Cities Alliance
Cities Without Slums

2001 ANNUAL REPORT

Who are these new urban residents?

Where will they live?

Which land should they use?

Which schools will their children go to?

Where will they get their water?

How will their rubbish be collected?

Where should they vote?

Who will protect them?

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in both the developed and the developing world
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Introduction

In 2030, there will be an additional two billion people living in urban areas – not urbanising, but urbanised. Off the statistical pages, and into the slums. The greatest impact will be felt in the developing world, and nowhere more so than throughout Sub-Saharan Africa and South and South East Asia. In the next 15 years, many cities in Asia and Africa will nearly double their population.
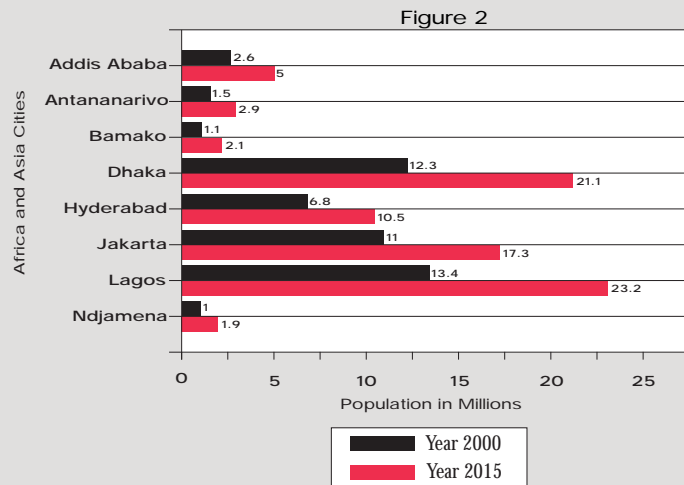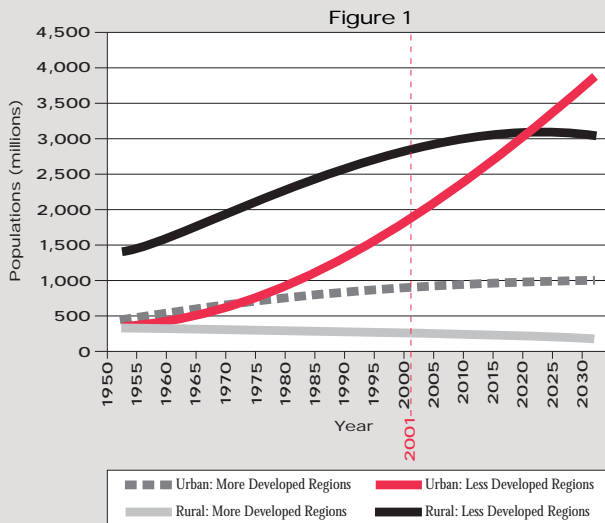
It is a paradox that the greatest global challenge – the growth of poverty – is increasingly being managed at the local level. Even in those parts of the developing world which are already substantially urbanised, cities of all sizes are faced with demands and responsibilities for which they are often ill equipped and ill resourced. Not only will land, water and services have to be provided, so too will political leadership and managerial capacity. Policy and legal frameworks, regulatory authority, planning authority, human skills, revenue base, accounting and accountability will be as much in demand as raw land. The nuts and bolts of urban governance have become a central issue of development.

This scenario calls into question policies and strategies of both the developed and the developing worlds. To begin with, according to the development theories of the 1950s, this wasn't supposed to happen. Rural development was going to keep these people in the countryside. The fact that so many governments still adhere to these theories seriously limits their ability to take advantage of the potential benefits and opportunities presented by urbanisation – benefits for the environment, for agriculture, for off-farm employment and, overall, to the national economy and the prospects of increased income for the poor.

The result of these approaches has no real impact on the pace and scale of urbanisation, but it does have two disastrous consequences. The first is to trap the urban poor in an informal and illegal world – in slums that are not reflected on maps, where waste is not collected, where taxes are not paid and where public services are not provided. Officially, they do not exist.

The second consequence is to limit the impact of both national and international efforts to reduce poverty, since the sectoral fragmentation of policy, analytical and institutional frameworks fails to capture the urban-rural and cross-sectoral dynamics which are critical both to sustainable economic growth and the distribution of its opportunities.

The Urban Transformation: Speed and Enormous Numbers

Figure 1

Source: United Nations World Urbanisation Prospects, 1999

Figure 2

Source: United Nations World Urbanisation Prospects, 1999

Urban Policy Challenges

Who are these new urban residents? Where will they live? Which land should they use? Which schools will their children go to? Where will they get their water? How will their rubbish be collected? Where should they vote? Who will protect them? The developing world is facing a crisis, not because there are no answers, but because too few politicians and policy-makers in both the developed and developing worlds are even asking these questions.

More than half of these new urban residents will be born in cities, some of the fastest growing of which now have relatively small populations; the balance will be poor migrants in search of a better life. Based on current trends, they will live in overcrowded and unserviced slums, often situated on marginal and dangerous land. They will struggle for access to clean water, for which they will pay a premium. Their waste will not only remain untreated, it will surround them and their daily activities and affect the health of their children.

Disputes will be resolved not through the courts, but through informal local mechanisms, often arbitrary and sometimes violent. Although they may reside within the administrative boundary of a town or city, their local authority may well be a slumlord or mafia leader, rather than city council staff, who will often no longer attempt to assert their jurisdiction or even enter the slums. As illegal or unrecognised residents, these slum dwellers will have no property rights, nor security of tenure, but will instead make whatever arrangements they can in an informal, unregulated and expensive parallel market.

This scenario is not only certain, it is already the reality in urban areas in many developing and transition countries, as weak urban governance meets the impact of growing inequality, corruption and imbalances in resource allocation. Ignoring this policy challenge risks condemning hundreds of millions of people to an urban future of misery, insecurity and environmental degradation on a truly awesome scale.

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Fortunately this status quo is changing, as it is simultaneously being challenged by new approaches from four principal constituencies:

1) the **urban poor** who have demonstrated enormous resilience and ingenuity in mobilising and organising themselves when formal institutions have failed to serve them, and are increasingly positioning themselves both as active participants in development and as an electoral force influencing urban policies and public investments;

2) **local authorities and their associations**, which have organised themselves to contribute to the development policy dialogue from their unique perspective as the level of government most directly accountable for the provision of services and support to citizens, and which are increasingly responsive and accountable to their citizens;

3) **national governments** that have, in increasing numbers, pursued policies of decentralisation and democratisation, devolving decisions to the spheres of government closest to the citizens affected; and

4) **bi-lateral and multi-lateral development agencies** that have produced new urban strategies over the last several years with a clear focus on the central role that well-managed cities can play in reducing poverty and improving the quality of life for all of their citizens.

While sharing a positive vision of the opportunities of urbanisation, each of these constituencies has also recognised that this requires a collective effort. No one can do this alone. The unprecedented scale and pace of this urban transition also make it imperative to move beyond pilot projects to city-wide and nation-wide scales of action. It is this challenge that led to the creation of the Cities Alliance.

Introduction

The Alliance was conceived in 1999 as a coalition of cities and their development partners, committed to address urban poverty reduction as a global public policy issue. In creating the Cities Alliance, multi-lateral and bi-lateral development agencies joined forces with development banks and the world's major global associations of local authorities with the objective of advancing their collective know-how to improve the quality and impact of urban development cooperation.

Building on the common elements of their respective urban strategies, Alliance partners agreed to pool their resources and experience to focus on two key interrelated priorities to promote a more comprehensive approach to urban poverty reduction:

- city development strategies (CDS) which link the process of how local stakeholders define their vision for their city with clear priorities for action and investments, and

- city-wide and nation-wide slum upgrading to improve the living conditions of at least 100 million slum dwellers by 2020 in accordance with the Cities Without Slums action plan.

By focusing on the city and its region rather than on sectors, and by scaling up solutions promoted by local authorities and the urban poor themselves, the Alliance is promoting a framework to improve the coherence and impact of external support to local authorities. And by engaging potential investment partners from the outset, the Alliance is encouraging the development of new public and private sector lending and investment instruments to expand the level of resources reaching local authorities and the urban poor, enabling them to build their assets and income.

This is the first annual report of the Cities Alliance, covering the one and a half years since its launch. This period has seen rapid progress in establishing the Alliance's governance and organisational structure, developing its strategy, launching its activities and putting in place its accountability mechanisms. While it may be premature to measure results in some areas, it is clear that the Alliance has already established a strong foundation on which to achieve its ambitious goals.

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