



UN HABITAT FOR A BETTER URBAN FUTURE

GLOBAL REPORT ON HUMAN SETTLEMENTS 2009



PRESS RELEASE

EVERYDAY 200,000 NEW CITIZENS: EVERY MONTH A CITY THE SIZE OF SANTIAGO

URBAN PLANNING CRITICAL TO MEET CHALLENGES OF RAPID URBANIZATION ACCORDING TO NEW UN-HABITAT REPORT *PLANNING SUSTAINABLE CITIES: GLOBAL REPORT ON HUMAN SETTLEMENTS 2009*

With almost 200,000 new dwellers flooding into the world cities and towns each day, inequalities are worsening and informal settlements are mushrooming. If unchecked, this could lead to wide-scale violence and chaotic cities, UN-HABITAT says in its newly-released publication *Planning Sustainable Cities: Global Report on Human Settlements 2009*.

The rate of influx means that a new city the size of Santiago (Chile) or Kinshasa (DR Congo) is being born every month. The report identifies inequalities in developed and developing country cities as being driven by factors that include current forms of urbanization, vast income disparities, social divisions, gender discrimination and even international migration. When comparing cities across the world, the report finds that some large cities in the US, for example Atlanta and New York, have as high a gini coefficient (an economic measure of income inequality) as Abidjan or Buenos Aires.

In her introduction, Anna Tibaijuka, the Executive Director of UN-HABITAT, points out that "future urban planning must take place within an understanding of the factors shaping 21st-century cities, such as 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 rapid growth of cities has given cause for "great concern", which can only be overcome with innovative forms of planning and urban management. The report adds that because 17 per cent of cities in the developing world are experiencing annual growth rates of 4 per cent or more, "significant land and infrastructure development will have to take place to accommodate this growing population".

In developing countries, new arrivals from the countryside settle in peri-urban areas of cities and towns of fewer than 500,000 people. There, they engage in informal businesses, transport and the provision of other services; and set up informal homes on areas prone to storms, floods, landslides and other natural disasters. These are just some aspects of daily life for the one million slum dwellers around the world.

In **developed countries**, international migration is driving urbanization; with ethnic or religious groups congregating in certain cities or within a section of a city. This continuing trend could lead to resentment and violence from the indigenous community.

Migration, whether within a country or from developing to developed world, is a major factor for urbanization and, in some places, leads to large slum populations. A staggering 62.2 per cent of **Sub-Saharan Africa's** urban population live in slums, while the informal economy labour force accounts for around 60 per cent of urban jobs, and even a larger proportion of women's economic activities. New forms of planning will be required to deal with these pressures.

Latin America and the **Caribbean** is no better, although there are significant differences among the countries of this group. Over 60 per cent of urban residents in Jamaica live in informal settlements and slums. Just 9 per cent of Chile's population falls into this category. Overall, an estimated 70 per cent of new housing production in the group is informal, the Global Report says.

However, the report says that in Latin America some municipalities - for example Bogota in Colombia, Curiba, Rosario and Porto Alegre in Brazil - are developing "more strategic and proactive approaches" to planning and implementation to deal with informality.

In 2005, in **Eastern Asia** urban slum population percentages were 36.5; 42.9 for **Southern Asia**; 27.5 for **South-eastern Asia**; and 24 for **Western Asia**. However, there are considerable variations in the subregion. In Cambodia the figure is 78.9 per cent and in Thailand 26 per cent.

PLANNING SUSTAINABLE CITIES

Imposed structural adjustment and economic liberalization policies that emerged in the 1970s drove large numbers of formal-sector urban workers into the informal sector. However, increased competition from cheap imports is also a factor.

Informal manufacturing and services predominate in the entire Asian sub-region. On average, this activity accounts for 65 per cent of non-agricultural employment between 1995 and 2000.

Informality differs starkly in form in developed countries and those in economic transition. There is little informal settlement, presently, in Europe and North American cities, with the exception of tiny travellers' settlements and some small-scale squatting in disused buildings. Some informal occupation and modification of formal buildings occurs in inner-city areas, especially by slum landlords and poor urban residents, among them recent migrants. The expansion of settlements into areas surrounding cities has also been observed, for example in the Veneto Plain in northern Italy. Here, agriculture and urban development has been closely related. Urban development areas have occurred through the cities of Venice and Padua, as well as through the largely uncontrolled expansion of numerous villages for artisanal industry, commerce and residential uses.

Employment in developed countries is in formal enterprises, and urban planning and regulation systems are strongly developed. Compliance with labour and development regulations is widespread and enforcement effective. However, economic liberalization since 1980s has been associated with the growth of various kinds of informal economic activity, unregulated wage employment to reduce costs, and moonlighting or self-employment that evades taxes. Estimates are that in the highly developed countries of the Organization for Economic Co-operation and Development, the informal economy accounts for about 16 per cent of value added.

Better approaches to urban planning and management are needed in the face of growing informality. Past approaches of formalizing informality have failed: it destroyed livelihoods and shelter, exacerbated exclusion and marginalization, the report says.

The Global Report assesses the effectiveness of urban planning as a tool for dealing with the unprecedented challenges facing 21st century cities and for enhancing sustainable urbanization.

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