in the continent, thus almost overstretching the response capacities.

4.8.1 Urban Safety

During the last decade African urban centres are witnessing a sharp escalation in the incidence and severity of various forms of urban crime and violence. This corresponds with global trends since the 80’s, where security has acquired a dimension unknown before all around the world. The rate of delinquency has increased exponentially and in Africa this situation was worsened by the existence of civil wars, effects of the structural adjustment, inequalities and the new urbanization process which has transformed Africa from a rural continent to an urban one. Since then the delinquency has been contended in some cities and countries but in the majority of them, the rate of criminality has been maintained or even increased and diversified. Youth gangs, organized crime, terrorism, cybercrime, and even violence related to election processes such as in Kenya or to social revolution such as the Arab spring in North Africa or of civil war like in Ivory Coast or human being trafficking have aggravated it.

Consequently, many neighborhoods remain unsafe. Youth at risk in urban area have increased, drug consumption is assuming dangerous proportions and notwithstanding, the scourge of violence against women continues is also escalating. There is overwhelming support for the idea that the urban poor suffer most from urban crime and violence even though this group of urban residents living in informal settlements is often the target as sources of lawlessness and disorder. Urban based crime has also acquired a regional dimension with criminal networks connecting across cities, facilitated by information and communication technology, particularly the internet and mobile phones.

It is recognized that crime and violence have diverse social and economic costs on neighbourhoods, cities and nations: direct costs to the health system, policing and justice systems, housing, and social services are attributed to the occurrence of crime and violence. Likewise, indirect costs on communities and nations include higher morbidity and mortality due to homicides, suicides, abuse of alcohol and drugs, and depressive disorders as well as growing mistrust and a lack of social cohesion. Economically, direct costs are related to deaths, disabilities, and over—investment in the security apparatus. “
Furthermore, certain population groups are most vulnerable to the threat of and exposure to violence. Women, children and youth represent the most vulnerable groups when it comes to violence and crime. Based on country data, it is noted that up to 70 per cent of women, globally, experience physical or sexual violence from men in their lifetime, (the majority of which is committed by husbands, intimate partners, or someone they know)\textsuperscript{35}. Children and youth are similarly over-represented.\textsuperscript{36}

The multidimensional spatial, social and economic effects of lack of safety and its impact on urban development as well as on residents’ quality of life are a global development challenge and something from which African cities will continue to grapple with for a foreseeable future.

4.8.2 Risk Reduction and Disaster Preparedness and Response.

As urbanization increases and cities grow and expand, more and more people are exposed to risks associated with nature as well as those related to technological hazards. There has been increased vulnerability to floods, earthquakes, landslides, epidemics, industrial as well as transport accidents as the level of urbanization rises. Underlying reasons for the high losses of life and property have often been poor planning, weak land-use management, inadequate capacity to enforce laws and regulations, and also deficiencies in facilities and infrastructure. Location of settlements in vulnerable areas has exposed populations, particularly low income earners to catastrophic risks and hazards. Failure to take necessary measure to mitigate the impact of climate changes and to adapt to its outcome has also exacerbated vulnerability and exposure to risks.

It is acknowledged that much as the process of urbanization increases the potential for risks, it does also provide for improving human security and reducing risks from most disasters. By embedding foresightedness in the planning process, incorporating appropriate technologies for flood controls, marshland protection, and designating settlements in non-risky locations the impact of natural disaster can be minimized. Similarly, by upholding proper standards and enforcing rules and regulations many accidents could be prevented and their impacts reduced. For all these to happen, a high degree of resilience has to be built into the system of managing urban development.

4.9 Cross-cutting Issues: Promoting Inclusiveness - Gender, Youths, & Human Rights

In the final analysis, urbanization and urban centres are all about people. Sustainable urban development for Africa, as it should be for all regions, is about enhancing the welfare and wellbeing of human beings – all human beings irrespective of gender, age, physical ability, culture or creed. It is reckoned that while women constitute half of the population in African urban centres, the functioning and structures of most of these cities does not provide optimum access and benefit to them. The pattern and design of service provision, employment facilities, safety and security, and even ownership of land and housing tends to be biased against women. It is therefore important that in all the above measures the gender dimension has to be incorporated. It is important in this regard, that women and engagement needs to go beyond overcoming their current vulnerabilities. The ultimate objective has to be the full empowerment of women to access and benefit from the city at their optimum potential.

\textsuperscript{35} “In South Africa, a woman is killed every 6 hours by an intimate partner”; “in Guatemala, two women are murdered, on average, each day”; “in India, 22 women were killed each day in dowry-related murders in 2007”; and in the United States, one-third of women murdered each year are killed by intimate partners. For more information please refer to http://www.unifem.org/gender_issues/violence_against_women/facts_figures.html.

\textsuperscript{36} It is estimated that each year, more than 1.6 million people worldwide lose their lives to violence; this is among the leading causes of death for people aged 15–44 years, yet the majority of these individuals are younger than 29 years of age (WHO 2002: 1). See also http://www.who.int/mediacentre/news/releases/2013/violence_against_women_20130620/en/index.html (accessed 21 June 2013)
The same applies to youths who constitute not only the majority in African cities, but they are the ones who possess the energy and vigour for carrying through the urban transition to its full conclusion. As more of the youths move into cities, it is important the programmes and initiatives are included in each of the above intervention aiming at harnessing the creativity and energy of the urban youths.

Underlying the normative basis of the future African city needs to be the principle of inclusiveness. Every urban resident has to gain unobstructed access to the benefit of urbanization. At the same time, every individual, without discrimination, has to acquire the space and opportunity for realizing their full potential. While these are attributes of economics and law, fundamentally they are the essence of human rights – which should be fulcrum of the future Africa urban agenda.

5. Conclusion

The fact that the Africa of 2063 will be dominantly an urban one needs no over-emphasis. The process has already begun and it is now entering a most dynamic phase. As it unfolds, and rapidly so, the reality of urbanization and human settlements will continue to impact on almost all aspects of the Continent’s development. It is therefore important that the on-going process of articulating a new vision and charting out pathways for the desired destiny of its people takes serious account of the implications of this momentous phenomenon.