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Although poverty remains a primarily rural phenomenon, large sections of the urban population in developing countries are suffering from extreme levels of deprivation that are often even more debilitating than those experienced by the rural poor. UN-HABITAT analyses reflected in this Report show that the incidence of disease and mortality is much higher in slums than in non-slum urban areas, and in some cases, such as HIV prevalence and other health indicators, is equal to or even higher than in rural areas. These disparities are often not reflected in national statistics, which mask the deprivation experienced in poor urban neighbourhoods. The findings in this Report reveal “a tale of two cities within one city”, where non-slum populations enjoy good health and education, while slum communities suffer from both poor health and lack of opportunities.

This edition of the *State of the World's Cities Report* provides an overview of a range of issues that link cities, slums and the Millennium Development Goals. It makes clear that the global fight against poverty – encapsulated in the Millennium Development Goals – is heavily dependent on how well cities perform.

The Report highlights three inter-related issues:

- The Millennium Development Goals provide an apt framework for linking the opportunities provided by cities with improved quality of life;
- The achievement of the Goals heavily depends on governments' capacity to speed up progress and reverse current trends on slum formation;
- The achievement of the Goals depends on governments' capacity to speed up progress in reducing urban poverty and inequality and in reversing current trends in slum formation.

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STATE OF THE WORLD'S CITIES 2006/7

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The Millennium
Development Goals and
Urban Sustainability:
30 Years of Shaping
the Habitat Agenda



First published by Earthscan in the UK and USA in 2006 for and on behalf of the United Nations Human Settlements Programme (UN-HABITAT)

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HS/814/06E (paperback)

HS/815/06E (hardback)

ISBN-10: 1-84407-378-5 (Earthscan paperback)

ISBN-13: 978-1-84407-378-8 (Earthscan paperback)

ISBN-10: 1-84407-379-3 (Earthscan hardback)

ISBN-13: 978-1-84407-379-5 (Earthscan hardback)

92-1-131811-4 (UN-HABITAT paperback)

978-92-1-131811-1 (UN-HABITAT paperback)

92-1-131812-2 (UN-HABITAT hardback)

978-92-1-131812-8 (UN-HABITAT hardback)

Design and layout by Michael Jones Software, Nairobi, Kenya

Printed and bound in Malta by Gutenberg Press Ltd

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Earthscan is an imprint of James & James (Science Publishers) Ltd and publishes in association with the International Institute for Environment and Development

A catalogue record for this book is available from the British Library

Library of Congress Cataloging-in-Publication Data

[to follow]

THE STATE OF THE WORLD'S CITIES REPORT 2006/2007

30 Years of Shaping the Habitat Agenda

United Nations Human Settlements Programme



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Forward

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Introduction

The 2006/2007 edition of the *State of the World's Cities* marks two important milestones: the dawn of the urban millennium in 2007 and the 30th anniversary of the first Habitat Conference held in Vancouver in June 1976, which placed “urbanisation” on the global development agenda. This publication also marks a less triumphant moment in history. Thirty years after the world’s governments first pledged to do more for cities, almost one-third of the world’s urban population lives in slums, most of them without access to decent housing or basic services and where disease, illiteracy and crime are rampant.

Since its establishment in 1979, the United Nations Human Settlements Programme (UN-HABITAT) has continued to highlight the important role and contribution of cities in fostering economic and human development. Understanding the complex social, cultural and economic dynamics of cities and urbanisation is more important now than ever before as we strive to attain internationally agreed development goals. In a rapidly urbanizing world attaining these goals will require policies and strategies based on clear and accurate data on the human settlements conditions and trends in each country.

This edition of the *State of the World's Cities* advances this objective by breaking new ground in the area of urban data collection, analysis and dissemination. For the first time in the history of the United Nations, urban data is reported here at *slum* and *non-slum* levels, going far beyond the traditional urban-rural dichotomy. UN-HABITAT’s intra-urban data analysis – involving disaggregated data for more than 200 cities around the world – takes this work further and provides detailed evidence of urban inequalities in the areas of health, education, employment and other key indicators. The implications are significant for the attainment of Millennium Development Goals as we can no longer assume that the urban poor are better off than their rural counterparts, or that all urban dwellers are able to benefit from basic services by virtue of proximity.

UN-HABITAT has led the drive for urban indicators since 1991 by working with other United Nations agencies and external partners to consistently refine methods for data collection and analysis and to better inform our common quest for “adequate shelter for all” and “sustainable human settlements development in an urbanizing world” – the twin goals of the Habitat Agenda adopted by the world’s governments in

Istanbul in 1996. With the adoption of the Millennium Declaration by the world’s leaders in 2000, much of this work is now focused on monitoring progress in attaining Millennium Development Goal 7, target 11 on improving the lives of at least 100 million slum dwellers by 2020. This task requires the analysis of how well cities are doing and of the actual living conditions of the urban poor. Data for this report comes primarily from Phase III of UN-HABITAT’s Urban Indicators Programme that compiles global, regional, country and household-level data of specific relevance to the Habitat Agenda and the Millennium Development Goals.

This Report clearly shows how shelter conditions have a direct impact on human development, including child mortality, education and employment. The correlation between a poor living environment, characterized by one or more shelter deprivations, and poor performance on key indicators of the Millennium Development Goals underscores the assertion that “where we live matters”. The findings of this report are unfolding a new urban reality that needs to be urgently addressed by pro-poor and gender-sensitive urban policies and legislation.

Finally, as the international community celebrates Vancouver + 30, it should also reflect on the important lessons learned in urban development and the need to reduce inequalities within cities. Cities present an unparalleled opportunity for the simultaneous attainment of most if not all of the internationally agreed development goals. Interventions in, for example, pro-poor water and sanitation, have immediate positive knock-on effects in terms of improved health, nutrition, disease prevention and the environment. However, unless such concerted action is taken to redress urban inequalities cities may well become the predominant sites of deprivation, social exclusion and instability worldwide.

Handwritten signature of Anna K. Tibaijuka

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Overview

Sometimes it takes just one human being to tip the scales and change the course of history. At some point in the year 2007, that human being will either move to a city or be born in one. The event itself will go unnoticed but demographers watching urban trends will mark it as the moment when the world entered a new urban millennium, a period in which, for the first time in history, the majority of the world's people will live in cities.

The year 2007 will also see the number of slum dwellers in the world cross the one billion mark – when one in every three city residents will live in inadequate housing with no or few basic services. This statistic may be reported in newspaper headlines, but it is still not yet clear how it will influence government policies and actions, particularly in relation to Millennium Development Goal 7, target 11: by 2020, to have improved the lives of at least 100 million slum dwellers.

■ Cities, Slums and the Millennium Development Goals

Three important trends characterize the urbanization process in this new urban era. Firstly, the biggest cities in the world will be found mainly in the developing world. “Metacities” – massive conurbations of more than 20 million people, above and beyond the scale of megacities – are now gaining ground in Asia, Latin America and Africa. These cities are home to only 4 per cent of the world's population and most have grown at the relatively slow rate of about 1.5 per cent annually. However, the sheer size of these urban agglomerations points to the growth of city-regions and “metropolitanization” that call for more polycentric forms of urban governance and management and stronger inter-municipal relations. The scale of environmental impact of metacities and megacities on their hinterlands is also significant and is likely to be a cause for concern in coming decades.

Secondly, despite the emergence of metacities, the majority of urban migrants will be moving to small towns and cities of less than one million inhabitants. Already, more than half of the world's urban population lives in cities of fewer than 500,000 inhabitants, and almost one-fifth lives in cities of between 1 and 5 million inhabitants. These intermediate cities are predicted to grow at a faster rate than any other type of city. Natural population increase, rather than rural-to-urban migration, is becoming a more significant contributor to urban

growth in many regions, as is reclassification of rural areas into urban areas. However, the relative absence of infrastructure, such as roads, water supply and communication facilities, in many small and intermediate-sized cities makes these cities less competitive locally, nationally and regionally, and leads to a lower quality of life for their citizens.

Thirdly, cities of the developing world will absorb 95 per cent of urban growth in the next two decades, and by 2030, will be home to almost 4 billion people, or 80 per cent of the world's urban population. After 2015, the world's rural population will begin to shrink as urban growth becomes more intense in cities of Asia and Africa, two regions that are set to host the world's largest urban populations in 2030, 2.66 billion and 748 million, respectively. Urban poverty and inequality will characterize many cities in the developing world, and urban growth will become virtually synonymous with slum formation in some regions. Asia is already home to more than half of the world's slum population (581 million) – followed by sub-Saharan Africa (199 million) and Latin America and the Caribbean (134 million). Sub-Saharan Africa has both the highest annual urban growth rate and the highest slum growth rate in the world, 4.58 per cent and 4.53 per cent, respectively, more than twice the world average. The continued threat of conflict in several African countries is a significant contributing factor in the proliferation of slums in the region's urban areas. The prolonged crisis in Southern Sudan, for instance, has led to the mass exodus of rural communities to the capital Khartoum, which accommodated almost half of the more than 6 million internally displaced persons in the country in the late 1990s. These trends will most likely concern policymakers in the developing world as they confront the reality of growing inequality and poverty in their cities.

The good news is that urbanization can also be a positive force for human development; countries that are highly urbanized tend to have higher incomes, more stable economies, stronger institutions and are better able to withstand the volatility of the global economy. In both developed and developing countries, cities generate a disproportionate share of gross domestic product and provide extensive opportunities for employment and investment. However, evidence suggests that despite the enormous potential of cities to bring about prosperity, the wealth generated by cities does not automatically lead to poverty reduction; on the contrary, in many cities, inequalities between the rich and the poor have grown, as have the sizes and proportions of slum populations.

Although poverty remains a primarily rural phenomenon, urban poverty is becoming a severe, pervasive – and largely unacknowledged – feature of urban life. Large sections of the population in urban areas are suffering from extreme levels of deprivation that are often even more debilitating than those experienced by the rural poor. UN-HABITAT analyses reflected in this Report show that the incidence of disease and mortality is much higher in slums than in non-slum urban areas, and in some cases, such as HIV prevalence and other health indicators, is equal to or even higher than in rural areas. These disparities are often not reflected in national statistics, which mask the deprivation experienced in poor urban neighbourhoods. Inequality in access to services, housing, land, education, health care and employment opportunities within cities have socio-economic, environmental and political repercussions, including rising violence, urban unrest, environmental degradation and underemployment, which threaten to diminish any gains in income and poverty reduction.

This edition of the *State of the World's Cities Report* provides an overview of a range of issues that link cities, slums and the Millennium Development Goals. It makes clear that the global fight against poverty – encapsulated in the Millennium Development Goals – is heavily dependent on how well cities perform. The Report highlights three inter-related issues:

- The Millennium Development Goals provide an apt framework for linking the opportunities provided by cities with improved quality of life;
- The achievement of the Goals depends on governments' capacity to speed up progress in reducing urban poverty and inequality and in reversing current trends in slum formation;
- Improving the living conditions of slum dwellers (housing, tenure, infrastructure and access to basic services) will automatically have a positive impact on the attainment of most of the Goals and their related targets.

■ Where We Live Matters: The Social and Health Costs of Living in a Slum

For as long as governments have been monitoring the human development performance of their countries, achievements in various sectors have tended to focus on only two geographical areas: rural and urban. In general, statistics show that urban populations are better off than those living in villages: they tend to enjoy more access to services and generally perform well on a range of human development indicators, including life expectancy and literacy. However, evidence suggests that in many developing countries, urban poverty is becoming as severe and as dehumanizing as rural poverty. This Report presents for the first time data disaggregated at urban, rural, slum and non-slum levels. The findings show remarkable similarities between slums and rural areas:

- In low-income countries, such as Bangladesh, Ethiopia, Haiti, India, Nepal and Niger, 4 out of every 10 slum children are malnourished, a rate that is comparable to rural areas of those countries.

- Likewise, in some cities, such as Khartoum and Nairobi, the prevalence of diarrhoea is much higher among slum children than among rural children. In slums, child deaths are attributed not so much to lack of immunization against measles, but inadequate living conditions, such as lack of access to water and sanitation or indoor air pollution, which lead to water-borne and respiratory illnesses among children.
- Malnutrition and hunger in slums is almost the same as in villages in some countries. In India, for instance, slum dwellers suffer slightly more from malnutrition than the rural population of the country.
- Recent data on HIV/AIDS shows that in various sub-Saharan African countries, HIV prevalence is significantly higher in urban areas than in rural areas, and is also higher in slums than in non-slum urban areas. Moreover, slum women are particularly at risk, with HIV prevalence rates that are higher than that of both men and rural women.
- Age pyramids for slum and rural populations in several countries show similar patterns: both groups tend to be younger and generally die sooner than non-slum urban populations, which tend to have the lowest child mortality rates and the highest life expectancy rates.

The above examples show that slum populations are not benefiting from the advantages and opportunities offered by cities. Studies have also shown that children living in a slum within a city are more likely to die from pneumonia, diarrhoea, malaria, measles or HIV/AIDS than those living in a non-slum area within the same city; many of these diseases are the result of poor living conditions prevalent in slums rather than the absence of immunization coverage or lack of health facilities. In many cases, poverty, poor sanitation and indoor air pollution make children and women living in slums more vulnerable to respiratory illnesses and other infectious diseases than their rural counterparts. For many slum dwellers, overcrowding, housing located in hazardous areas and the threat of eviction affects other livelihood issues, such as employment. Some studies have also found a strong correlation between where people live and their chances of finding a job. One such study in France showed that job applicants residing in poor neighbourhoods were less likely to be called for interviews than those who lived in middle- or high-income neighbourhoods. Another study in Rio de Janeiro found that living in a *favela* (slum) was a bigger barrier to gaining employment than being dark skinned or female, a finding that confirms that “where we live matters” when it comes to health, education and employment.

These findings reveal “a tale of two cities within one city”. Thus, policymakers, governments, development practitioners and funding agencies should no longer see the city as one homogenous entity. Slums are not only a manifestation of poor housing standards, lack of basic services and denial of human rights, they are also a symptom of dysfunctional urban societies where inequalities are not only tolerated, but allowed to fester.

This Report unfolds a new urban reality that shows how poor living conditions impact the world's slum dwellers: slum dwellers die earlier, experience more hunger, have less education, have fewer chances of employment in the formal sector and suffer more from ill-health than the rest of the inhabitants of cities.

The international community cannot afford to ignore slum dwellers because, after rural populations, they represent the second largest target group for development interventions – and their size is set to grow as the developing world becomes more urbanized. The Millennium Development Goals thus have to target this disadvantaged and vulnerable group of people; if they are ignored, it is very likely that the Millennium Development Goals will not be achieved.

■ The State of the World's Slums

The growth of slums in the last 15 years has been unprecedented. In 1990, there were nearly 715 million slum dwellers in the world. By 2000 – when world leaders set the target of improving the lives of at least 100 million slum dwellers by 2020 – the slum population had increased to 912 million. Today, there are approximately 998 million slum dwellers in the world. UN-HABITAT estimates that, if current trends continue, the slum population will reach 1.4 billion by 2020.

One out of every three city dwellers lives in slum conditions. Some slums become less visible or more integrated into the urban fabric as cities develop and as the incomes of slum dwellers improve. Others become permanent features of urban landscapes. Both types of slums have carved their way into modern-day cities, making their mark as a distinct category of human settlement that needs to be looked at over and above the traditional rural-urban dichotomy.

Slum dwellers often live in difficult social and economic conditions that manifest different forms of deprivation – material, physical, social and political. Throughout this Report, UN-HABITAT uses an operational definition of slums – one with measurable indicators at household level. Four of the five indicators measure physical expressions of slum conditions: lack of water; lack of sanitation; overcrowding; and non-durable housing structures. These indicators – known also as shelter deprivations – focus attention on the circumstances that surround slum life, depicting deficiencies and casting poverty as an attribute of the environments in which slum dwellers live. The fifth indicator – security of tenure – has to do with legality, which is not as easy to measure or monitor, as the status of slum dwellers often depends on *de facto* or *de jure* rights – or lack of them. By knowing how many slum dwellers there are in cities and what shelter deprivations they suffer most from, it becomes possible to design interventions that target the most vulnerable urban populations.

Not all slums are homogeneous and not all slum dwellers suffer from the same degree of deprivation. In this Report,

UN-HABITAT presents an analysis of the degrees of shelter deprivation in some selected countries and regions. This type of information helps to connect monitoring information to policy, making more rigorous and systematic the development of programmes and interventions that are better attuned to specific locations and situations.

The *State of the World's Cities Report 2006/7* provides an overview of the state of the world's slums with regards to the five indicators. The following provides a summary of the main findings.

Lack of durable housing

It is estimated that 133 million people living in cities of the developing world lack durable housing. Non-durable or non-permanent housing is more prevalent in some regions than in others; over half the urban population living in non-permanent houses resides in Asia, while Northern Africa has the least numbers of people living in this kind of housing. However, UN-HABITAT analysis shows that global figures on housing durability are highly underestimated due to the fact that durability is based primarily on permanence of individual structures, not on location or compliance with building codes. Moreover, estimates are made taking into account only the nature of the floor material, since information on roof and wall materials is collected in very few countries. For instance, figures indicate that over 90 per cent of the world's urban dwellings have permanent floors, but when estimates are made combining floor, roof and wall materials, this figure drops dramatically in several countries. In Bolivia, for instance, when only floor material is considered, 83.8 per cent of the urban population is counted as having durable housing, but when wall and roof materials are taken into account, this figure drops to 27.7 per cent. Statistical analysis presented in this Report shows that when more physical structure variables are combined, the results provide a more realistic image of housing durability.

Lack of sufficient living area

Overcrowding is a manifestation of housing inequality and is also a hidden form of homelessness. In 2003, approximately 20 per cent of the developing world's urban population – 401 million people – lived in houses that lacked sufficient living area (with three or more people sharing a bedroom). Two-thirds of the developing world's urban population living in overcrowded conditions resides in Asia; half of this group, or 156 million people, reside in Southern Asia. This Report shows how living conditions, including overcrowding and poor ventilation, are related to rates of illness, child mortality and increase in negative social behaviors. It stresses that the risk of disease transmission and multiple infections becomes substantially higher as the number of people crowded into small, poorly ventilated spaces increases. After presenting overcrowding data by region, the Report highlights some of the local variances of the definition.

Lack of access to improved water

Although official statistics reflect better water coverage in urban areas than in rural areas, various surveys show that in many cities, the quantity, quality and affordability of water in low-income urban settlements falls short of acceptable standards. Improved water provision in the world's urban areas was reported to be as high as 95 per cent in 2002. This statistic, however, presents an overly optimistic picture since “improved” provision of water does not always mean that the provision is safe, sufficient, affordable or easily accessible. For example, further analysis reveals that getting water from a tap is a luxury enjoyed by only two-third of the world's urban population; less than half of this group (46 per cent) have piped water within their dwelling; 10 per cent rely on public taps, while 8 per cent have access only to manually pumped water or protected wells. Inter-regional differences indicate that Africa has the lowest proportion (38.3 per cent) of urban households with access to piped water, while the Latin American and Caribbean region has the highest (89.3 per cent). Sometimes, even when water is available, it may not be affordable or safe to drink. In Addis Ababa, Ethiopia, a UN-HABITAT survey showed that the proportion of low-income urban residents with access to water supply dropped to 21 per cent from 89 per cent when the operational definition of “access” included variables such as cost and quality. Poor access to water in urban areas has a direct bearing on rates of water-borne or water-related diseases in urban areas, a phenomenon that is explored in some depth in the latter part of the Report.

Lack of access to improved sanitation

Over 25 per cent of the developing world's urban population – or 560 million city residents – lack adequate sanitation. Asia alone accounts for over 70 per cent of this group, mainly because of the large populations of China and India; in 2000, sanitation coverage in Chinese cities was reported to be approximately 33 per cent. UN-HABITAT analysis shows that while cities in South-Eastern Asia and Southern Asia have made significant progress in recent years to improve sanitation coverage in urban areas, access lags far behind in sub-Saharan Africa and Eastern Asia, where 45 per cent and 31 per cent of the urban population still lacks access to improved sanitation, respectively. However, some countries in Southern Asia have extremely low coverage, notably Afghanistan, where only 16 per cent of the urban population has access to a proper toilet. Lack of access to an adequate toilet not only violates the dignity of the urban poor, but also affects their health. Every year, hundreds of thousands of people die as a result of living conditions made unhealthy by lack of clean water and sanitation. The number of deaths attributable to poor sanitation and hygiene alone may be as high as 1.6 million per year – five times as many people who died in the 2004 Indian Ocean tsunami. A disproportionate share of the labour and health burden of inadequate sanitation falls on women, who have to wait for long periods to gain access to public toilets or have to bear the indignity of defecating in the open.

Inadequate sanitation is therefore something of a “silent tsunami” causing waves of illness and death, especially among women and children. As this Report shows, mortality rates are quite often linked to whether or not children or their mothers have access to adequate sanitation facilities; in the city of Fortaleza in Brazil, for instance, child mortality rates dropped dramatically when sanitation coverage increased.

Lack of secure tenure

Mass evictions of slum and squatter settlements in various cities in recent years suggest that security of tenure is becoming increasingly precarious, particularly in cities of sub-Saharan Africa and Asia, where evictions are often carried out to make room for large-scale infrastructure or city “beautification” programmes. A global survey in 60 countries found that 6.7 million people had been evicted from their homes between 2000 and 2002, compared with 4.2 million in the previous two years. Many of these evictions were carried out without legal notice or without following due process. Improving the tenure of urban households could go a long way in preventing evictions, but operationalizing security of tenure for the purpose of global monitoring remains difficult. At present, it is neither possible to obtain household-level data on secure tenure in most countries, nor to produce global comparative data on various institutional aspects of secure tenure, as data on secure tenure is not regularly collected by censuses or household surveys. However, non-empirical information suggests that between 30 per cent and 50 per cent of urban residents in the developing world lack security of tenure. Although home ownership is regarded as the most secure form of tenure, evidence from around the world also suggests that ownership is not the norm in both the developed and the developing world, and is not the only means to achieve tenure security. In fact, informal – or illegal – growth has become the most common form of housing production in the developing world, where gaining access to housing through legal channels is the exception rather than the rule for the majority of urban poor households. UN-HABITAT and its partners are currently working on the preparation of a global monitoring system that could in the future provide a framework to assist governments at local and national levels to produce estimates on how many people have secure tenure, using an agreed-upon methodology in terms of definitions, indicators and variables.

■ 30 Years of Shaping the “Habitat” Agenda: Policies and Practices That Have Worked

Since the first UN Conference on Human Settlements (Habitat I) took place in Vancouver in 1976, governments and the international community have adopted and implemented a range of human settlements policies and programmes with mixed results. Many programmes were unsuccessful; others, while successful at the pilot stages, could not

be scaled up and remained small “islands of success” that did not have a significant impact on urban poverty levels or slum growth rates. Few interventions had an economic or social impact on urban poor populations.

Getting urban poverty on the development agenda has been a struggle in the last thirty years. Silence or neglect have characterized most policy responses. However, with the adoption of the Millennium Declaration in 2000, urban poverty is now being brought to the centre stage of the global development agenda. As part of its mandate to assess the performance of countries on Millennium Development Goal 7, target 11 – to improve the lives of at least 100 million slum dwellers by 2020 – UN-HABITAT built a broad architecture for global monitoring and reporting. As part of this process, the organization has evaluated the performance of more than 100 countries to see if they were “on track”, “stabilizing”, “at risk” or “off track” vis-à-vis the slum target. Three criteria were used to rate countries: annual slum growth rate; slum percentage; and slum population.

Analysis of the results revealed some interesting findings: countries that had successfully reduced slum growth rates, slum proportions and slum populations in the last 15 years shared many attributes: their governments had shown long-term political commitment to slum upgrading and prevention; many had undertaken progressive pro-poor land and housing reforms to improve the tenure status of slum dwellers or to improve their access to basic services; most used domestic resources to scale up slum improvements and prevent future slum growth; and a significant number had put in place policies that emphasized equity in an environment of economic growth. In many countries, improvements in just one sector, such as sanitation, had a significant impact on slum reduction, particularly in cities where inhabitants suffered from only one or two shelter deprivations.

Another major finding of this analysis of country performance on the slum target showed that those countries doing well in managing slum growth had highly centralized systems and structures of governance; even in cases where decentralized systems existed, policy actions for slum prevention and upgrading were implemented through centralized interventions. This was possible because central governments –having command and control– could put in place measures and resources to ensure cohesiveness in the design and implementation of slum upgrading projects. Central governments had the capacity to put forward legislation and pro-poor policy reforms to tackle basic shelter deprivations – reforms that require political support at the national level before being filtered downward to local levels of government. These central governments have been able to set up the institutional arrangements, allocate important budgets, and execute projects to effectively meet their targets and commitments. In countries such as Brazil, Egypt, Mexico, South Africa, Thailand and Tunisia, implementation of inclusive policies, land reforms, regularization programmes and commitment to improve the lives of the

urban poor by the top leadership were key to the success of slum upgrading or prevention programmes. These countries developed either specific slum upgrading and prevention policies or have integrated slum upgrading and prevention as part of broader poverty reduction policies and programmes. They have done this not only to respond to social imperatives, but also to promote national economic development. Central governments in these countries, among others, have played a critical role, not just in the physical improvement of slums, but also in ensuring that investments are made in other sectors as well, such as education, health, sanitation and transport, which have benefited slum communities.

This perhaps is a prelude to a change in governance paradigms, in which central governments and local authorities would develop a more coordinated approach in the development and implementation of policies, with central governments taking the lead in urban poverty reduction programmes as they would have the power and authority to institute pro-poor reforms and the mandate and ability to allocate resources to various priority sectors. On the other hand, local authorities would be able to locally coordinate operational actions bringing together different actors.

This Report also clearly shows that not all countries struggling to cope with high slum growth rates have shied away from committing to change. Some sub-Saharan African countries, namely Burkina Faso, Senegal and Tanzania, have in recent years shown promising signs of growing political support for slum upgrading and prevention that includes reforms in policies governing land and housing.

Some low- or middle-income countries that are starting to stabilize or reverse slum growth rates, including Colombia, El Salvador, Philippines, Indonesia, Myanmar and Sri Lanka, did not wait to achieve important milestones in economic growth in order to address slums. These countries have managed to prevent slum formation by anticipating and planning for growing urban populations – by expanding economic and employment opportunities for the urban poor, by investing in low-cost, affordable housing for the most vulnerable groups and by instituting pro-poor reforms and policies that have had a positive impact on low-income people’s access to services. These countries give hope and direction to other low-income countries by showing that it is possible to prevent slum formation with the right policies and practices.

What comes out clearly in this Report is that slum formation is neither inevitable nor acceptable. “Running the poor out of town” – through evictions or discriminatory practices – is not the answer: rather, helping the poor to become more integrated into the fabric of urban society is the only long-lasting and sustainable solution to the growing urbanization of poverty. Ultimately, as the developing world becomes more urban and as the locus of poverty shifts to cities, the battle to achieve the Millennium Development Goals will have to be waged in the world’s slums.

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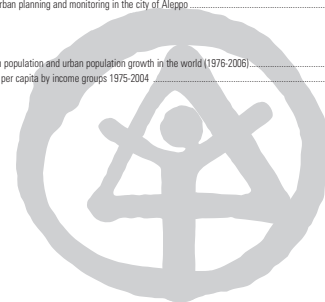
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