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Cities Alliance

Community Poverty and the Poverty of Communion

Why are there so many slum dwellers in our cities today? Why is poverty so much a characteristic of urban and rural communities in most parts of the developing world? Why are resources, both natural and human, allowed to remain fallow both in urban and rural communities when their development could transform the economic circumstances of the people, increase employment opportunities and generate income for a great majority of people who today are regarded as poor?

To my mind, the simple answer is the poverty of *communion* in most of our human settlements, especially our cities and towns. As is obvious, the word "communion" (Latin: *communio*) comes from the same root as the word "*community*" (Latin: *communitas*). According to Websters New Twentieth Century Dictionary, whilst "communion" means, among other things, "fellowship, interchange of thoughts or interests, agreement, concord", "community" also means, among other things, "fellowship, a society of people having common rights and privileges or living under the same laws and regulations".

Clearly, in most developing countries, communities in the sense of a society of people, whether urban or rural, are

visibly physical and noticeable. What is not so visible is the extent of interchange of thoughts or interests or the level of agreement and concord among its members. In general, it is almost fair to say that when a community is poor in material terms, it is because "communion" or exchange of ideas amongst its members is grossly inadequate. Exchange of ideas in an attempt to reach agreement and concord is central to the whole notion of participation in decision-making. It is also more easily attained at a certain level of decentralized administrative structure within which people can be effectively mobilized to participate in decision-making as against the more prevalent structure of highly centralized and sometimes authoritarian decision-making which most of these countries inherited from their colonial past.

In recent years, the *Cities Alliance* has been concerned with initiating programmes of slum eradication and poverty reduction in different parts of the world through strategies of promoting greater "communion" within cities. This promotional effort has particularly been directed at deepening decentralization and developing consultative and participatory processes in cities. The two campaigns of "Cities Without Slums" and "City Development Strategies" are both predicated on creating and sustaining in cities structures that facilitate the

processes of participation and civic engagement and develop a shared vision of development among all categories of citizens both rich and poor, whether men or women, young or old.

In this special number of *Villes en Développement*,

the experiences of different countries in creating and sustaining such structures of "communion" are presented. In countries as different in size, social characteristics and levels of development as Mauritania, Vietnam, Brazil and China, it has become clear

that such structures are critical for dealing with problems of urban slums and urban poverty. They underscore the fact that in an age bristling with so many products of information technology, a sense of belonging and of participating in decision-making still remains important

for achieving vital human goals of economic advancement and decent living. ■

Akin L. Mabogunje
Chairman, Presidential Technical
Committee on Housing and
Urban Development,
The Presidency, Abuja, Nigeria

The Cities Alliance - Fact Sheet

What is the Cities Alliances?

- A global coalition of cities and their development partners committed to improve the living conditions of the urban poor through action in two key areas:
 1. **City development strategies (CDS)** which link the process by which local stakeholders define their vision for their city, analyse its economic prospects and establish clear priorities for actions and investments; and
 2. **Citywide and nationwide slum upgrading** to improve the living conditions of at least 100 million slum dwellers by 2020 in accordance with the *Cities Without Slums* initiative (Millennium Development Goal, Target 11).

Why focus on the urban poor?

- Over the next two decades 90% of population growth in developing countries will be urban;
- Already close to 30% of the developing world's urban population lives below poverty lines;
- Pro-poor policies are needed to cope with this explosive growth of urban poverty and growing inequality because they threaten the social cohesion and political stability needed for social development and economic growth;
- Demand is high - the urban poor are influencing investment priorities since they are voting in increasing numbers, and decentralisation has put pressure on local governments to be more accountable.

The Cities Alliance Partnership

- Launched in 1999 by the World Bank and UN-HABITAT, Cities Alliance members include:
 - The world's four major international associations of cities;
 - Ten governments – all of the G-7 plus Netherlands, Norway and Sweden;
 - Asian Development Bank, UNEP, UN-HABITAT and the World Bank.
- EU, UNDP, UNICEF and the ILO are also engaged in the partnership;
- A Policy Advisory Board includes eminent urban experts from each region.

Impact Targets

- *Cities Without Slums* goal – improve lives of 100 million slum dwellers by 2020;
- City development strategies – action plans for equitable growth involving all stakeholders;
- Citywide and nationwide scales of action – focus on scaling-up and sustainability;
- Build political will – demonstrate that slums are not inevitable and manage future growth;
- Partnerships – expand the level of resources reaching the urban poor by improving coherence and by more directly linking grant funded technical cooperation to investment follow-up.

The Cities Without Slums Millennium Development Goal

- *Cities Without Slums* action plan: developed by the Cities Alliance and launched by Nelson Mandela in 1999; strongly endorsed by Kofi Annan and incorporated in the United Nations Millennium Declaration (A/RES/55/2) adopted by 150 Heads of State in September 2000;
- Progress in achieving this goal will be monitored through two indicators: (i) the proportion of people with access to improved sanitation; and (ii) the proportion of people with access to secure tenure.

Funding

- \$57 million mobilised to date, with funding targets of \$25 million per year over the next three years, in accordance with the *Cities Without Slums* action plan.

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Report on the South African Cities Network

Monty Narsoo, Chief executive officer of the South African Cities Network Secretariat

The South African Cities Network (SACN) in association with its members, national and provincial departments in South Africa together with international associates, particularly with the Cities Alliance, have undertaken a number of activities that recognise urban development and cities as an important part of the South African policy agenda.

The SACN consists of the nine largest cities in South Africa. These cities contribute to over 80% of the South African Gross Domestic Product and therefore provide the main engines of economic growth and the major locations of human settlements. The key activities of the SACN have been around city development strategies, economic development strategies for cities, urban indicators, urban renewal and regeneration, which includes slum upgrading, and mainstreaming transport and HIV/AIDS as part of city strategies. This will culminate in the preparation and publication of the "State of South African Cities Report". The following reflects the work of the South African Cities Network.

City Development Strategies:

The Board has been appointed as the reference group for work to be undertaken with regard to City Development Strategies ("CDS"). A process plan for further research and training with regard to the CDS has been prepared. In order to clarify the concept of CDS, a corporate presentation has been prepared, providing a generic city development concept.

A national CDS workshop was held with the top political and official representatives of the nine city members. A workshop has subsequently been held with the national Department of Provincial and

Local Government to explore the links between Integrated Development Plans ("IDPs"), a statutory planning requirement for cities in South Africa and city development strategies (CDS). As a result of these interactions, steps are currently being taken to harmonize existing planning legislation, and to enhance the evaluation of IDPs through the application of CDS approaches.

Economic Development:

An Economic Development Working Group was established and is comprised of senior officials from the nine member cities. A process plan for the Economic Development Working Group has been prepared and highlights areas for future attention and research. A presentation has been made to the Department of Trade and Industry. As a result of this presentation, a joint research programme has been initiated to focus on (a) cities in the global economy and (b) cities in the national economy.

Transport and HIV/AIDS

An HIV/AIDS task team has been established and is comprised of senior officials from the nine member cities. A document has been prepared to implement a broad HIV/AIDS mitigation programme. This document has been produced and is currently being disseminated to SACN member cities. We are currently researching city-wide transport strategies.

Urban Indicators Project

An Urban Indicators Working Group has been established to promote the use of information and indicators in strategic planning through capacity building and shared learning. We are currently collating key urban indicators from various sources of data (including data from the 1996 and 2001 South African censuses), indicators based on data collected from the Households and Labour Force Surveys, spreadsheets containing city-related data from national databases and data from local government databases. Some initial information gained through this process has already been captured for inclusion in the State of South African Cities Report.

Urban Renewal/Regeneration Report

This project focused on a series of activities to advance knowledge sharing on urban renewal/regeneration in South Africa. During the first phase of work, a report was prepared identifying key policies, programmes and issues affecting urban renewal in the South African context. This report included an inventory of resources and a directory of key actors at various levels of government engaged in urban renewal activities. The report has been submitted and approved by the SACN Board and some information from the report is to be

included in the State of SA Cities Report. The Board has furthermore approved a roll-out plan for engagement with city, provincial and national government urban renewal practitioners.

Urban Regeneration Tax Credit

Discussions were initiated with the Department of Finance with regards to the proposed introduction of an urban regeneration tax credit. As a result of this interaction, a consultant was appointed to provide support for the development of an accelerated depreciation allowance for urban development zones. A discussion paper was duly prepared and submitted to the SACN Board for discussion with a view to building consensus between member cities. The Board approved the discussion document and mandated the SACN Secretariat to engage directly with the Department of Finance in order to convey the views of the member cities. Some information from the discussion document is to be included in the State of SA Cities Report.

State of South African Cities Report

This project is one of the most important undertakings of the SACN during the current financial year as it seeks to profile the SACN whilst examining the status of cities in South Africa. During the period under review, a content editor, production editor and international support consultant have been sourced in order to produce the first edition of the State of SA Cities Report. A business plan for the report has been finalized and the Board has approved the overall

format, layout and design of the report. Content writing is currently in progress.

Our future plans

CDS: During the next period it is anticipated that SACN will engage with the Department of Provincial and Local Government for the preparation of revised legislation and guidelines for the evaluation of IDPs for metropolitan local authorities.

Economic Development: During the next period it is anticipated that work will commence with regard to the appointment of researchers for key areas of research with the Department of Trade and Industry.

HIV/AIDS: An evaluation of programme effectiveness will be undertaken and briefing report on lessons learned will be disseminated to SACN members. A workshop has been scheduled for October/November with a view to developing a programme for implementation. Presentations will also be made to the Business Council against AIDs and the South African National Task Team for the roll-out of anti-retroviral medication.

Urban Indicators: An assessment report will be submitted on the status and availability of data and existing skills and capacity by local authorities concerning data and urban indicators. It is anticipated that a final report on urban indicators will become available early in 2004.

UrbanRenewal/Regeneration:

A series of workshops with national, provincial and local government practitioners has been arranged in 2003. These workshops will focus on urban renewal activities in urban centers, informal settlements (slums) and exclusion areas. It is envisaged that the second phase of the project, for the design of a phased knowledge sharing programme on urban renewal, will be initiated during this period with workshops to define the key learning agenda areas. This should culminate in the design of one week training course with a view to developing a strategy to institutionalize

the urban renewal/upgrading learning experience.

Urban Regeneration Tax Credit: It is anticipated that the views of the SACN will be incorporated by the Department of Finance into draft legislation which is to be issued during 2003. Presentations on the Urban Regeneration Tax Credit are to be made during the urban renewal workshops during 2003.

Leveraging: As a result of SACN engagements with the Department of Finance, Urban Regeneration Tax Credits to the value of R400 million will become available over a period of four years. As a result of SACN activities linked to the mainstreaming of HIV/AIDs within local authorities, funding of \$200 000 may become available to member cities.

What is our impact?

CDS – To date, the key focus has been on building awareness of CDS. As a result of interactions with member cities and the National Department of Provincial and Local Government, draft amendments to existing legislation are currently being prepared. The CDS methodology has already impacted on the on a number of cities in South Africa which has impacted on the criteria for planning in cities and their recruitment processes. The increased awareness of CDS is likely to impact on the relevance and quality of IDPs in future.

Economic Development

The increased awareness of the importance of long-term economic development strategies at city level is likely to impact on the relevance and quality of IDPs in future. The inclusion of economic development strategies in the criteria for the allocation of regeneration tax credits is likely to reinforce the importance of economic development strategies.

Urban Indicators

The current process is expected to build an awareness of the importance of indicators in city management. The use of preliminary indicators within

the State of SA Cities Report is expected to increase interest in these tools.

State of SA Cities Report

The State of SA Cities Report is expected to provide a platform for SACN and its programmes. In particular, the State of SA Cities Report is likely to reinforce a more careful examination of each city's performance.

Urban Renewal

Increased awareness of the content, scope and implications of urban renewal is likely to enhance implementation amongst member cities. In particular, the report will provide a basis for engagement on key areas of policy with the Department of Provincial and Local Government, the Department of Housing and the Department of Finance. The initiation of a training and capacity building programme is likely to reinforce the establishment of a cadre of urban renewal practitioners.

Regeneration Tax Credit

The involvement of SACN in relation to the proposed regeneration tax credit has had a major impact on the focus of the legislation and has enhanced the prospects for successful implementation. It has also reinforced the reputation of SACN as a source of technical expertise on city development issues.

Where do we go from here?

Key issues from here include the need to consolidate and to clearly identify our relations in the African and international arena. The relationship between cities, particularly in the South, in knowledge sharing and exchanges becomes the core for improving the ability to grow economically, to service our citizens, to govern effectively and efficiently, and to have sustainable futures financially and environmentally. ■

City development strategie in Burkina Faso

François Yatta, Regional Adviser, Municipal Development Partnership (MDP)

Cities Alliance in collaboration with MDP and UN-Habitat has set up programme to support Local Authorities in Burkina Faso, the "Programme de Relance aux Economies Locales" (REEL). The general objective of REEL is to define an informed, participatory vision of the development of these local areas and to identify practical measures to revive economic activities and improve the taxation system.

The Cities Alliance intervention programme in Burkina is entitled "City Development Strategies and local poverty reduction strategic paper for the local governments of Bobo-Dioulasso, Banfora and Ouahigouya". The city of Bobo-Dioulasso (400,000 inhabitants) has already been the subject of an ECOLOC study whereas in Banfora (40,000 inhabitants), the ECOLOC study remains to be done. This south-western region of Burkina is the target of a high concentration of French Development Aid projects. The choice of Ouahigouya (70,000 inhabitants) is justified by the fact that this is the Burkinabe city in which a public communal development institution (EPDC), set up with aid from the Swiss Cooperation Agency, is being experimented and is likely to be extended to all the communes of Burkina Faso. Cities Alliance intervention is thus cofinanced by the Swiss Cooperation Agency, French Development Aid and the National Decentralization Commission (CND). This project is based on experience drawn from the regional "ECOLOC" programme conducted jointly since 1997 by the

Municipal Development Partnership (MDP and the Sahel and West Africa Club. The local processes targeting the identified sites are implemented in two phases: (1) a study phase during which a local consultants team uses an initial document prepared by the common functions team to produce a full analysis of the local economy and its actors, with figures and maps; (2) a consultation phase during which the city centre local authority gradually enters into negotiation with the other local actors to prepare a local development framework with long-term objectives and short-term actions. This second phase will culminate in the organization of a Local Development Forum.

The outcome of intervention for each of the local authorities will be as follows:

- a) a reference framework for local actions;
- b) "project" documents for the revival of the local economy based on leading-sector incentives;
- c) strategies for local development and poverty reduction in urban centres and their rural hinterlands;

- d) a national replication framework and strategy.

Intervention is beginning in the communes of Banfora and Ouahigouya. But for the commune of Bobo-Dioulasso, where the study phase has already been completed, the phase involving consultation and local economic development strategies is nearing completion. It has been conducted by a local committee which has been set up by municipal order and is the local government Client. This committee has twenty members and brings together economic operators, representatives of socio-professional and other associations, representatives of NGOs, and local elected officials.

In Bobo-Dioulasso, the local actors have drawn up a reference framework for local economic development (CRDE), which essentially establishes a long-term vision for local economic development over a time-frame of 15 to 20 years and contains the broad guidelines, key issues and main options open to Bobo and its region for its economic development. The CRDE sets out the role that the economic actors wish the communal institution

to play in the promotion of local economic development, in terms of planning and infrastructure and more generally, public expenditure. And it defines major projects, where initiation and support are key to the economic future of Bobo and its region.

The CRDE also defines the priority activities and negotiations to be conducted along lines recognized as being strategic to the achievement of this vision for Bobo-Dioulasso and its region. The CRDE also identifies what the actors can do themselves and the advocacy strategies to be implemented for measures under the purview of other levels of authority such as central government, sub-regional integration structures or donor organizations. Six ambitions have thus been identified:

1. Restore the transit function of Bobo-Dioulasso;
2. Promote Bobo-Dioulasso as a fruit, vegetable and meat exchange;
3. Boost the dynamism of the informal sector to give impulse to endogenous development;
4. Make Bobo-Dioulasso and its region a regional tourist centre;
5. Promote integrated industrialization on the basis of local potential;
6. Promote the Building and Public Works Sector.

These ambitions each form an operational sub-system and generate

interactions that underpin sustainable development of the economy of the city and its region through a bandwagon effect on other sub-systems of the economy not considered priorities. The materialization of these ambitions has been defined taking into account their institutional implications, the implications for public facilities and infrastructure, the mobilisation of local resources, as well as spatial and social implications. The consistency achieved between these implications together with arbitration by the steering committee have enabled the operational phase of the CRDE to be drawn up in the form of a priority local economic development programme (PPDEL). This programme comprises:

- a regional development programme plan (PPDT);

- a priority investment programme (PIP) and responsibility-sharing for this programme in terms of mobilization of local and external resources;
- a priority maintenance programme (PEP);
- a local taxation reform programme (PRF);
- a municipal management reform programme (PRM);
- a portfolio of projects or measures to revive the local economy (PPR).

The poverty reduction plan is based mainly on the priority maintenance programme (PEP). Preservation of the existing status of local infrastructure, which costs some 3,000 CFAF per capita per year, will form an efficient poverty alleviation measure by making work for small informal sector

companies which are highly labour-intensive. This will provide an opportunity to distribute revenues to this segment of the population which is the most needy. In the second phase, the consultations entered into with associations and socio-professional strata and categories in the city will have previously identified the structuring and neighbourhood facilities intended to benefit from this maintenance, which will have a major impact on poverty reduction.

During the forum on local economic development, scheduled for October 2005, which will wind up the consultations, a Local Development Charter will be drawn up. This document will sanction the local actors' agreement in principle on a long-term

vision for development of Bobo and its region, the action programmes and reforms to be conducted in the medium term, based on this vision, the concrete projects that will implement the initiatives taken over by local actors, and the commitments of the partners to the accomplishment of these programmes and projects.

Technical and methodological support for the complete intervention is given by the Municipal Development Partnership (MDP). Training for the actors and local elected representatives is provided by UN-HABITAT based in Nairobi. ■

Evolution of Urban and Regional Policies of China

Songsu Choi, Coordinator China Urban sector; The World Bank

China is one of few countries that have an explicit and proactive urban and regional development policy as a key theme of national social and economic development policy. This has been the case, though at a smaller degree, for the last half century. This note briefly reviews the evolution of the urban and regional policies of China in modern times as well as other national policies and features of the country that critically affected the nature and evolution of China's urban and regional development.

During the first decade since its founding in 1949, the economic and urban development of the People's Republic of China proceeded in a pattern common to many countries after the Second World War. The main policy focus was on a massive industrialization drive. Without an explicit urban policy, the economic advantages of existing cities and mining areas resulted in their rapid growth. Along with the expansion of industrial production, however, common problems

of urbanization and industrialization also grew. The collectivization of farms and migration of farmers depressed agricultural production, reducing the agricultural surplus needed to support the urban industrial growth. Urban populations outgrew the available food supply and services.

A first set of explicit urban policies emerged in 1959 as a reaction. A system of hukou or household registration was established, that limits access to food

and other services such as housing and education to people designated as non-agricultural households. To overcome the constraints to industrialization, industrial development was pushed to smaller cities, towns, and even villages, under the banner of the Great Leap. The policies achieved the goal of moderating the growth of large cities while expanding the overall urban population and industrial outputs. However, the final economic consequence was disastrous, producing an abundance of unusable industrial goods at the expense of a great famine as rural labor was diverted further to primitive industries. As a result further restrictions were placed on growth of urban population and towns. These policies remained in force, and were accentuated by the Cultural Revolution, keeping the urban population at about the same level (about 17% of the total population) throughout the 1960s and 1970s, disturbed only by another regional development programme, to establish industrial bases in areas away from the border with Russia and largest cities.

The recent vibrant urban and industrial developments were sparked not by a conscious policy for urban and industrial revival, but from a general economic liberalization starting from the rural areas. From 1978, rural areas were given freedom to make their own production decisions and sell their surplus products at market prices, even industrial products. Taking advantage of the freedom, rural villages and towns used the surplus labor and the modest capital gained from the more efficient farming, to manufacture

goods that the state-owned urban industries could not produce efficiently.

The urban industrial system, stifled by the central control and the Cultural Revolution, also began to benefit from market reforms and radical decentralization from the mid-1980s. This allowed heavy investments to expand industrial and infrastructure capacities in cities to recover from the stagnation during the Cultural Revolution, but they still suffered from considerable policy and historical rigidities. Rural industries which had far less resources and capital but more economic freedom generated far more industrial and service sector jobs during the 1980s than all the cities combined.

The government of PRC encouraged the industrialization and urbanization from below allowing a great increase in the number of small cities and towns. The number of cities increased from 188 in 1978 to 450 in 1990 and to 668 in 2000, and the number of towns (generally with population between 10,000 and 100,000) grew from about 2000 to about 10,000 in 1990 and 20,000 in year 2000. The government also had a clear regional priority: it explicitly favored coastal areas in order to take advantage of existing capital and human resources and to complement the economic globalization policy.

In a sense the urban policy of the 1980s and 1990s was similar to the one of the later 1950s, which favored overall urbanization but with a strong concern with the uncontrolled growth of large cities remained. Its pithy expression can be found in the policy slogan - "leaving the farm but not the village"

- and a formal statement of the policy framework written into the 1986 Urban Planning Law - "Control the growth large cities, reasonably develop small and medium-sized cities, and actively promote small towns." The hukou system was left in place although the economic forces made the enforcement difficult, as witnessed by cities in Guangdong province where migrant workers far outnumber population with local residence permits. This system, along with housing and social security systems rigidly tied with local residency and employment, has greatly restricted the labour market and formed a major factor of inefficiency for urban, especially state-owned, enterprises of China.

By the 1990s, however, the rural industrial growth began to slow down partly as the market for the low level goods became satiated and partly as the more successful rural firms outgrew the rural settings or heavily labor-intensive production modes. The Asian financial crisis and on-going state-owned enterprise reform accentuated the weakness in employment and domestic demand generation, and the deflation set in for a few last years of the 1990s. These made the policy makers to focus on boosting demand through fiscal stimulus in the short term and an accelerated, balanced urbanization in the long term.

These factors prompted the government to place the urbanization as the first among 10 key economic development programmes under the 10th Five-Year Plan (2001-2005), ahead of education and agriculture, etc. The 10th FYP still

retains the emphasis on small towns and rural-urban linkages (the newly coined Chinese official term for urbanization explicitly includes towns, as well as cities). But it also espouses more balanced development of cities and urban regions. In terms of city-size focus, the new policy envisages "diversified paths of urbanization, with selective promotion of towns, active development of small and medium-sized cities, improving functions of cities as regional centers, and orderly development of regions with high concentration of towns." Toward this goal, the plan identifies key policy reform measures - to reform and eventually abolish the hukou system, to develop market-based labour markets for higher labour mobility, to improve the land administration to align land use to a more modern urban system, such as reducing the industrial use of central city areas, to establish new urban investment and financing systems, and to adjust administrative jurisdictions to improve inter-jurisdictional coordination.

Along with the government's policy attention, World Bank assistance for urban development has also grown rapidly to become among the most important part of its work in China. The Bank's urban sector operations, with about \$4 billion in loans, supported over 50 cities on a great variety of tasks, especially for environmental improvement; and also provided major input for the reform of municipal institutions, housing system, and urbanization policies. The Bank is utilizing Cities Alliance resources for innovation and assistance that are difficult to pursue

under the constraints of the regular operating programmes. The first CDS in China (2000-02) supported a broad review of an ambitious program to develop Guiyang, capital of one of the poorest provinces. It also helped enrich a plan to develop an

integrated urban region of three major riverine cities of Changsha, Xiangtan, and Zhuzhou in Hunan province with enhanced analysis and participation, and is being followed with a substantial World Bank loan project. The second CDS exercise for China, now under way

with Cities Alliance and the British DfID support, expands on the theme of developing integrated urban regions with an added emphasis on poverty alleviation, by working with four major cities and dozens of surrounding smaller urban areas. In addition,

the Bank is also drawing on Cities Alliance support to facilitate the strengthening of networking among cities of China as well as with cities in other countries. ■

Aden City Development Strategy

Yahya Mohammed Al-Showaibi, Governor of Aden

Aden, a coastal city in Yemen, has received aid from Cities Alliance to evolve a strategy to lead the city towards local economic development with a view to reducing poverty and improving the inhabitants' quality of life. This project, "rebuilding Aden's Glory" has contributed to local capacity building.

The cities of Yemen are believed to be amongst the longest inhabited urban areas in the world and, historically, have been the focus of the country's culture and economy. Today, these cities are facing severe pressures due to rapid population growth (3.6%), high levels of poverty (25.3% of the Yemeni urban population lives under the upper poverty line¹), limited water resources and limited municipal capacity². These pressures are compounded by increasing rural-urban migration due to the absence of reliable water supply in the inland areas. With anticipated high rates of urbanization over the next twenty years, Yemeni cities will have to develop buoyant local economies that generate growth.

Decentralization

An ambitious plan to decentralize fiscal and administrative authorities has been adopted aiming at delegating decision-making from the central

level to elected local councils. But the plan has posed major challenges for localities where there is limited capacity due to an extensive period of centralized administration and control. In this context, the Government of Yemen has made a strategic decision to focus its efforts

and limited resources on developing its coastal cities, starting with Aden, which is also the economic and commercial capital of Yemen. By focusing initially on Aden, the Government seeks to elaborate a model for development and regeneration not only for Yemen's coastal cities, such

as Hodeidah and Mukalla, but urban Yemen more generally.

Aden's Competitiveness and Challenges

Aden is a port of major historical significance on the Red Sea. Its position at the tip of the Arabian Peninsula near the entrance to the



Yahya Mohammed Al-Showaibi

View of the coastal city of Aden

Red Sea, only four nautical miles from one of the largest shipping corridors in the world, provides the city with a vital locational competitive advantage to tap into one of the busiest regional transshipment and re-fueling markets in the world. The city hosts a number of industries, most importantly oil refinery, where production started in 1954. The refinery and the port complex (including the new Aden Container Terminal and the Mo'alla Terminal), including a free zone area under development, are the principal sources of employment in the Governorate, which has an estimated population of 600,000.

Despite Aden's competitive advantages, the local authority faces serious challenges in providing basic services to both citizens and investors, attracting investment to expand employment and services, and defining effective and sustained urban poverty reduction strategies. Some 10% of households in Aden are under the food poverty line³, while 24% are under the upper poverty line⁴. Other challenges include a high rate of unemployment, skills mismatch, increasing migration to Aden from the neighboring Governorates, limited access to credit facilities, complex regulatory procedures and real estate speculation that jeopardizes effective urban planning efforts. Until recently, weak human and financial resources at the disposal of the Aden local government have stunted the city's potential for growth as evident in the absence of a comprehensive city development vision and effective land use plan, poor transport and traffic system management planning, investor difficulties in accessing adequately-

serviced industrial and commercial land, as well as deficient, unreliable and poor maintenance of local infrastructure and utility networks.

Cities Alliance Support

In December 2001, the Cities Alliance approved a grant to the Aden Governorate to develop a "Medium to Long-term City Development Strategy (CDS) for Local Economic Development (LED)" with the aim of reducing poverty and improving the quality of life for its citizens. The CDS includes (a) a LED action plan developed and sustained through stakeholder participation, (b) a Physical Plan to improve access to and the quality of infrastructure services in Aden using the most effective service delivery mechanisms, while ensuring appropriate cost recovery levels and regulatory control, and (c) a Multi-Year Capital Investment Program to ensure that adequate financing is in place to support Aden's revitalization.

On June 16, 2002, a Governor's executive decree established the CDS team and specified its responsibilities. The team comprises 14 members representing governmental and non-governmental agencies. Over the past year, consultations between local authorities and civil society organizations has also resulted in establishing a "CDS Partnership Forum", at which work results are presented, draft policies are debated and decisions are made based on a shared vision. The Forum comprises key stakeholders, including representatives from private and public sectors, civil society, women's organizations, academics and technical experts.

Aden's strategy is based on empirical studies of

the city's comparative advantages, competitiveness and an investment and reform plan to realize its development vision. With a focus on mobilizing the local community of stakeholders, Aden's CDS has established and maintained a dynamic participatory process, which will serve as a critical foundation in fulfilling the city's ambitious and inclusive development programme.

The strategy of Aden is almost complete. The Vision has been simply phrased as "Rebuilding Aden's Glory". The Goals are:

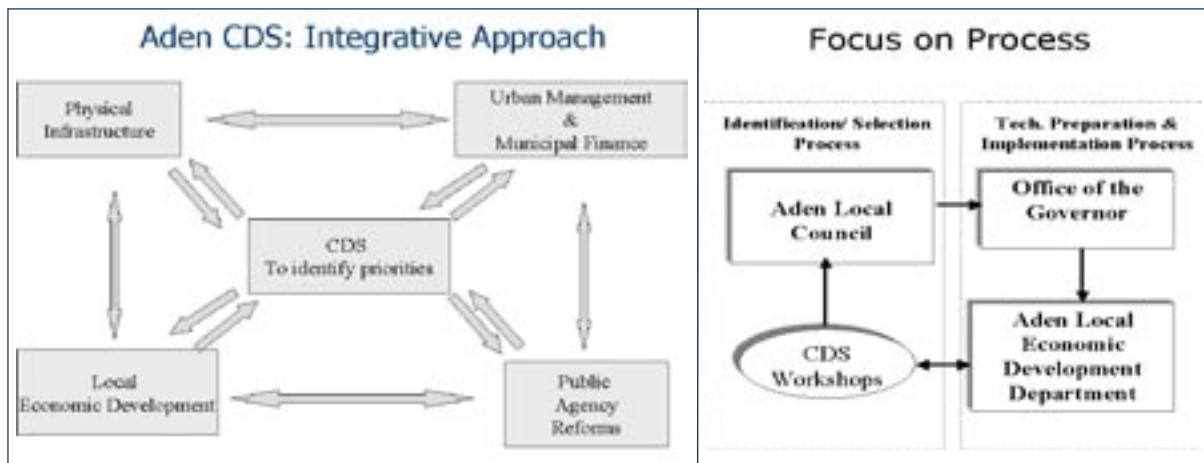
- Developing a Competitive CORE (Aden Free Zone, Aden International Airport and Port of Aden)
- Ensuring the Direct Transfer of Economic Value from CORE to City Economy Through Linkage Clusters/Sectors (Marine Industries, Trade Support & Facilitation Services, Hospitality Cluster, Warehousing & Re-Export Support Services, General Products and Services)
- Diversification of the City Economy & Leveraging the National Economy
- Developing a Conducive Environment for New Investment
- Responsive Human Resources Development
- Equitable Access to Economic Opportunities
- Revitalization of Urban Centres.

The Cities Alliance's support to Aden coincides with the preparation and approval (on January 23, 2003) by the World Bank of a 12-year Adaptable Programmatic Loan (APL) to Yemen for the Port Cities Development Program (PCDP). The objective of the PCDP is to transform port cities in Yemen, starting with Aden,

into regional centres of economic growth by creating environments conducive to private sector investment and development. The first phase financing of the PCDP, in the amount of US\$23 million, is to be used to support local government capacity building, physical planning, small-scale infrastructure improvements, and other efforts needed to lay the foundation for future economic growth. Cities Alliance support has been instrumental in raising local capacity for effective participatory strategic planning, updating the structural and institutional plans of the cities, and in identifying the obstacles to growth and finding suitable solutions for them. The strategy is now being transformed into practical programmes and projects that will be in line with the institutional and technical support to the local authority. Since implementation of the strategy will rely on diversified sources of finance, including the PCDP and partnership with the private sector, a Local Economic Development Department (LEDD) has been established at the Governorate level and staffed by qualified civil servants, supported by private consultants. It is our intention that the LEDD would build on the success of the CDS and evolve itself into a rigorous coordination and strategy-making body. ■

1. Defined as YR2873 per capita per month (US\$ 60 cents / person / day using US\$ 1 = YR 160), representing the minimum cost of food needed by an average person (the food poverty line) in addition to the cost of other basic items such as housing, clothes, shoes, education, health, and transportation.
2. World Bank 2002, Yemen Urban Sector Study
3. Defined as YR2067 per capita per month (US\$ 40 cents / person / day using US\$1 = YR160.)
4. Same as footnote 1

The city of Aden has institutionalised the CDS process.



Omar Razzaz, World Bank, «Globalization and Links with Urbanisation - The Case of Yemen: Yemen Port Cities Development Program». Presentation at World Bank Urban Forum, December 2002.

Poverty Reduction in Madagascar

Jean-Yves Barcelo, Senior Adviser, Urban Finance and Poverty Reduction, United Nations Human Settlements Programme (UN-HABITAT)

Four cities in Madagascar: Antsirabe, Antsiranana, Mahajanga and Toamasina have received aid in drawing up urban poverty reduction programmes (PULP). The aim has been to help four major cities to prepare a strategic framework for planning and poverty reduction in order to mobilize local, national and international funding.

Objectives

The aim was to help four major cities prepare a strategic framework for planning and poverty reduction with a view to mobilizing local, national and international funding covering the following four priority areas:

- Living environment and housing, including the upgrading of basic infrastructure and services, land tenure regularization and the identification of sustainable financial mechanisms for basic

urban services provision in disadvantaged neighbourhoods.

- Economic growth, with guidance of the development of company potential and stimulation of exchanges between cities and their regions.
- Social integration, with the promotion of citizenship and neighbourhood social life, and support for socio-economic integration.
- Governance, with the organization of partnerships between local actors, capacity-building

for programming and planning, the development of consultative and participatory processes, and communication.

Special emphasis was placed on the programming of basic infrastructure and facilities, in conjunction with investments under the Urban Infrastructure Project supported by the World Bank, projects financed by the French Development Agency and the European Union and by a French Development Aid programme in support of neighbourhood initiatives.

Context and constraints

The project was to have been implemented in a context of deepening decentralization, with the creation of autonomous provinces. But the severe political crisis of 2002 caused a one-year interruption in the process and in the organization of project activities and ushered in an exceptional period of great institutional instability.

Over the past few years, several initiatives have supported the involvement of the Malagasy people in decision-making and management of small neighbourhood projects. A number of strategic urban planning tools have also been tested out using a participatory approach (PAGU urban projects and PNLCP municipal poverty reduction plans). More recently, the new Government has introduced a local development plan

for rural communes. UN-HABITAT and UNDP are also providing two other urban communes with aid for the preparation of municipal development plans.

Outputs and activities

Local actors in the four cities joined forces to produce the following tools:

- A city profile to review the main sectors that support local development, the priority problems concerning development and urban management, the institutional framework, the main actors, and current initiatives on investment and capacity-building.

- Specific strategies for each of the identified priority problems, with projects decided by consensus among all the actors.
- A municipal poverty alleviation strategy in the form of an urban poverty reduction programme incorporating all specific strategies, under which one of the aims is to facilitate the mobilization of technical and financial support measures by the partners of the local authority.
- Strengthened municipal capacities to initiate, orchestrate and carry out participatory processes to identify problems, shape strategies and implement action plans.

Assessment and lessons learned:

- Support by UN-HABITAT has been confined to methodological aid. The tools that have been developed are the result of the work and commitment of local actors supervised by municipal coordinators and a national coordinator. This type of approach is therefore easily replicable by



UNDP

national and local institutions for other priority sectors and in other cities.

- There has been a tremendous mobilization of local actors – directors and managers not only in central government and the provinces and communes but also from the private sector, civil society, training and research institutions, NGOs and various associations, and representatives of grassroots populations – which is a sign of the high expectations of participation in local development. In each city, more than 100 participants have been working regularly on producing tools, building up a common vision and sectoral strategies, and formulating many priority projects.
- In this period of severe political crisis, mobilization of the key decision-makers has been insufficient at both the municipal and national levels, which also denotes a limited development of

participatory governance and a certain lack of interest in activities not directly concerned by the targeted investments of international agencies.

- Mobilization of these international agencies has also been insufficient, which is a sign of the difficulty of changing identification and formulation practices for investment projects even though this approach is unanimously encouraged by the entire international community.
- There is considerable demand for land tenure regularization in popular neighbourhoods, which is inaccessible to most of the inhabitants because of a high official and unofficial cost not passed on for the moment in local and central government priority programmes.

Although some of the proposed projects benefit from funding, it is up to all the local actors to ensure that their work is taken in hand and continued until all the

formulated projects have been completed. The programmes of candidates for the next municipal elections should be a good indication of how this work is appropriated by policy-makers. Consultation on major, relatively abstract policies, such as Poverty Reduction Strategy Papers (PRSPs), or on the scale of small neighbourhood facilities, has become commonplace, and even mandatory. However, in Madagascar as in many countries, modern, participatory strategic planning on a municipal scale is still in its infancy, and in practice, it all too often favours quick investments decided without the main stakeholders and without real transparency.■

The city of Antananarivo is currently receiving further joint aid from the World Bank, UN-HABITAT and French Development Aid through Cities Alliance. The project aims to draw up a major infrastructure development strategy and neighbourhood poverty reduction plans.

Morocco – A programme to challenge the resurgence of slums

Driss Benjelloun, Housing and Urban Development Specialist, Consultant

With the new national slum clearance programme (PARHI), the Moroccan Government hopes to improve the housing conditions of nearly 720,000 families¹ living in precarious settlements (slums, under-equipped areas, buildings in danger of collapse, etc.) within the next ten years. This programme is in line with the Cities Alliance 2020 strategic objective of “Cities without Slums”.

The main problem of unhealthy housing in Morocco concerns nearly 262,000 households in slums and 520,000 households in under-equipped, squatter settlements. Since the early 1990s, these figures have been rising at annual rates of 5.6% for the former and 4.9% for the latter. They would have been even higher without governmental efforts targeted specifically at slum clearance, with nearly 5,000 dwellings or building plots provided and delivered annually to slum households during the 1990-99 period. This number was much lower than that of the 1982-89 period (9,000 dwelling units per year). This change in development rates is explained both by slum generating factors (such as rural exodus or urban poverty) and by the social housing production process, with its various related land and financial constraints traditionally found in developing countries.

As these projects are usu-

ally included in targeted programmes, they are naturally the result of different measures, tools and resources introduced by the successive Moroccan governments. This is true of techniques for resettlement or for the upgrading of slums and other housing environments lacking in basic amenities such as wastewater drainage and drinking water. It also concerns financial approaches in which the principles of cost recovery from the beneficiary populations together with governmental aid in all its forms (e.g. budgetary allocation, interest rate subsidies) have been decisive factors. Foreign financing by the World Bank, USAID, AFD, etc., have also had globally positive impacts.

Since 1998, in response to a resurgence of precarious settlements, the Government engaged in a series of evaluations and studies on the strategies that had been implemented. This work included the preparation of a 10-year PARHI

programme to reduce unhealthy housing (200,000 households in slums, 430,000 in irregular settlements and 90,000 in buildings in danger of collapse) and prevent it from spreading (annual public development of 23,000 building plots and 10,000 dwellings for low-income families).

The accompanying measures for this vast programme cover all aspects whether legal (e.g. specific draft legislation on the eradication of unhealthy housing), social (social control of the project, assistance to neighbourhood associations), technical (continuing intervention procedures while introducing the principle of staged provision of land servicing) or financial (cost recovery, direct aids, social housing guarantee funds). It has also been decided to regionalize the management of this programme by developing a conventional policy with the regional authorities, consisting of five-year “contract programmes” that are being proposed

to the Wali of the 16 Moroccan administrative regions. This process is currently being deployed. But however important these measures may be, they remain dependent upon the continued implementation of the strategic vision that has been mapped out, the practical achievement of the political commitments² and the mobilization of substantial financial resources. ■

The Cities Alliance entrusted Driss Benjelloun with the task of evaluating strategies to deal with squatter settlements.

1. 15% of the Moroccan urban population.
2. including those made on several occasions by HM King Mohamed VI since his enthronement in 1999

An Alliance Against Urban Poverty

Daniel Biau, Deputy Executive Director, UN-HABITAT, Co-Chair, Cities Alliance Steering Committee

Urban development policies promoted by the Cities Alliance are in line with the political deliberations and recommendations of UN-HABITAT's Governing Council, which meets every two years. This means that they are unanimously accepted by Governments from developing and developed countries. The Cities Alliance Consultative Group encourages multilateral and bilateral agencies, as well as local authorities in developing countries, to translate these policies into operational activities. This leads in particular to questioning the traditional relationships between stakeholders involved in urban development, i.e. to redefining urban governance. According to the Global Campaign on Urban Governance coordinated by UN-HABITAT, urban governance should put local authorities in the driving seat and encourage participatory democracy by involving disadvantaged and excluded groups into decision-making processes. A strong political will combined with community commitments are necessary to move towards this new governance (which still remains embryonic) and to improve low-income areas.

City Development Strategies supported by the Cities Alliance must respect the principles of good urban governance at both the formulation and implementation stages. They should bring to the field the main thrust and message of the Campaign, which is the case in countries such as Morocco, Mozambique, Madagascar, Indonesia or Cambodia. Slum upgrading projects – the operational component of the Alliance – constitute an extension of the Global Campaign for Secure Tenure. They aim at ensuring land and residential security to slum-dwellers and at improving access to basic services. UN-HABITAT coordinates the activities of the United Nations system in this area and has just published the Global Report on Human Settlements 2003 entitled "*The Challenge of Slums*".

The other indispensable element required to expand urban projects is financial resources. As acknowledged at the Monterrey Conference of March 2002, ODA should be increased in order to mitigate the negative effects of globalization. This is particularly necessary in the urban sector which gets a very insufficient share of ODA. The Cities Alliance plays a catalyzing role in this field, in spite of very limited resources. The Executive Director of UN-HABITAT has recently proposed to establish a global Slum Upgrading Facility and a study on this topic is expected to be discussed by the next Governing Council of UN-HABITAT in April 2005.

While good urban governance implies a more efficient mobilization of local resources by municipalities in the South, including through fiscal reforms, the international community should also fully meet the commitments of the Millennium Declaration. In this Declaration adopted in September 2000, all heads of state and government resolved to have achieved, by 2020, a significant improvement in the lives of at least 100 million slum dwellers as proposed in the "Cities without Slums" initiative. Even if the goal looks modest, this will require concerted efforts, both in the developing countries themselves and from international agencies. A World Alliance against Urban Poverty is therefore needed more than ever.

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Settlement upgrading in Mauritania

Sylvie Debomy, Urban Specialist, World Bank

Alicia Casalis, Senior Lecturer, Institut d'Urbanisme de Grenoble / Consultant

The Government of Mauritania has engaged in a country-wide programme to upgrade squatter settlements, driven by a strong political will to reduce urban poverty.

Mauritania, a vast country covered mostly by desert, has very recently become urbanized following successive droughts (since the 1970s) which have accelerated the sedentarization process. The country now has one of the highest urban population rates (62%) of countries in Sub-Saharan Africa, with the result that infrastructure and community facilities have been unable to keep up with the strong population pressure exerted on urban centres. The rapid population growth of Nouakchott (1/4 of the national population) has stimulated the build-up of irregular, under-equipped districts around a central core. These poor districts occupy 40% of the capital city's land area and offer various urban forms and land tenure statuses: (i) the *kebbe* (dumping ground), a local form of slum with an illegal tenure status, lacking in facilities, consisting of salvaged-wood and sheet-metal shanties (ii) the *gazra* (occupied by force) also denotes illegal occupation with squatter settlements sitting side-by-side with permanent dwellings, and (iii) under-equipped area subdivisions, forming settlement plots that are legal but tend to be located on urban fringes lacking in roads and facilities.



World Bank

Guidance in the field

Measures to alleviate urban poverty and upgrade squatter settlements: priorities in the Government's national policy.

Mauritania was declared eligible for the Heavily Indebted Poor Countries (HIPC) Initiative in March 1999 and completed its PRSP¹ in January 2001. The aim is to reduce the poor section of the community from 46.3% to less than 17% by 2015. Reduction of urban poverty is a key issue in this national policy. A national programme has been drawn up to upgrade squatter settlements, based on two main components: (i) **The Urban Development Programme (UDP)** which

includes an important squatter settlement rehabilitation measure implemented by the Urban Development Agency (UDA), and (ii) the *Twize* programme for micro-project funding and job creation, initiated by the CDHLCPI².

The restructuring/rehousing operation in the *Kebbe* of El Mina.

The first phase of the UDP (2001-2005)³, focuses partly on the *Kebe* in El Mina (Nouakchott, 51,000 inhabitants, 7,475 households), which is the last pocket of this type of settlement. The restructuring of El Mina aims to provide infrastructure and basic urban services while organizing a nearby area to cater for dis-

placed inhabitants – 2,316 households living on land required for future streets and public amenities. To prevent the poorest sections of the community from being ousted by more well-to-do socio-professional categories, the equipment level was tailored to the inhabitants' taxpaying capacities (low technical standards and service levels) and land tenure regularization has been tied to specific conditions (no resale allowed during a given period, handing over of title of occupancy deferred). The upgrading of living conditions is accompanied by poverty alleviation measures such as access to credit and job creation. In the city blocks marked

out by road grids in the re-structured areas⁴, the main access roads will be primarily built and the tertiary network will be provided in stages with community participation and social coordination/control of the project by the NGOs, GRET and Tenmiya. The project proposes to recover costs through local taxes over a twenty-year period.

A relocation action plan for displaced people has been carefully prepared by the UDA with specialized technical assistance. A methodology has been

implemented to identify the beneficiaries and the plots to be allocated. In addition to a plot (120 m²) equipped with latrines, this plan caters for the removal and financial compensation of displaced households), with access to Twize credit (to build or upgrade their dwellings).

In August 2003, the UDA Relocation Department has successfully begun the displacement and relocation of the first 270 families.

In a country such as Mauritania, with no urban tradition, this first large-scale

restructuring operation is a fundamental stage in continuing national policy on the upgrading of squatter settlements.

The Cities Alliance has greatly contributed to the dissemination of this experience by organizing seminars and publishing documents. It has also financed the identification of capacity-building activities for local actors. ■

1. *Poverty Reduction Strategic Paper*
2. *Commissariat for Human Rights and the Fight against Poverty and for Integration*
3. *Credit: 192.67 million USD; IDA, AFD, BAD, KFW. Scheduled over 10 years (two 5-year phases).*
4. *The standard land pattern for restructuring/relocation operations is one of surfaced, 20-metre wide rights-of-way approximately every 500 metres and stabilized, 12-metre-wide rights-of-way every 270 metres.*

The Cities Alliance, a tool for the urban future of developing countries

Alain Henry, Director for Urban Infrastructure and Development, Agence Française de Développement

What are the urban issues in developing countries?

There are major issues at stake in these countries. Nearly half the world's population is now urban and in countries of the south, cities are continuing to grow fast, at a rate of more than a million people a week. And this rate is set to increase still further. But the city is synonymous with gains in speed, productivity and economic transformations. In turn, planning is necessary to facilitate the movement of goods and people, deliver basic services and preserve populations from environmental degradation and public health hazards. Public management deficiencies and a lack of financing in response to this increasing demand result in the exclusion of hundreds of millions of inhabitants, relegated to informal settlements, with no occupational status or access to services and excluded from public life. The Millennium Development Goals therefore include a commitment to significantly improve the living conditions of at least 100 million slum dwellers by the year 2020. What is more, the negative externalities of these major cities affect the entire planet (climatic warming, water pollution, etc.).

To deal with these issues, what does French participation in the Cities Alliance offer? Rather than just sitting back, it unquestionably entails working hand-in-hand with other donors. The work accomplished increases knowledge of the solutions that work and the useful methods. This participation brings together donors and partners in the South, ensuring consistency in the structuring of major financing programmes. It is an easy-to-use tool for financing studies and exchanges of experience. It gives guidance on third world urban issues and circulates good practices.

Which AFD projects are supported by the Cities Alliance?

For example, the Fund has recently launched a study on urban development strategy in Niger, which will form an overall policy framework for action by AFD and other donors. We are also preparing a study in Hanoi on the development of urban transport. This study can forge a coherent whole between the approaches of France and those of the World Bank and other donors. There are not yet many collaborative projects, probably because we have been rather slow to seize this opportunity. But we have decided to make up for lost time, diversify our collaboration, and associate the Cities Alliance in some African programmes such as those in Senegal and Cameroon.

What is AFD's involvement in the Cities Alliance?

French actors are aware of the need to be more actively involved in international discussions, particularly those on development. The World Bank accordingly forms one of the strategic places for outreach of French experience and skills. For its part, AFD is closely associated in technical, economic and institutional discussions. Moreover, there is considerable demand from our Cities Alliance colleagues for French methodological input and for our support to extend their action to French-speaking developing countries. French expertise must participate in studies financed by the Fund and in the strategic thinking of its steering committee.

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Urban rehabilitation in Tunisia

Fathi Kraiem, Consultant

in the late 1970s, the Tunisian public authorities engaged in a slum upgrading policy to improve the living conditions of urban populations and the integration of the settlements into the city.



Fathi Kraiem

Ezzayatine district in Maknassy (Tunisia)

Performance of the housing sector in Tunisia.

The housing sector has always held pride of place in Tunisia's development strategy. From 1975 to 1994, the housing supply developed faster than the natural population growth. Whereas this growth was about 2.2% per year, the mean annual growth of the housing stock exceeded 3%. Housing conditions also improved greatly, particularly in urban areas where rates of electrification, access to drinking water and connection to the wastewater system reached 95%, 89% and 60% respectively in 1994. This remarkable development of the housing sector was accompanied by a considerable improvement in building quality, as shown by the drastic reduction in the number of rudimentary dwellings, which only accounted for 2.7% of the total housing stock in 1994,

compared to 55% in 1966. This performance is rather exceptional for a developing country and is all to the credit of the vigorous housing policy implemented by the Tunisian authorities, which includes the sustained implementation of rehabilitation programmes for squatter settlements.

The development of squatter settlements and response strategies.

Whereas the *gourbivilles* built in 1940 in urban areas were mainly attributable to the rural exodus, peri-urban squatter settlements are the result of heavy urban growth aggravated by the inability of development programmes for social housing and urban facilities to address the situation. Surveys conducted in 1980 in the country's main urban areas, identified 210 squatter settlement areas with more than 500,000

inhabitants, accounting for 28% of the population of the investigated cities. When independence came in the mid 1970s, measures were mainly repressive, driven by a bulldozer policy supported by social measures (rehousing areas, return to the villages). But this policy, which was costly both financially and socially, was doomed to failure. In the 1970s, there was a change in the formation patterns of squatter settlements, which resulted in an improvement in building quality and showed that households had investment capacities and were able to produce dwellings adapted to their needs.

Urban rehabilitation policy and programmes.

The recognition by public authorities of squatter housing as an urban fact explains the introduction

of an urban rehabilitation policy in the late 1970s. Several urban development projects (UDP) were thus undertaken in 1978 with financial and technical assistance from foreign donors. These projects sought to integrate squatter areas and improve living conditions by regularizing their land tenure status. This made the people more secure and led to a self-improvement process by providing them with infrastructure and basic facilities.

Results and impacts of urban rehabilitation programmes.

Since 1978, some 18% of urban dwellings have been reached by rehabilitation programmes and the number of beneficiaries is now nearly 1.5 million inhabitants, which is about 25% of the country's entire urban population. These remarkable results

are due mainly to the sustainability of the institutional and financial resources allocated to these rehabilitation programmes, despite a deficient cost recovery policy and the relatively marginal role of the municipalities. Most rehabilitation programmes have been able to create microenterprises, small trades and proximity services. Besides improving housing conditions in rehabilitated areas, the labour force participation rates in these areas have become comparable to those in "formal" urban areas, and incomes have risen sharply while school enrolment and

health coverage ratios have gained ground. A special study on the impact of a rehabilitation project on women and family businesses in the Ettadhamen district (outskirts of Tunis) showed that urban services have considerably alleviated women's housekeeping tasks: connection to running water has eliminated the chore of fetching water from the standpipe and the time saved can be used for other things; local wastewater disposal has resulted in cleaner immediate surroundings and consequently less frequent household cleaning.

Conclusions.

Urban rehabilitation has now become a permanent component of Tunisia's housing policy which can rightly claim significant accomplishments in this sector. This efficient rehabilitation policy has improved the living conditions of urban communities and has integrated neighbourhoods into the city. The only weak point is the lack of grassroots participation in project formulation and in the financing arrangements, particularly the cost recovery aspect which has been totally neglected,

and the relatively marginal role of the municipalities. The municipalities urban rehabilitation programmes ought to form an integral part of their development strategies. ■

Fathi Kraiem has written a report for the World Bank and the Cities Alliance, entitled "Evaluating urban rehabilitation programmes in Tunisia".

Slum Upgrading in Vietnam

Alan Coulthart, Infrastructure Coordinator, World Bank Office in Vietnam

In response to the increase in the number of slums, with the help of multilateral donors including the Cities Alliance, Vietnam has introduced a new approach to the upgrading of living conditions, which forms part of more comprehensive urban policy.

Vietnam is one of the poorest countries in Asia, and while its population of some 80 million is still predominantly rural, the increasing rate of urbanisation and the urban growth rate will see an increase of up to 20 million urban dwellers by 2020. Like most other Asian countries, Vietnam is struggling to come to terms with an increasingly urban future, and addressing both rural and urban poverty.

Monthly incomes in Ho Chi Minh city are generally

less than \$100 and, in other urban areas, about half of this figure. About 40% of Ho Chi Minh's population of six million lives in 'temporary' housing in poor, unplanned settlements with little or no infrastructure or services, and often in extremely hazardous environmental conditions.

Recently, the Government of Vietnam has been recognising the increasingly significant role that cities play within the national economy. Although the Government has not yet

formally adopted a national slum upgrading policy, it no longer views low-income areas as blights on the city requiring 'beautification'. The Government has been reviewing the lessons from small scale upgrading projects, as well as larger upgrading projects in a number of cities.

Like other developing countries, Vietnam is confronted with a range of critical policy challenges which underlie the national and local government's inability to find affordable and effective

ways to improve the living conditions of the poor. These include:

- a lack of urban policies that focus on the needs of cities, and the poor within them;
- outdated, expensive and inappropriate city regulations and planning standards;
- a poorly functioning and constrained land market that provides few opportunities for the poor;
- financial systems that do not meet the housing and economic needs of the poor;
- a hostile or disinterested response from local and national administrations; and
- the marginal status of unregistered migrants.

A new approach to upgrading is emerging, including a preparatory process of city-wide, inclusive workshops to discuss the merits of in-situ upgrading and the challenges it presents to urban development in the country as a whole. This approach has been greatly facilitated by the unique relationship that has been developed between the international development agencies, which are collaborating within the framework of Vietnam's Urban Forum, which provides a regular platform for government and the donors to meet and discuss urban challenges and responses.

The Urban Forum is facilitating the introduction of new policies more attuned to Vietnam's urban future. Key agencies with a strong perspective on urban development, such as the Swiss Development Cooperation, UNDP, the Belgian Government, the French government, UN-

Habitat and the World Bank have supported upgrading programmes and projects designed to demonstrate the viability of upgrading.

The Vietnam Urban Upgrading Project, for example, which includes the four cities of Can Tho, Haiphong, Nam Dinh, and Ho Chi Minh City, is an initiative funded by the Cities Alliance and managed by the World Bank. Implementation in each city will be undertaken by the City authorities and non-governmental organisations such as the women's unions. Each city programme deals with in-situ urban upgrading, complementary trunk infrastructure, the provision of loans for housing improvements, and the provision of tenure security through the issuance of land-use certificates to slum dwellers.

The Government has also developed a Comprehensive

Poverty Reduction and Growth Strategy (CPRGS) as a national strategy for poverty alleviation. At the same time, a national Policy on Housing for the Poor is being developed which is intended to address not just the upgrading challenge, but also the need to prevent the emergence of a new generation of slums as Vietnam grows and urbanises.

Vietnam has already been reforming aspects of its land market to assist in this process. Recently, the issuance of Building Ownership and Land Use Certificates (BOLUCs) on a large scale has the potential to streamline land development procedures. At the same time, the government is reviewing construction standards with a view to formally adopting more flexible standards for urban upgrading.

However, in other areas some key policy challenges have not yet been fully ad-

dressed, such as the policy of registering migrants, and the discrimination in the provision of social and other services to unregistered migrants.

Overall, the Government of Vietnam has made a number of significant steps towards a more comprehensive approach to urban policy and upgrading. While these steps are still more tentative than they are emphatic, the fact that the Government has opened this policy dialogue and has indicated its willingness to learn from international partners is a positive signal. ■

Publications

Cities Alliance: 2003 annual report.

Washington : Cities Alliance, 2003.- 51 p., tabl., phot. col., graph.

This Cities Alliance 2003 Annual Report presents actions implemented under the Cities Development Strategies in Aden, China, Nigeria, Latvia, Pakistan and South Africa, together with slum upgrading programmes in Brazil, Chile, Mauritania, Mexico, Morocco, South Africa, Thailand, Tunisia and Vietnam.

It reviews past experience, the workings of the organization and its partners, and project funding sources.

→Contact www.citiesalliance.org

Cities Transformed : Demographic Change and Its Implications in the Developing World (2003)

Barney Cohen, Director of the Committee on Population at the US National Academy of Sciences. National Academies Press

Publications, 2003.- 506 p.

Virtually all of the growth in the world's population for the foreseeable future will take place in the cities and towns of the developing world. Over the next twenty years, most developing countries will for the first time become more urban than rural. The benefits from urbanization cannot be overlooked, but the speed and sheer scale of this transformation present many challenges. A new cast of policy makers is emerging to take up the many responsibilities of urban governance-as many national governments decentralize and devolve their functions, programs in poverty, health,

education, and public services are increasingly being deposited in the hands of hitherto untested municipal and regional governments. Demographers have been surprisingly slow to devote attention to the implications of the urban transformation. Drawing from a wide variety of data sources, many of them previously inaccessible, this book explores the implications of various urban contexts for marriage, fertility, health, schooling, and children's lives. It should be of interest to all involved in city-level research, policy, planning, and investment decisions.

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A New Slum Every Eight Days

Adapted from: *Folha De S. Paulo*, 12 February 2003

Between 1991 and 2000 São Paulo became home to a new slum every 8 days—an addition of 74 slum dwellers a day. While the city's population grew by only 8 percent in this period, the number of slum dwellers increased by 30 percent.

These were the findings of a study commissioned by the city of São Paulo and made public on the front page of one of the city's leading newspapers. Through 8,500 aerial photographs and 800 field trips, the city's *Centro de Estudos Metropolitanos* and the Department for Housing mapped São Paulo's slums, defining their perimeters and conducting a census of slum dwellers. The results were compared to those of the city's 1991 slum census.

In a city where 286,954 households are residing in slums, 420,337 private housing units are empty, according to data from the Statistic Bureau's 2000 census. Under the city government's social rental programme, public subsidies for lower income families to occupy empty housing units are underway. Seven hundred families are currently enrolled in this programme, contributing 15 percent of their income

for rent, with the balance covered by the authorities. The city aims to extend the programme to 3,000 families by 2004.

Secure tenure remains an integral part of the city's 'Bairro Legal' upgrading programme, and one supported by the federal government. Provisions are being made to regularise land ownership. One hundred and sixty public lots, covering 3.6 km², that have been invaded have had their public use code redefined by the city Legislature. Visits to register dwellers have begun in 20 areas.

The question under consideration now is whether to provide individual or collective land tenure. Registering of invaded areas is expected to benefit 48,000 households. For private areas, the administration would like to form an alliance with the Bar Association to provide legal assistance to all interested in requesting ownership under time-in-possession codes. A decree standardising rules for ownership concession to slum dwellers is being explored.

Conferences

2003 « Africities » Summit
Yaoundé, Cameroon from
2nd to 6th December
2003

"Ensuring access to basic
services in African Local
Government"

The 2nd – 3rd December 2003
are devoted to thematic meetings
allowing in-depth exchanges on
the subject of the Summit.
Two series of thematic sessions
will be held:

The first series will be made up
of ten sessions which will be held
simultaneously on each of the
basic services: water, sanitation,
waste, energy, transports, safety,
education, health, culture and
communication and economic
facilities.

The second series comprises four
sessions held in parallel, dealing
with transverse questions affecting
the defining of local public policies,
i.e.

- accessibility to basic services
for local populations
- the financing of the basic
services
- governance and institutional
aspects
- the participation of population
and users.

The 4th december is devoted to
special sessions allowing the
various institutions and networks
with an interest in the work with
African local institutions to take
advantage of the opportunity
offered by the summit to begin or
move forward in the dialogue with
them.

The 5th and 6th December 2003
are devoted to political meetings of
the Council of African Municipalities
and Regions (CCRA), the African
ministerial level Conference on
Decentralisation are devoted to
the political meetings of the
Council of African Municipalities
and Regions (CCRA), the African
ministerial level Conference
on Decentralisation and Local

Development (CADDEL) and
partners in development who
are supporting decentralisation
in Africa.

In parallel to the various meetings,
the Citexpo exhibition will allow
central governments, institutions
and economic operators to present
various products, services and
experiments in relation with the
subject of the Summit.

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News on cooperation

Mayors Summit

At the initiative of DEXIA Bank, a Mayors Summit focusing on "New Europe" (EU countries and acceding countries) was held in Paris on 18 and 19 September 2003 to address the financing of municipal investment programmes. This summit, which centred on the experience of the largest local authorities (such as Paris, Lyon, Athens, Berlin, Prague and Bratislava), regional financial institutions (EBRD, EIB), and multilateral institutions (IFC), was the opportunity to successively address policies to strengthen local development, and the techniques and methods implemented by the private and public sectors in favour of urban development. There was a noteworthy contribution from Michel Camdessus, former Director General of the IMF, on the necessity to finance projects by raising funds in local currencies. Various contributors also stressed the need to reflect on new direct financing mechanisms for local investments, able to overcome the constraints under which local authorities operate.

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AdP Association (Association de Professionnels) for urban development and cooperation

The AdP Association (Association de Professionnels) for urban development and cooperation, held a one-day seminar on 5 September at ENPC, on the subject of occupations and careers in the urban cooperation field, which was introduced by the new President, Claude Praliaud. The French urban development portfolio has entered a transitional phase. This was shown by the contributions of ten professionals who came to share their experiences. NGO members, researchers, training officers, consultants and civil servants are all seeking a new framework for action, whether for the integration of young professionals or to maintain and develop French expertise. This seminar was the opportunity to launch discussions on various possible urban cooperation strategies. As stressed by Michel Arnaud, decentralized cooperation is doubtless the most suitable framework for making this sector competitive in a context of strong international competition. The aim must therefore be to continue discussions on the city between all urban cooperation stakeholders in order to reflect on methods and practices.

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Appointment:

Bernard Hoarau succeeds Nicolas Frelot in the position of Chief Executive Officer for Local and Urban Development of the Technical Development and Cooperation Department, Institutional Cooperation Branch, of the Department for International Cooperation and Development of the Ministry of Foreign Affairs. He was formerly a Development Aid Adviser in Tanzania and Zimbabwe and was the Regional Director for Cultural Affairs in Reunion.

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Regional meetings of the Urban Development Research Programme

The Urban Development Research Programme (PRUD) is incentive concerted action of the French Ministry of Foreign Affairs conducted jointly by GEMDEV and ISTED, which mobilizes 32 research teams on projects covering the entire Priority Solidarity Zone (ZSP). One of the original features of this programme is the organizing of regional mid-term meetings which, besides bringing together researchers and specialists (planning professionals and experts, urban managers), seeks to create events in conditions that are specific each time and enhance the awareness of public authorities and urban stakeholders to issues related to urban development, international research and cooperation in this field. PRUD has thus organized a series of four regional seminars in four ZSP areas: Hanoi in November 2002, Rabat in January 2003, Havana in February 2003 and Dakar in April 2003. The PRUD on-line newsletter No. 6 devoted is to a review of the work of these meetings (to be published on the ISTED and GEMDEV websites in July 2003). The programmes of these meetings are available on the ISTED website

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