LEVERAGING URBANIZATION AND GOVERNANCE FOR GROWTH IN AFRICA:

A FRAMEWORK FOR ACTION

Discussion Paper

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1 Introduction

This policy paper was developed under the guidance of the Expert Review Group (ERG), a joint initiative of the United Nations Development Programme (UNDP) and UN-Habitat, the United Nations agency mandated to work on urban issues. The paper aims at summarizing potential opportunities for leveraging urbanization for economic growth in Africa and highlighting priority areas of engagement for a future joint UNDP/UN-Habitat task force. Furthermore, it provides a comprehensive but summarized shopping list of ideas to build a framework of action for this task force. The paper identifies key players and partners in the Africa region working on urbanization issues for designing sustainable partnerships and engaging in transformative collaboration in Africa. The paper was developed in liaison with the UNDP and UN-Habitat teams and follows a framing paper submitted to the ERG in November 2015. It benefited from comments received and discussions made during a two-day expert meeting in Kigali in November 2015.

To this effect, UNDP's Regional Service Centre for Africa, in collaboration with the UN-Habitat, intends to explore the accelerators to urban economic transformation in Africa–including security, rule of law, and social governance. The goal is to provide scenarios on what needs to change in the way the urban sector is governed in Africa to facilitate positive economic transformations.

Through developing this policy paper, UNDP seeks to advance collaboration and partnership with UN-Habitat at the regional and country level. In this partnership, UN-Habitat will act as the technical partner and UNDP as the development partner. UNDP, through the Addis Ababa-based Regional Service Centre will provide the requisite support for robust joint programming on 'Urbanization for Development in Africa.'

This policy paper will guide the joint efforts of the two sister UN agencies in providing support through a regional programme guiding transformational development plans and policies at the country level.

2 Context

The process of urbanization in Africa has the potential to be the most important instrument for social and economic development and poverty alleviation if a comprehensive framework for urban growth is established. The timing to get urbanization right is critical as most urbanization in Africa is yet to happen (Kariuki and others, 2013). Policies developed and decisions made today can change the direction of the urbanization process and its potential outcomes in Africa over the next decades.

In recent years, increased attention to urban issues, at scales ranging from global to local, highlight opportunities for effective partnerships to be forged. Strategies from a broad range of initiatives and organizations including the Africa 2063 Vision, World Economic Forum for Africa 2012, and the African Center for Economic Transformation all highlight focus areas within which leveraging urbanization for positive outcomes is critical.

The roles of a growing consumer class in cities must be leveraged to promote a prosperous Africa based upon inclusive growth and sustainable development. The African Development Bank estimates that the size of the middle class in Africa in 2010 was 326 million, or 34 percent of the population, having grown from 26 percent in 1980 (African Development Bank, 2011). Cities have the potential to play a major role in the development of regional non-agricultural value chains. As African nations seek to become strong, united, resilient, and influential global partners, their cities are becoming top investment destinations because of rapid urbanization and the concentration of wealth and human capital. They are also becoming pilots for social development initiatives such as empowering women and integrating marginalized groups. As a result, an appropriate framework for development must be designed to optimize the social and economic benefits of urbanization for the region as a whole.

Since the start of the industrial era, no country has achieved middle-income status without being urbanized (Spence and others, 2009). In Africa, this point is demonstrated by the fact that the strongest and most diverse economies are also those that are the most urbanized: Egypt, Morocco, South Africa, and Tunisia. It is also notable that these countries, compared to the prevalent situation in Africa, are some of the more stabilized countries with respect to conflict and human rights violations.

In each of these four countries, those sectors with strong urban links–such as banking, construction, retail, and telecommunications–contributed to more than 70 percent of GDP growth over the past decade (UN-Habitat, 2014a). In Tunisia, roughly 70 percent of the country's eleven million citizens live in urban areas, primarily on the Mediterranean coastal belt. Tunisia's urban sector is overwhelmingly the most vibrant contributor to the national economy, accounting for more than 85 percent of the country's GDP. Approximately 56 percent of the population and nine out of ten Tunisian industrial firms are located within an hour's travel time from Tunisia's three largest cities: Tunis, Sfax, and Sousse, which account for 66 percent of the country's GDP (World Bank, 2014a). South Africa has the largest and most industrialized economy in Africa, and the 28th-largest economy in the world. Nearly two-thirds of its 50 million residents live in urban areas, making it one of the most highly urbanized countries in sub-Saharan Africa. Eighty percent of South Africa's GDP is generated in urban areas, with Johannesburg and Cape Town collectively generating 30 percent of the country's GDP (UN-Habitat, 2014a). In Morocco, 80 percent of economic activities in industry and services are in Casablanca, Rabat-Salé, and Tangiers. This accounts for 75 percent of all urban employment, yet these cities harbour only 10 percent of the country's population (UN-Habitat, 2012).

2.1 SOME SNAPSHOTS OF URBANIZATION IN AFRICA

Sub-Saharan Africa is urbanizing at nearly an annual rate of 3.5 percent (African Development Bank, 2012)

However, more than two thirds of its population still lives in rural areas. In the next 35 years, Africa needs to accommodate almost 900 million new urban dwellers: equivalent to what Europe, the USA, and Japan combined have managed over the last 265 years (Mo Ibrahim Foundation 2015). The UN Population Fund predicts that the urban population in sub-Saharan Africa will double between 2000 and 2030 (UNFPA, 2007). While some of this growth could be attributed to rural-urban migration, most of it will be due to natural increases in the urban population, as well as reclassification of rural areas to urban (Map 1).

Africa's urbanization process is not happening in the same nature or at the same pace in all the counties. Only 17 countries have a population that is over 50 percent urban. Africa's proportion of urban population is considerably smaller than that of Asia, Europe, North America, or Latin America and the Caribbean. The percentage of people living in urban areas in Northern Europe is more than double that of Africa. Similarly, urban population in Asia is 4.5 times that of Africa. The majority of population in northern African countries

lives in urban areas. However, the rate of urbanization in sub-Saharan Africa is much lower. Rwanda is urbanizing faster than other sub-Saharan countries. However, at the same time, some countries are de-urbanizing: Mauritius, Swaziland, and Zimbabwe. In Zimbabwe, this is due to urban-rural migration. The most recent Zimbabwean census, in 2012, showed a growing proportion of the total population on communal land and in resettlement areas, suggesting de-urbanization can be attributed to governmental policies of ongoing land resettlement programmes (Mo Ibrahim Foundation, 2015).

2.2 URBANIZATION IS A SOCIAL DEVELOPMENT STRATEGY

2.2.1 THE ROLE OF URBANIZATION IN EMPOWERING MARGINALIZED GROUPS

Significant progress has been made in closing gender gaps in Africa, yet urbanization presents unique opportunities to women and girls. Female labor force participation rates are high in non-agricultural fields in urban areas throughout Africa, reaching 85-90 percent in countries such as Burundi, Tanzania, and Rwanda. There is improved access to health facilities for women in urban areas as compared to rural with 75 percent more births attended by skilled health professionals. Female literacy is usually higher in urban areas than in rural areas, although literacy levels still vary across countries. The Democratic Republic of the Congo, Namibia, and Zimbabwe all have urban female literacy rates above 80 percent, compared to Angola and Chad with rates below 30 percent (Mo Ibrahim Foundation, 2015).

Urban poverty and inequality tend to be dominant concerns in the face of urbanization, yet evidence of the benefits to individuals and households from associated income diversification and risk mitigation should take center stage (Ellis and Harris 2004). Policies should enable labor mobility as part of general welfare and poverty reduction strategies. There have been notable success stories in Botswana, Mauritius, and Uganda of income gains coupled with declining poverty over the past decade or more. Numerous additional examples of relatively rapid growth coupled with good governance have recently emerged including in Benin, Burkina

Map 1 Countries with an urban majority by 2015 and 2050

- 50% urban in 2015
- 50% urban in 2050
- Not expected to be 50% urban by 2050
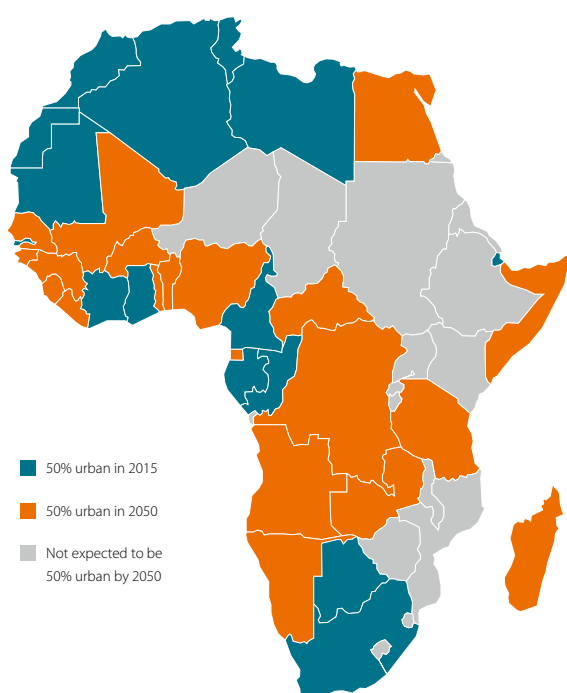
Source: Mo Ibrahim Foundation 2015.

Faso, Ghana, Senegal, Mauritania, Mozambique, and Tanzania (Kessides 2006). These cases provide examples of how urbanization may be coupled with inclusive development through effective policy and programming.

2.2.2 THE POST-CONFLICT ROLE OF URBANIZATION

Sadly, recent decades witnessed many violent conflicts in the Africa region and urban areas have a particularly important role in mitigating the consequences of conflicts during and after incidents. First, cities provide a level of anonymity and an opportunity for those damaged or alienated by conflict to start anew. Second, they provide an avenue for youth to pursue employment outside of agriculture, the sector that is often ruined in conflict, if the proper governance structures are put into place. Without wise governance, cities can solidify inequality through stark neighborhood boundaries and clear distinctions in the levels of quality of service provision.

During Liberia's 14-year civil war, 500,000 people were displaced from their homes and many moved to the country's capital of Monrovia. After the conflict, while the majority of internally displaced persons returned to their rural places of origin, many chose to remain in Monrovia to rebuild their lives (Collier, 2003). However, although the city has provided avenues for new types of employment in manufacturing and services, informal settlements have proliferated. Political conflict has been a significant driver of urbanization in Rwanda. The genocide of 1994 exacted a huge human and socioeconomic toll and recovery occurred alongside huge population growth in Kigali. As a result, the present government has had to deal with inward migration and fast urbanization as integral to the process of restoring peace and nation-building (Uwimbabazi & Lawrence, 2011).

2.3 URBANIZATION IS AN ECONOMIC DEVELOPMENT STRATEGY

2.3.1 THE ROLE OF URBANIZATION IN PROMOTING PROSPERITY

Urbanization can result in prosperity and productivity and thus it has the potential to lift Africans out of

poverty. World Bank analysts attribute as much as 30 percent of progress towards the Millennium Development Goals to the process of urbanization. This is in part due to urban-rural disparities; in-migration from rural areas to urban centers as people seek utilities, safe drinking water, education, and economic opportunity; and the agglomeration economies that emerge in urban centers (World Bank/IMF, 2013).

If planned well, cities can contribute significantly to national GDP and can be magnets for attracting foreign direct investment. In Malawi, four major cities housing 13 percent of the country's population contribute 33 percent of national GDP. Secondary cities also contribute about six percent to national GDP, while housing only three percent of the population (World Bank, 2016). In Ethiopia, 15 percent of the workforce lives in cities contributing 38 percent of national GDP. The reason is attributed to high productivity associated with predominantly urban sectors, such as services. Service accounted for 58 percent of the growth in gross value added (GVA) between 2005 and 2011, compared with 12 percent for manufacturing and industry in urban areas (World Bank, 2015).

2.3.2 THE ROLE OF URBANIZATION IN SUSTAINABLE AND INCLUSIVE GROWTH

Intensified economic activity in urban centers heralds an opportunity to leverage urban resources, specifically land, for sustainable development and economic growth. Lack of institutional capacity and data on land values can lead to inefficient land transactions and uses, creating barriers to affordability and accessibility. Efficient land management can leverage land resources for public revenue and private gain in support of efficient urban economies (Lall, 2013).

African cities can reap benefits by learning from international experience to better manage and gain from urbanization. Africa has experienced the highest urban growth rate in the developing world, which is expected to continue until 2050 (African Development Bank, 2012). Like much of the developing world, despite the increasing size and population of slums, especially in sub-Saharan Africa, half of the

poverty alleviation rate has been due to the process of urbanization. Paralleling the global principles outlined above, the realization of opportunities from urbanization in Africa depends on several factors. World Bank analysts have narrowed important factors to urban planning and land use; healthy land-markets with a sufficient supply of affordable land; strong governance in the form of capacity at decentralized levels, effective enforcement of zoning, and collection of taxes; public investment in infrastructure; enterprise investment in productive capital, and household or private investment in housing (Lall, 2013; Kariuki and others, 2013).

3   Development Challenges of Urbanization

This section examines urbanization challenges in Africa, itemizing a list of key challenges and offering some examples. Without addressing these challenges, urban development will result in 'the urbanization of poverty (Ravallion, 2001)' and will fail to leverage the opportunity to build strong communities in vibrant and livable cities.

Africa's share of urban population is expected to grow from 36 percent currently to 50 percent and 60 percent in 2030 and 2050, respectively (African Development Bank, 2012). The increasing rate of urbanization has been a result of in-migration from rural areas, causing urban areas to increase in size with a large proportion of growth on the peripheries in informal settlements. Weak governance has led to dysfunctional land and housing markets, contributing to sprawl. Given the lack of formal channels to sustainably participate in urbanization, many

urban dwellers only find opportunities in informal settlements as they move up the income ladder. However, due to sprawl and contributing factors such as poor access to finance, informal development often occurs to the detriment of urban dwellers in terms of environmental threats, physical insecurity, increasing inequality, and decreasing access to services and transportation (Kariuki and others, 2013). Some of the urban challenges faced by Ethiopia offer an insightful example (Box 1).

3.1   COMPETITIVENESS CHALLENGES

3.1.1   LACK OF AN INTEGRATED APPROACH

In Africa, urban centers and human settlements create critical hubs and provide nodal linkages required to reach continental unity and cooperation for development. However, throughout the region

Box 1 What are the urbanization challenges in Ethiopia?

What is the situation of urbanization in Ethiopia? The share of urban population in Ethiopia was 17.3 percent in 2012, one of the lowest in the world and well below the sub-Saharan Africa average of 36 percent. But urban population is projected to triple from 15.2 million in 2012 to 42.3 million in 2037, growing at 3.8 percent a year. Infrastructure and service delivery are already under pressure in Ethiopian cities due to growing urban extents and limited municipal budgets. At the same time, Ethiopia is going through a demographic transition, where the labor force has doubled in the past 20 years and is projected to rise to 82 million by 2030, from 33 million in 2005. Therefore, Ethiopia has to create jobs in urban centers to exploit its demographic dividend. Ethiopian cities contribute to 38 percent of gross domestic product, but they employ only 15 percent of the total workforce, due primarily to the high productivity associated with sectors located mostly in urban areas.

What are the challenges associated with urbanization in Ethiopia? While Ethiopia benefits from high economic growth compared with other countries at similar levels of urbanization, it has the lowest gross national income. Moreover, growth has been driven mainly by public investment and private consumption on the demand side, and by services and agriculture on the supply side, rather than sectors like manufacturing and industry that are associated with higher levels of productivity and employment, as well as structural transformation. Agriculture is still a strong sector, while manufacturing and services employment, in relation to the urbanization rate, have been stagnant or declining. It is also concerning that urban industrial activity is primarily in micro and small firms, while sustained job growth takes place mostly in the medium and large firms. For Ethiopia to reach middle-income status, an economically productive urban transformation will be necessary, but even that on its own will be insufficient. Specifically, urbanization is failing to meet the demands of growing numbers of urban residents in three categories: formal jobs vs the informal sector, infrastructure and services, and informal settlements and housing.

Formal jobs vs the informal sector. Most jobs in cities are in the informal or household sector and waged job opportunities in urban centers are not commensurate with migration. But it is the wage employment, rather than self-employment that leads to the emergence of a middle class in developing countries. In Ethiopia, wage employment is primarily formal and its rate increases with city size. This is encouraging, but the growth of formal jobs continues to lag behind, evidenced by the high rates of self-employment and informal employment in cities. Moreover, even when small to mid-size firms are moving to cities, they lack a corresponding increase in jobs.

Infrastructure and services. There is a big infrastructure gap to be filled. As an example, there is only one municipal sewerage system in the country, in Addis Ababa, serving only 10 percent of the population. Other challenges include solid waste management, road density, which is below the African average, and water sector. Urban population growth will make these challenges more severe.

Informal settlements and housing. Housing quality in Ethiopia is lower than in neighboring countries. An estimated 70–80 percent of the urban population lives in slums, marking it one of the highest rates in Sub-Saharan Africa. Around 80 percent of dwellings in urban areas are made from wood and mud (known as chika construction), while two-thirds of all urban housing units have only earthen floors. The main drivers of the urban housing shortage are low incomes, insufficient supply of serviced land, and high and expensive standards.

Source: "World Bank Group. 2015. Ethiopia Urbanization Review : Urban Institutions for a Middle-Income Ethiopia. World Bank, Washington, DC. https://openknowledge.worldbank.org/handle/10986/22979 License: CC BY 3.0 IGO."

various levels and sectors of government act independently on issues related to urbanization, leading to a fragmented approach. Despite that the continent is projected to be 60 percent urbanized by 2050, policymakers have separated work on the urban agenda from national development strategies. Work on cities is often isolated among urban planners at the city-level and there are huge disconnects between what planning commissions recommend and what ministries of finance do.

Inadequate infrastructure spending in African cities is particularly problematic as greater shares of economic activity take place in urban areas. Many African countries still have appointed mayors, many of whom spend less than three percent of GDP on infrastructure

needs (Leipziger, 2015). Furthermore, secondary cities that play a critical role in the regional development landscape are largely ignored in terms of spending. What's needed is a greater share of public expenditure on forward-looking urban infrastructure development, yet this requires support at the national level, as cities cannot borrow directly from capital markets for their own finance.

Effective national planning and investment hinge on complementary and differentiated urban and rural strategies. Strains that are evident in the continent's urban areas, large and small, are tied to the uncoupling of urbanization and industrialization that can be attributed in large part to Africa's global economic marginalization. Thus, considering urbanization within national and regional economic strategies would illuminate where investments have the greatest potential to lead to widespread development. Governing entities, ranging from the local to national and regional, must allocate resources appropriately and in a coherent manner to optimize the benefits of urbanization through early action. Partnerships must be forged among ministries, and with education institutions, the private sector, NGOs, and residents themselves. For issues including land tenure, infrastructure finance, and creating urban-rural linkages, a coordinated approach would help to efficiently define priorities, sequencing, and how partnerships should be arranged.

3.1.2   LEVERAGING INNOVATION, TECHNOLOGY, AND INDUSTRY FOR EMPLOYMENT GENERATION

In Africa, the development of decent employment opportunities, particularly for youth, is critical to ensure sustained progress. As a continent, Africa remains largely agricultural, though urban areas house mostly service and industry sectors. African manufacturing and higher-value service sectors are relatively small and its 2010 employment shares in industry were 5 percent of total employment–one third of Asia's share of labor in manufacturing. African labor productivity was also roughly half that of either industry or services in Asia (Freire and others, 2014). To be competitive globally, African cities must invest in human and infrastructure capital in line with the needs of attractive industries. Further, policy must be

developed that not only attracts industry, but also provides meaningful avenues for decent employment and upward socioeconomic mobility.

3.1.3   LAND MARKETS AND GOVERNANCE

There are few systems in place, or proper administrative capacity, to value land, the basis of any land governance regime. Without proper land valuation, decisions on zoning to guide urban growth cannot be made, leading to negative effects of uneven density profiles, sprawl, and informality. For example in Ethiopia, the lack of available land and the fact that all land for formal development is provided by the public sector forgoes the opportunity to leverage land for formal, sustainable, and inclusive development and for public revenue generation. Instead the deficiency has created an environment incentivizing informal development and sprawl (World Bank, 2015). The lack of land allocation has affected the allotment for public uses, including transportation routes. Additionally, with strong land governance and management frameworks in place, sub-national governments have the ability to leverage land assets to finance capital investments. Development rights on government-owned land also form a critical component to maximizing infrastructure development, particularly in the form of public-private partnerships (PPPs) (Peterson & Kaganova, 2010).

3.1.4   LOCAL GOVERNANCE

Despite efforts to promote decentralization in most African countries, local governments below the regional level often lack capacity to design and execute successful urban interventions. Historically, governance and services in urban areas in highly centralized countries such as Romania suffered due to devolution of powers and responsibilities to local governments without proper capacity building or budgetary allocations (Profiroiu and others, 2011). Evidence also shows that poverty alleviation occurs most efficiently in intermediate towns, which might be closer to the origin of in-migrants' rural communities and better absorb large populations of in-migrants by distributing them between urban centers rather than in one megacity. This suggests a need for better regional planning to coordinate national portfolios of intermediate and tier-one cities (Christiaensen and others, 2013).

3.1.5 LACK OF ACCESSIBLE FINANCE MECHANISMS

Municipal debt financing on capital markets is not readily available in developing countries, including much of Africa. The lack of regulatory infrastructure and developed capital markets in Africa makes the use of such financing mechanisms difficult. The abundance of natural resources in some African countries, however, offers an opportunity for the development and use of such debt mechanisms. (Hameed & Lamb, 2013; Das and others, 2009). Tanzania and Mozambique offer interesting case studies in this regard (Ventures Africa, 2013).

3.1.6 INFORMALITY

While informal settlements can serve as springboards for in-migrant and poor households to increase their economic standing, in Africa such settlements are often slums, which have mushroomed due to poor governance and enforcement and dysfunctional land and housing markets, and have contributed to rising inequality and insecurity. Slums are characterized by UN-Habitat, based on indicators, as "…a group of individuals living under one of the following four basic shelter deprivations: lack of access to improved water supply; lack of access to improved sanitation; overcrowding (three or more persons per room); and dwellings made from nondurable material" (UN-Habitat, 2002). In-migrants from rural areas often seek employment in the informal sector, accounting for 93 percent of all new jobs and 61 percent of urban employment in Africa). Due to low wages and lack of education and skills, these individuals often live in slums and are preyed upon by slum landlords (UN-Habitat, 2003).

3.2 INCLUSIVITY CHALLENGES

3.2.1 ACCESS TO SERVICES

Provision of services needs to be expanded in Africa, and governments need to improve cost recovery mechanisms for services rendered. Currently, subsidized tariffs are implicit and are not capped, leading to poor cost recovery. Implicitly subsidized tariffs also make expansion of services to poorer households less desirable. When the people are provided with services, they often pay higher prices than alternative sources (World Bank, 2015).

Electricity is one example of these services. Electricity provision is accessible by high-income groups. Among the bottom 40 percent of the population, coverage rates are well below 10 percent of the population. Informal settlements have particularly low electricity coverage rates, partly because of poverty and partly because they often lack the formal property titles needed for electricity subscription. Another issue is access to energy. In six African countries, 95 percent of urban households use solid fuels for cooking. The use of solid fuels results in increased mortality from pneumonia and other diseases among children, and causes 600,000 preventable deaths a year in Africa (Mo Ibrahim Foundation, 2015).

Another major service delivery issue is demand for water, which is likely to increase by 238 percent in the next two decades. In addition, only 52 percent of urban dwellers in Africa have access to sanitation facilities. (Mo Ibrahim Foundation 2015). As a continent, Africa has improved in water provision. In the first decade of the third millennium, 84 million urban dwellers in Africa gained access to improved water (World Bank, 2013). However, provision of water varies from country to country because of differences in urbanization rate and relevant policies. For example, in Nigeria and Uganda, the number of people with access to improved water doubled. But the high rate of urban growth in Nigeria was the main reason for the decline in the percentage of urban dwellers with improved access to water. While Uganda increased urban water access from 78 percent in 1990 to 91 percent in 2008, in Nigeria, improved access to water fell from 79 to 75 percent (WHO/UNICEF, 2012).

3.2.2 RISING INEQUALITY

Inequality in African cities is the second highest in the world with an average Gini coefficient of approximately 0.58, the worldwide average being 0.4 (African Development Bank, 2012). Poverty, informality, and inequality are intensified in African cities that host densely populated slums and informal settlements. Informal service provision, trade, and employment persist as central features. Growth in Southern Africa in particular has typically resulted

from urban economic activity but has failed to raise regional living standards and income levels as expected. Instead, rapid growth in GDP has exacerbated societal fragmentation and inequity. The proportion of urban populations living in slums in major African cities varies widely (Map 2).

The exclusion of women from land rights provokes migration to cities, and especially to slums, where women and girls often join the ranks of female-headed households (Rabenhorst, 2011). In Kenya,

Map 2 Share of urban population living in slums

Almost ½ of Africa's urban population live in slums

Share of urban population living in slums, 2014 (%)

Total urban population by country
Million inhabitants, 2014

Share of urban population living in slums

No data
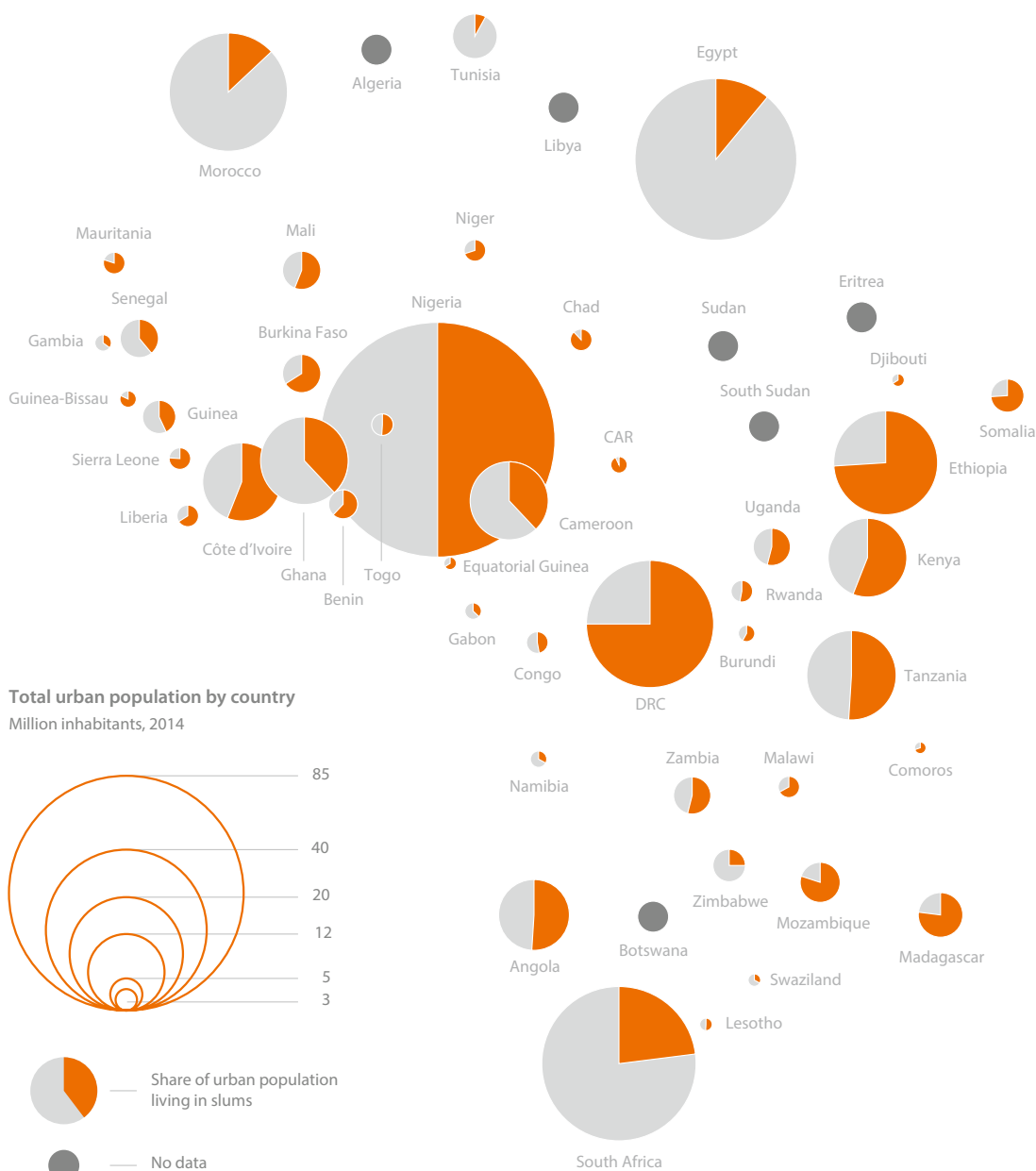
Source: Mo Ibrahim Foundation 2015

one-third of female-headed households suffer from shelter deprivations, which can include lack of durable housing, insecure tenure, insufficient living space, and poor access to clean water or poor sanitation (UN_HABITAT, 2008). Infrastructure deficiencies disproportionately affect women and girls, because insufficient water and electricity resources make household tasks far more difficult. Further, limited access to technology and information contributes toward the marginalization of women with African women being 23 percent less likely to own a mobile phone than men (Singh, 2013). African labor markets are heavily gender-segregated, with women working primarily in informal, low-paying occupations. Only four in ten women work in formal jobs, and even then they make two-thirds as much as their male counterparts. Further, although healthcare in cities is improved as compared to rural areas, the quality of urban health services varies markedly based with income.

3.2.4 URBAN BIAS

In a number of African countries, there is still a strong anti-urban bias towards the growth of cities. Notwithstanding overwhelming evidence to the contrary, urbanization is still seen by many as a problem rather than a positive force in development. As a consequence, much of the economic efforts and funds are spent on rural economic development.

One of the most important challenges is the limited or lack of grasp and understanding of the linkages between urbanization and development. These anti-urban sentiments not only have deeply rooted historical precedents, but present political drivers as well. In Zimbabwe, urban residents are considered 'totemless,' without roots because of mythological beliefs connecting people to the soil. This belief complements active government action against urban and industrial development (Dawson & Kelsall, 2012). Similar sentiments exist in Tanzania where the Ujamaa ideology informs the integration of traditional African values with the demands of the post-colonial setting (Ibhawoh & Dibua, 2003). These cases illustrate a tendency to view urbanization and the retention of African identity as mutually exclusive.

As a result, African governments have responded and planned for urbanization across a wide array of approaches. Some governments have not planned for urbanization at all, but rather react to development crises as they arise. Others attempt to limit burgeoning urbanization through the promotion of rural development and influx controls. Many cities accept growing poverty, informality, and inequality as inevitable due to challenges of institutional and financial capacity (Turok & Parnell, 2009).

3.3 RESILIENCE CHALLENGES

3.3.1 RISK IDENTIFICATION, MANAGEMENT, AND FINANCE

With such a large proportion of the urban environment yet to be built, African cities also represent an opportunity where urbanization can either act as a driver or mitigating factor of risk. Local governments of African cities do not have the capacity to respond to potential disasters because of financial and infrastructure limitations and a lack of proper communication and cooperation between the local and national governments (UNISDR, 2014). There is, however, wide acceptance of the importance of disaster risk resilience and impetus to streamline processes of risk identification, management, and finance. Further, informal resilience capacities are a tremendous resource as evidenced, for example, by local and indigenous knowledge of climate patterns. Local and national governments must provide avenues for this tacit knowledge to be taken into account to inform resilience policy and planning.

3.3.2 CLIMATE CHANGE

Climate change will threaten a number of African cities, especially due to sea level rises. Drought in other areas can lead to disruptions in food value chains and cause food insecurity (UN-Habitat 2014a). Droughts and much of the strongest decline in moisture between 1990-2009, 10-50 percent, have occurred in parts of Africa that were initially relatively dry, resulting in hardship and vulnerability of communities that live there. This usually results in rural to urban migration as the livelihoods of the rural household diminish due to droughts. Research by the World Bank has shown that decreased moisture leads

to an increase in total city income for towns likely to have an export-manufacturing base, emphasizing the importance of economic development and building competitiveness. Climate change can result in spiky population growth in cities that can make planning efforts irrelevant and their methodologies obsolete. Based on some estimates in Africa, each one percent reduction in national rainfall results in increase in the national urban share of 0.45 percent (Barrios and others, 2006).

3.4 SUSTAINABILITY CHALLENGES

3.4.1 SUSTAINABLE CONSUMPTION AND WASTE MANAGEMENT

The rate of urbanization in Africa has had a strong impact on consumption patterns. With a growing middle class has come the adoption of Western consumption habits such as private car ownership, increased meat consumption, and emergence of low-density detached housing developments in suburban areas. Solid waste management is identified as one of the major challenges in the promotion of sustainable consumption and production in the region. Yet, African cities have not set up adequate systems for the collection of municipal and industrial waste due to their poor infrastructure base, limited resources, and lack of proper urban management.

3.4.2 URBAN SPRAWL

The footprint of African cities is expanding faster than the population of those cities, making them less dense but more fragmented (Angel, 2012). In Addis Ababa, density has decreased outside the city center in recent years (Freire and others, 2014). The expanding footprint of cities implies greater expenditure on infrastructure provision to far-flung areas of green field urban development. In many cases, developed areas on the urban periphery are not provided with infrastructure, leading to informal provision that can pose economic hardship and environmental hazard.

3.4.3 SPATIAL DEVELOPMENT OF AFRICAN CITIES

To maximize the potential of African cities, the spatial form of urban development must be optimized for economic development, service provision, and

responsible consumption of resources (Franklin, 2015). This consideration is highly policy-relevant, as many cities in African countries are in the process of designing and building their infrastructure network, making decisions that will shape their urban form moving into the future.

The physical character of urban growth in Africa is also largely influenced by the legacy of colonialism. In particular, colonial attitudes of socio-economic fragmentation and segregation along racial lines have had marked spatial implications. It is in this context that class has replaced colonial racial attitudes in residential and spatial segregation of the city. In Accra, the city has developed based on a World War II era master plan, which distinctive separate areas for squatters and the middle class. The city is now expanding rapidly mostly on the fringes (Rain and others, 2011).

The peri-urban areas have thus developed as a trend in Africa as a coping mechanism for survival for those looking for better economic opportunity while simultaneously being forced to relocate due to demographic pressure (Locatelli & Nugent, 2009). In this sense, the legacy of colonialism, in which affluence is concentrated within high-quality single-family urban dwellings, has resulted in the promulgation of urban sprawl. For Africa to truly leverage urbanization, there must be strong urban planning and policy mechanisms in place to combat colonial path dependency. Compact, mixed-use, and mixed-income development should be promoted to lay the foundation for future development and urban growth not only to promote inclusivity, but also the economic competitiveness of African cities.

Lastly, managing land markets is of utmost importance in helping cities in Africa develop sustainably and equitably. In Nairobi, the failure to manage land markets has resulted in numerous slums within and around the city. These slums are mostly built on public land, occupied by slumlords who then rent to households. Ninety two percent of slum dwellers in Nairobi pay rent, but only 3.6 percent of them have a formal written agreement (Regan, 2015).

4 The Proposed Framework

Urban development is increasingly considered a 'space' rather than a sector. This means that many different topics and actors have to come together to constitute a city that is livable. Livability is a complex concept and is the ultimate goal for cities everywhere. To achieve livability, cities must be inclusive, sustainable, competitive, and resilient.

To begin developing packages of interventions for African cities, we put forth a framework to organize these four notions efficiently. This framework was conceptualized by synthesizing three primary sources of input: i) Sustainable Development Goal (SDG) 11 on sustainable cities and communities; ii) UN-Habitat's 2014-2019 Strategic Plan and Focus Areas; and iii) comments received from both UNDP and UN-Habitat on the initial inception paper and during the Expert Meeting of November 2015.

The main vision behind this framework is SDG 11, adopted during the 69th session of the United Nations General Assembly from a comprehensive development agenda for the post-2015 era. The inclusion of SDG 11 is indicative of the growing importance of urbanization in social, economic, and environmental terms, and this is especially true for Africa. SDG 11 seeks to "…make cities and human settlements inclusive, safe, resilient, and sustainable."

The terms inclusive, safe, resilient, and sustainable outline the desired development outcomes for all cities and human settlements. Yet, in examining the potential to leverage urbanization in Africa, development of clear economic strategies is vital as well. These strategies should not only spur economic growth, but the promotion of decent jobs, reduction of inequality, and alleviation of poverty as well. Therefore, competitiveness was explicitly and separately included in this framework as a desired outcome to complete its four pillars: inclusivity, sustainability, competitiveness, and resilience.

The framework is centered on various policy arenas

to achieve the four-pillar outcome: inclusive city, sustainable city, competitive city, and resilient city (Figure 1). The policy arenas for each pillar highlight channels through which future actions of the task force may be structured. The policy arenas and instruments found within each pillar of the framework are largely informed by discussions during the expert meeting in November 2015, which set clear strategic priorities, and by UN-Habitat's 2014-2019 focus areas of urban legislation, land, and governance; urban planning and design; urban economy; urban basic services; housing and slum upgrading; risk reduction and rehabilitation; and research and capacity development. Each pillar presents four sets of material. First, it outlines policy arenas that constitute that pillar. Second, it summarizes policy actions, and third, desired outcomes. Lastly, it presents an itemized list of actionable ideas for the task force to discuss and agree on.

In addition to the policy arenas, the framework includes three "cross-cutting" areas of intervention, which are overarching and necessary for all four pillars. These three cross-cutting topic areas are municipal finance, governance, and national urbanization frameworks and are considered areas of intervention that span all four pillars of the framework and are critical components of building sustainable, inclusive, competitive, and resilient cities.

First, finance is crucial for urban development, including through improved access to credit and creditworthiness for city governments, investment in infrastructure, development of PPPs, and funding mechanisms for security against natural and man-made disasters. Next, appropriate governance structures and mechanisms have the potential to maximize the use of resources for development, given that varying levels of governance are coordinated and unified in leveraging urbanization. National urbanization frameworks are necessary in prioritizing infrastructure investments and developing packages of intervention for large, medium, and small cities

and towns. In all these arenas, capacity-building for economic development, increased urban planning expertise, and risk mitigation has to be at the core of all the actions by the task force, as competent local governments are crucial to ensure local ownership and sustained progress. This holistic approach essentially has the potential to produce compounded benefits. For example, formulating training programs that consider the dynamics of the informal urban economy would empower otherwise excluded segments of society to generate decent livelihoods. The details of each policy arena follow below.

4.1   INCLUSIVE CITY PILLAR

An inclusive city directly addresses structural divisions between the rich and the poor, the powerful and the marginalized. An inclusive city values all of its residents and provides avenues to participate in and shape urban life through channels such as participatory planning, public budgeting processes, and equitable representation in governance. Inclusive cities facilitate upward economic mobility and shared prosperity. These cities provide opportunities for all to attain sustainable and secure livelihoods, not

Figure 1 **Proposed framework for the task force**

Inclusive City

I
- Urban infrastructure and services
- Transport
- Slum upgrading
- Land and housing
- Empowerment of women and marginalized groups
- Youth development

Sustainable City **S**
- Renewable energy and resource allocation
- Low-carbon development scenario planning
- Pollution and waste management
- Biodiversity and ecosystem preservation
- Green infrastructure

R
- Risk identification and management
- Risk financing
- Climate change adaptation and mitigation
- Public health and epidemics
- Safety, security, violence, and crime reduction

Resilient City

- Job creation
- Innovation and technology
- Light manufacturing and industrial policy
- Credit assistance
- Land and infrastructure
- City competitiveness plan

Competitive City **C**

GOVERNANCE

MUNICIPAL FINANCE

NATIONAL URBANIZATION FRAMEWORKS

only through job creation, but also by increasing advantages through skill and capacity development of the urban population.

Critical components of inclusive cities are the equitability of service provision and consideration of the needs of vulnerable groups in urban plans and planning processes. This equitability is partially predicated on the affordability of basic services, transportation, housing, healthcare, and education. However, true inclusivity is also based upon the ability of a city to integrate the distinctive needs of all

segments of its population ensuring full participation in all that the urban public sphere has to offer.

The protection of human and civil rights for all is also paramount in the inclusive city. This can only be guaranteed through strong and equitable governance frameworks that include provisions for the representation of the interests of all segments of the urban population. Further, transparency and accountability mechanisms must be in place to counter the potential for corruption and domination of powerful interest groups.

Inclusive City Pillar		
Policy arenas	**Policy actions**	**Desired Outcomes**
Urban infrastructure and services	– Equitable access to infrastructure – Inclusivity of service provision – Affordability – Participatory decision-making around planning and service delivery – Ensure integrity and accountability through good governance – Leverage data collection for decision-making by cataloging, analyzing, and identifying service and infrastructure needs, especially for marginalized groups – Energy, water, sanitation, and telecommunication services	– Increased percentage of urban population with access to clean drinking water through plumbing – Increased percentage of urban population spending no more than 15% of household income on transportation and basic services – Increased percentage of municipalities within each country that have established mechanisms for public participation in urban planning processes – Increased percentage of municipalities with transparency and accountability mechanisms – Increased number of open datasets relevant to urban planning and service provision
Transport	– Inclusivity of service provision – Affordability – Connectivity and accessibility – Transit-oriented development – Public transit – Active transport modes	– Increased percentage of urban population with access to public transportation within one km walking distance – Decreased commute time for work, with particular focus on low-income and/or vulnerable populations – Increased provisions for safe pedestrian and bicycle transport – Increased public transit service through rail and bus as appropriate to meet demand
Slum upgrading	– Land titling – Sites and services – Microfinance – Incremental housing – Land tools such as land governance, land sharing mechanisms, land readjustment	– Increased percentage of urban households with a secure form of housing tenure – Decreased percentage of urban households residing in slums as defined by UN-Habitat – Increased percentage of informal households with access to credit and/or micro-credit
Land and housing	– Housing finance – Tenure – Adequate supply of affordable units – Land governance framework including valuation, surveys, and cadastre – Land-based financing through means such as value capture and developer exactions/impact fees	– Decreased number of homeless population – Increased number of affordable housing units in line with local demand – Increased percentage of urban households with a secure form of housing tenure – Increased access to personal finance for housing – Increased accuracy and completeness of municipal property value and ownership records – Increased accuracy of property taxation for increased municipal revenue – Improved ability of municipalities to leverage land assets for development through sound municipal finance and land governance frameworks

Inclusive City Pillar		
Policy arenas	**Policy actions**	**Desired Outcomes**
Empowerment of women and marginalized groups	– Property rights – Access to public space – Post-primary education – Healthcare and reproductive rights – Participation in decision-making processes – Participatory budgeting – Labor market participation	– Increased the proportion of women in urban areas who have clearly defined and protected property rights – Increased safety initiatives in public areas with particular focus on women and girls – Increased percentage of girls enrolled in secondary schools – Increased percentage of women participating in decision-making through government appointments and public participation – Increased percentage of women participating in the formal labor market – Decreased physical or sexual violence against women
Youth development	– Primary, secondary, and tertiary education – Technical and vocational training – Child labor and exploitation – Public and green space	– Increased percentage of children enrolled in and completing primary, secondary, and tertiary schooling – Increased number of technical and vocational training programs available to urban youth, including through distance learning – Increased enrollment in and completion of technical and vocational training – Child labor in all forms terminated – Increased percentage of children and youth with access to public green and/or recreational space within walking distance of residence
Task Force Actions	– Gap analysis and synthesis leading to a policy paper – Establish an inter-agency Task Team to focus on these issues and engage with the consultant in developing the policy paper – Communicate with and engage Country Offices – Identify and establish partnerships defining at what stage and level to engage with other regional/international partners and the donor community – Collaborate with partners to identify current and future data sources for decision-making – Disseminate policy expertise and best practices to regional and international partners – Facilitate partnerships between community organizations, advocacy organizations, and national/international partners in both public and private sectors – Provide guidance for appropriate utilization of different policy tools	

4.2 SUSTAINABLE CITY PILLAR

A sustainable city has the ability to diminish the global environmental footprint. In terms of sustainability, well-managed cities can generate greater levels of societal wellbeing and economic growth at lower rates of resource use, greenhouse gas (GHG) emissions, and other forms of pollution. Sustainable cities can be leaders in environmental stewardship within their nations and regions.

Within the context of the historical prioritization of economic development over other dimensions, increasing awareness of and capacity building in sustainable resource utilization, low-carbon development, and pollution mitigation is critical.

Sustainable urban development requires a systems-based approach to transformation via economies of scale and scope and facilitating rapid social and institutional innovation, while recognizing constraints of biophysical boundaries and ecological carrying capacities.

Sustainable City Pillar		
Policy arenas	**Policy actions**	**Desired Outcomes**
Renewable energy and sustainable resource utilization	– Renewable, low-carbon, and clean energy – Energy efficiency – Resource consumption patterns for energy, water, food, and other goods and services	– Increased proportion of the urban population with access to clean energy sources – Increased share of renewable energy consumption as a portion of total consumed energy – Decreased amount of food waste per capita – Increased percentage of recyclables that are processed in a socially and environmentally sound manner
Low-carbon development scenario planning	– Building level energy consumption – Transportation energy efficiency – City-level energy consumption – Compact and transit-oriented urban planning models	– Decreased GHG emissions per capita – Decreased GHG emissions per unit of urban GDP – Increased energy efficiency of public transit – Decreased GHG emissions per vehicle miles traveled – Increased mixed-use, compact development patterns within urban areas – Increased percentage of buildings in urban areas that are certified green through accredited rating systems
Pollution and waste management	– Industrial waste – Solid waste management – Sewage and water treatment – Air pollution	– Increased percentage of industrial waste that is treated through environmentally sound means with particular attention to chemical, nano, biological, and nuclear waste – Decreased levels of air, water, and soil pollution – Increased the percentage of urban households with access to safe sanitation – Increased the percentage of urban households with safe and environmentally responsible means for waste disposal – Decreased levels of PM 2.5 air particulate matter in urban areas
Biodiversity and ecosystem protection and preservation	– Marine and coastal ecosystems – Desertification – Land and soil degradation – Preserve endangered flora, fauna, and animal-life – Wetlands preservation – Ecosystem services	– Reduced marine pollution of all kinds – Increased protection of marine and coastal ecosystems – Reduced pace of biodiversity loss – Maintained current levels of wetland areas – Increased utilization of ecosystem services to improve urban sustainability and resilience
Green infrastructure	– Green roofs – Rain gardens – Wetlands services such as flood control and shoreline protection	– Increased proportion of buildings in urban areas with green roofs – Increased percentage of buildings in urban areas that are certified green through accredited ratings systems – Increased percentage of total consumed food that is produced through urban or peri-urban agriculture – Increased utilization of ecosystem services to improve urban sustainability and resilience
Task Force Actions	– Knowledge creation, management, and dissemination to UN System leadership; broader response community among government institutions, private sector, and civil society – Institutionalization of policy into tools through standards, environmental and social impact assessments, manuals, and tip sheets – Leverage partnerships with development banks and donor organizations – Cultivate leaders and champions – Prepare knowledge products in different forms for dissemination to the response community and general public – Cultivate partnerships with academia, training institutes, and vocational programmes for training, skills, and jobs relating to green technologies – Share best practice knowledge and advocate at the community level to institutionalize these practices	

4.3   COMPETITIVE CITY PILLAR

A competitive city leverages its assets through good governance and policy actions to create job growth, raise productivity, and increase incomes for all citizens. Competitiveness encompasses equity and poverty alleviation, and entails making the most out of local competitive advantages. Rising competitive cities are often not first tier centers, but rather fast-growing secondary cities that have evolved from market towns to production centers. The most advanced cities in terms of job growth, income, and productivity are often first tier cities that are hubs of financial and creative industries (Kilroy et. al, 2015).

One of the most important factors for competitive cities is agglomeration, which entails the critical massing of infrastructure, economic inputs such as labor and raw material, businesses, and industries. Agglomeration economies are the main advantage of conurbation, encouraging industry growth and competitiveness at all levels.

Another key factor of competitiveness is someone to take the initiative to implement reforms and policies that boost economic activity, urban regeneration, new businesses, and talent development. While it does not need to be the mayor, it often is. This individual or group of individuals is critical in coordinating and optimizing complementarities among different initiatives and policy levers such as taxation, infrastructure improvement, innovation incentives, and visioning.

Benefits from a city's competitiveness can only be sustained when policy actions are coordinated to increase equity, overall development, and resilience as well as economic activity. When competitiveness produces gains for the few at the expense of others, the urban demographic dividend can become a liability and result in social upheaval and instability.

Competitive City Pillar		
Policy arenas	**Policy actions**	**Desired outcomes**
Job creation	– Private sector development – Improving productivity of informal sector – Workforce development – Business regulation – Connecting training and education to needs of the labor market and re-tooling the curriculum as appropriate	– Shift from local market economies to centers of production – Larger urban populations employed – Increased quality of vocational training
Innovation and technology	– Innovation policy development – Tax incentives – Enterprise development – Improve general education system – Attract talent from diaspora populations and complementary R&D teams through incentives and increasing urban quality of life	– Increased quality of general education – Inflow of talent – Increased number of new businesses in diverse sectors – Critical mass of innovators
Light manufacturing and Industrial policy	– Special economic zones – Creation of manufacturing districts to encourage agglomeration and oversight of manufacturing industries – Provide tax credits for businesses to relocate to manufacturing districts	– Establishment of special economic zones, districts, with attendant decrease in rents and increased productivity
Credit assistance	– Micro credit – Standard credit – Foreign direct investment	– Micro credit lending with low nonperforming loan rates – More robust financial sector – Increased foreign direct investment
Land and infrastructure	– Ensure sufficient infrastructure provision for economic activities – Provide affordable land for businesses through special zoning or districts	– Proper infrastructure allows expansion and foundation of industrial activities

Competitive City Pillar		
Policy arenas	**Policy actions**	**Desired outcomes**
City Competitiveness plan	– Determine growth sectors, growth partners, planning, and implementation – Create policy/ regulations that empower local governments to promote local economic development – City branding – Developing local economy and competitiveness plan – Build capacity of local governments to support an enabling business environment – Improve labor laws, tax codes, and trade barriers to encourage growth of small and medium sized enterprises – Create culture of responsiveness in city government to investor and business needs	– Streamlined governance encourages business formation and growth – Foundation of city development agencies and growth coalitions – Growth in number of small and medium sized enterprises – Greater initiative taken on the part of local governments in policy changes
Task Force Actions	– Create framework for public-private partnerships – Consult with private actors – Provide technical assistance to improve vocational education standards – Link private sector needs with educational agenda – Prioritize education agenda – Commission report on policy tools to attract talent through tax incentives and other levers – Investigate international examples of manufacturing districts – Examine possibilities to attract foreign direct investment – Examine potential sources of micro credit funds – Establish regulatory guidelines for micro credit sector – Boost low-risk standard lending infrastructure and funding to provide strong foundation for broad financial activities – Examine best practices and case studies for implementation in African context – Commission report on governance strategies – Identify possible growth coalition partners – Strategize formation of growth coalitions and city development agencies – Establish technical assistance partnerships with local governments – Undertake decentralization initiatives – Establish policy evaluation mechanisms based on firm-level performance – Foster urban entrepreneurship in city governance	

4.4 RESILIENT CITY PILLAR

A resilient city is poised to respond to both chronic stresses and acute shocks in economic, social, and physical dimensions. Building resilience into cities is paramount to ensure that the urban population is equipped to protect itself and recover from issues ranging from high unemployment to natural disasters, terrorist attacks, and beyond.

To build resilience, risks must be identified and assessed systematically with particular attention to potential consequences for vulnerable groups. Accurate assessment of multi-hazard risks depends upon the engagement and empowerment of a broad range of stakeholders. Resilience strategy must be embedded within long-term urban and regional planning, and if done properly can ensure continuity and prosperity through uncertain external conditions.

Resilient cities demonstrate strong leadership, cross-sector communication, and evidence-based decision-making that lead to effective urban management, especially in times of emergency or crisis. These foundational elements must be developed to ensure the integration of effective resilience planning.

Resilient City Pillar		
Policy arenas	**Policy actions**	**Desired Outcomes**
Risk identification and management	– Develop risk assessment frameworks and tools – Develop risk financing frameworks – Multi-hazard–including natural and man-made crises, spills, disease–vulnerability and risk mapping – Assessment of preparedness, early warning systems, and appropriate response plans	– Increased understanding and documentation of risks facing urban areas – Increased availability and use of spatial data for decision-making – Increased number of municipalities with codified disaster risk reduction plans
Risk financing	– Utilize data-driven approaches to risk assessment and valuation – Engaging the private sector – Microfinance arrangements – Risk layering and contingent financing – Risk pooling – Convertible grants	– Increased private sector share of financing for risk mitigation and adaptation – Increased availability of microfinance and personal loans for household-level risk – Increased proportion of viable municipal risk that is financed–climate, disaster, and others
Climate change adaptation and mitigation	– Adaptation to and mitigation of temperature increase, sea-level rise, hurricanes, tornadoes, and other extreme climate events – Changes in precipitation patterns – Changes in duration of growing seasons and of vulnerability to pests – Disproportionate impact on low-income and vulnerable groups	– Decreased impacts of extreme weather events on urban areas – Ensured constant maintenance of sufficient water supply in urban areas – Ensured constant maintenance of sufficient food supply in urban areas – Mitigated impacts of climate risks on vulnerable populations
Public health and epidemics	– Promote decentralized healthcare system – Universal healthcare access – Maternal healthcare – Infant mortality – Pollution and hazardous chemicals – Epidemics and communicable diseases – Sanitation and waste management	– Increased percentage of the urban population with access to affordable healthcare – Decreased maternal mortality – Decreased infant morality – Decreased epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases, hepatitis, water-borne diseases, and other communicable diseases – Decreased levels of air, water, and soil pollution – Increased percentage of urban households with access to safe sanitation – Increased percentage of urban households with safe and environmentally responsible means for waste disposal
Safety, security, violence, and crime reduction	– Black markets–drug and human trafficking – Gang violence – Political instability – Corruption – Illicit finance and arms flow – Urban crime reduction through planning, environmental design, and service provision	– Decrease prevalence of gang activity and organized crime – Decrease rate of violent crimes in urban areas – Increase rate of arrest and conviction for violent crimes – Reduce corruption and bribery through strengthened transparency and accountability mechanisms – Decrease rates of all urban crimes – Increase lighting and surveillance in public areas
Task Force Actions	– Knowledge creation, management, and dissemination to UN System leadership; broader response community among government institutions, private sector, and civil society. – Institutionalization of policy into tools through standards, environmental and social impact assessments, manuals, and tip sheets. – Leverage partnerships with development banks and donor organizations – Cultivate leaders and champions – Facilitate inclusive forums for tension and conflict de-escalation. – Define standard targets and indicators for green performance and accountability – Provide training and awareness for regional countries governments, UNDP country office leadership, and other key stakeholders – Prepare knowledge products in different forms for dissemination to the response community and general public – Cultivate partnerships with academia, training institutes, etc. for training, skills and jobs relating to green technology – Share best practice knowledge and advocate at the community level to institutionalize practices	

4.5 CROSS-CUTTING TOPICS

4.5.1 MUNICIPAL FINANCE

The need for effective mechanisms of municipal finance is becoming amplified within the context of rapid urbanization and increased localization of service and infrastructure provision. While local governments are charged with greater responsibility, they often lack autonomy in decision-making surrounding finance in areas such as taxation rates, debt issuance, and leveraging regional and international support.

To effectively manage municipal revenue streams, expenditure, and assets, a clear framework for governance should be constructed. This includes the formation of institutions with clearly defined roles and responsibilities to deliver and finance urban infrastructure and services. These institutions should facilitate innovative and integrated urban and fiscal planning, so budgeting is a means of implementing long-term plans. Some actionable areas for the task force include improving the efficiency of intergovernmental transfers, strengthening financial and asset management institutions, development of a PPP framework, and city credit-worthiness initiatives.

Improving the efficiency of intergovernmental transfers. In many countries, municipalities depend heavily on national to local intergovernmental transfers. However, these aggregate funding sources are unable to meet local infrastructure and service-delivery funding needs in terms of both quantity and schedule. Furthermore, discretionary grants are generally awarded through nontransparent processes that consider political rather than efficiency or equity imperatives. Localities also depend on tax revenue and debt to meet finance needs. Yet, municipal governments lack the autonomy to adjust tax rates and introduce new forms of service or value-added taxation. Furthermore, very few municipal governments are able to access capital markets or issue debt directly, and are thereby limited in their ability to implement demand-based urban infrastructure and service programs at their discretion.

Strengthening financial and asset management institutions. These institutions must be created and strengthened at national and local levels to promote decentralization of oversight of revenue sources, expenditures, and assets. There is a wide body of research that indicates that funding projects locally leads to enhanced efficiency, though implementation is a challenge. Capacity building for budgeting and prioritizing expenditures–as well as reporting financial status in a transparent and accountable manner–is critical to municipalities. Further, cities must leverage their assets appropriately for project finance. This is not limited to the sale of assets, but flexible-use rights as well.

Development of a public-private partnership framework. The cost of infrastructure development and service delivery exceeds many cities' financial resources. PPPs have become a common instrument to integrate the private sector's financing and expertise with public sector understanding of local governments and regulations. In Africa, private investment commitments in infrastructure projects rose to nearly US$ 13 billion in 2012 following a slump after global financial crisis. These investments were the highest in the telecom sector, with US$ 7.7 billion, followed by energy with US$5.0 billion. The private sector has not shown much interest in investing in water, sanitation, and transport projects. Eighty-two percent of new projects in Africa were developed in the energy sector (World Bank 2012). There is even a higher rise in the number of investors interested in Africa's infrastructure from the private sector in different countries. To correspond to this interest, a clear framework for structuring PPPs is needed to ensure sound contracting measures and assurance that the public benefits of these investments are provided.

City credit-worthiness initiatives. To be empowered, cities must be able to borrow in the financial markets to provide financing for infrastructure delivery. Therefore, the task force needs to focus much of its energy on developing the capacity of local governments to become credit-worthy and obtain credit ratings. The task force can help cities learn about and improve their expenditure control, asset management, capital investment planning, revenue and debt management, and other factors.

4.5.2 GOVERNANCE

The notion of governance may seem a general concept that includes a broad range of issues. But at the urban management level, it is the glue that holds all these policy arenas together. Governance entails empowered and strong institutions free of corruption and run by service-minded civil servants. For this framework of action, the concept of urban governance is broken into four topic areas: decentralization of decision making power and fiscal resources, transparency, empowering civil society institutions, and data and e-governance.

Decentralization of decision making power and fiscal resources. In the past four decades, many African countries have started to gradually decentralize decision-making power and fiscal resources to the local level entities. This has been part of an initiative that started in the 1980s by western and African governance specialists. This initiative has had more concrete results in Asia and Latin America, where responsibilities, employees, and management of fiscal resources have been transferred to the local level authorities.

Transparency and accountability. This policy arena aims at two simultaneous actions: preventing and reducing corruption and improving public sector performance. On the corruption front, the task force needs to understand national level audit institutions and mechanisms to detect fraud and corruption. On the accountability front, the task force can investigate methods to institutionalize performance-based accountability, to ensure the integrity and improvements in the efficiency of government operations.

Data and e-governance. To benchmark performance, make comparisons, and hold governments accountable for service delivery and infrastructure provision, African cities must collect data and construct indices. But building such data sets requires cooperation with various partners that have presence on the ground and in using novel remote sensing and mobile strategies. Therefore, one taskforce goal must be building partnerships and the basis for a large data facility. On the e-governance front, the experience of some other countries can be used to

build south-south partnerships for e-governance initiatives.

4.5.3 NATIONAL URBANIZATION FRAMEWORKS

Urbanization in Africa has potential for positive social and economic development implications given that supporting frameworks and policies are in place to ensure that development gains are realized. Although urbanization presents tremendous opportunities to capitalize upon efficient and effective resource and asset utilization, global experience has shown that challenges associated with structural shifts toward the urban have often outpaced the realized benefits. To harness urbanization and present an urban opportunity, there must be a unified policy direction and coordinated approach that spans governance bodies both vertically from local to national and horizontally across departments and ministries (UN-Habitat, 2014b).

Effective national urbanization frameworks essentially lay the foundation and path forward for maximizing the benefits growth in urban centers within the context of the progress of an entire nation. National urban policy has the potential to identify urban development priorities that are socially, economically, and environmentally sustainable while coordinating cohesive regional spatial plans, municipal finance alternatives, and actions by all relevant stakeholders (Lall, 2013). This has potential to be especially effective in providing a framework for facilitating a multi-sectoral approach, for example in Ghana, where urban development issues are spread among various actors and portfolios (Cities Alliance, 2013).

National urbanization frameworks must include a diagnosis of drivers and projections of the urban shift, including the roles of primary and secondary cities within the national ecology. The urban regulatory environment must be considered to promote desirable patterns of urban spatial development, ensure adequate regulation of land tenure and rights, provide overarching building and zoning codes, and distinguish roles and responsibilities of national and local governing bodies. Next, housing policy should include provisions to meet projected demand in terms of both availability and affordability of units through collaboration between public and

private sectors. Moreover, a national framework for the provision, allocation, and finance of urban and regional infrastructure and services including energy, water, sanitation, telecommunication, and transport is critical. Urban economic planning is essential to leverage each city's particular advantage within national value chains while fostering viable opportunities for women and youth. Finally, national urban policy should consider the dynamics and relationships between primary cities, intermediate towns, and villages of smaller sizes to promote a system-level approach to each of the aforementioned dimensions of a planning framework (UN-Habitat, 2014c). Brazil demonstrated one of the better global examples of planning for urbanization on a national level (Box 2).

Box 2 Treating urbanization as a national policy issue in Brazil

Brazil has been a global pioneer in recognizing the importance of cities within its national development path. This notion was codified initially through the 1988 Federal Constitution and strengthened through the 2001 City Statute that formally recognized the need for urban reform processes (Fernandes, 2007). These policy innovations occurred alongside a shift in Brazil's urban population share from 56 percent to 82 percent between 1970 and 2000 after decades of political regime resistance against adopting an urban agenda (Lall, 2013). Since this time, the government shifted focus to participatory governance and decentralization. Though a Ministry of Cities was created in 2003, it serves as a focal point for coordination, while most urban planning and municipal decision-making occurs in a bottom-up manner (UN-Habitat, 2014b). Legal reforms have been put into place that grant voices to five marginalized citizen categories in political processes and property right protections. The national urbanization framework in Brazil defines roles and responsibilities of actors in the provision and finance of housing and infrastructure with a strong focus on upgrading informal settlements. Participatory budgeting is also a key feature of the Brazilian approach to urbanization where civil society is charged with defining priorities for municipal spending in over 200 cities. Although Brazil still faces tremendous challenges associated with urbanization, including increasing inequality, lack of regionally integrated transport and services, and crime control, the framework in place provides avenues of empowerment for all relevant actors (Lall, 2013).

5 Partners

UNDP and UN-Habitat have the opportunity to leverage the strengths of organizations actively working on development in Africa through the formation of strategic partnerships. These prospects for collaboration–enhanced by UNDP's relationships with national-level governments throughout Africa and UN-Habitat's technical urban expertise– provide an opportunity to influence progressive policy decisions to leverage optimal urbanization. Additionally, the expertise of the UN's Economic Commission for Africa (UNECA) and the United Cities and Local Governments of Africa (UCLGA) group in promoting regional integration will be critical in appropriately leveraging urbanization for holistic development through a network of cities at the intra-national scale. Additionally, although the African Union Commission (AUC) and AfDB do not have explicit urban focus, progressive urbanization hinges on many of their areas of intervention including infrastructure investment and governance. Building upon established areas of strength, this work can leverage expertise, relationships, and platforms for intervention. A summary of various entities working on urbanization in Africa maps out some of the possibilities (Figure 3).

Organization/ Initiative	Year Established	Mandate	Areas of Intervention
UNDP	1965	Mandated to facilitate south-south partnership and cooperation, which is essential in developing policy levers and fostering learning and capacity building for African countries	Focuses on helping countries build and share solutions in three main areas (1) sustainable development, (2) democratic governance and peace-building, (3) climate and disaster resilience
UN-Habitat	2002	Mandated to promote socially and environmentally sustainable towns and cities	Focuses on urban issues including (1) urban legislation, land, and governance, (2) urban planning and design, (3) urban economy, (4) urban basic services, (5) housing and slum upgrading, (6) risk reduction and rehabilitation, and (7) research and capacity development
UNECA	1958	Mandated to encourage economic cooperation among its member states throughout the African continent	Thematic areas of focus are (1) macroeconomic policy, (2) regional integration and trade, (3) social development, (4) natural resources, (5) innovation and technology, (6) gender, (7) governance
AUC	2002	The mission of the Commission is to become an efficient and value-adding institution driving the African integration and development process in close collaboration with African Union Member States, the Regional Economic Communities, and African citizens	Responsible for Agenda 2063 which includes (1) peace and security; (2) political affairs; (3) rural economy and agriculture; (4) trade and industry; (5) economic affairs; (6) legal affairs; (7) science and technology; (8)infrastructure and energy; (9) social affairs, (10) women, gender, and development; and (11) civil society and diaspora
UCLGA	2004	An umbrella organization providing a forum for local governments throughout Africa to collaborate for grassroots change	UCLGA focuses largely on (1) decentralization, (2) African unity, and (3) providing a platform for information exchange
AfDB	1963	Mandated to address poverty reduction through sustainable economic development and social progress in its regional member countries	Priority areas include (1) infrastructure development, (2) regional economic integration, (3) private sector development, (4) governance and accountability, (5) skills and technology
World Economic Forum for Africa	2012	Forum for the discussion on shaping Africa's economic, social, and environmental transformation	Areas of focus include (1) urban Africa, (2) market integration, (3) the role of women, (4) infrastructure development, (5) energy, and (6) innovation
African Center for Economic Transformation	2007	The promotion of policy and institutional reforms for sustained economic growth and transformation in Africa	Focus areas include (1) African national-level determination of growth and transformation strategies, (2) private sector development, (3) institutional capacity, and (4) development policy frameworks

6 Final Words

This paper was developed under the guidance and in consultation with staff from UNDP and UN-Habitat and aims at fostering a partnership between the two institutions and leveraging their complementary technical advantages and presence on the ground in Africa to build better urban communities. The framework developed is ambitious and wide-ranging and requires smaller-scale focus groups that work on each of the pillars to develop a comprehensive framework for action. In this, the policy paper is not exhaustive and only aims at providing a basic but comprehensive menu of policy arenas and actions that can lead African cities towards the optimal outcome of livability. The next steps could involve developing detailed policy papers on each pillar, commissioned to well-known scholars and practitioners who are familiar with the African urbanization context and challenges.

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