

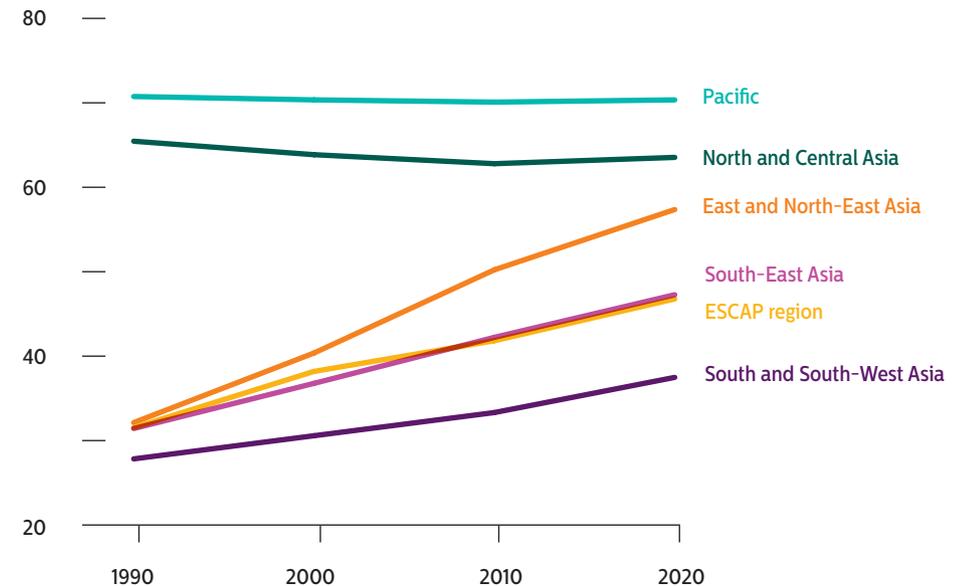
In Asia and the Pacific, the urban population grew faster than in any other region

In 2010, the Asia-Pacific region's urban population amounted to 754 million people, which is more than the combined population of the United States of America and the European Union. Now, almost half of the population, namely 45.5 per cent in the region, is living in urban areas. Urbanization rates in Asia and the Pacific vary widely by subregion. While the Pacific has more than 70 per cent of its population living in urban areas (mainly driven by Australia and New Zealand with urbanization rates above 85 per cent), in South and South-West Asia only 34 per cent of the population lives in urban areas. Overall it is expected that the urbanization rate in the whole region will reach 50 per cent in 2026 (see figure 1).

More than half of the world's mega-cities (13 out of 22) are now found in Asia and the Pacific

Seven of the 10 most populous cities of the world are in the Asia-Pacific region, namely Tokyo, Delhi, Shanghai, Mumbai, Beijing, Dhaka and Kolkata. Overall, megacities (with population over 10 million) and metropolitan areas (with populations between one million and 10 million) are home to 11 and 29 per cent of Asia's urban population, respectively. Megacities may account for only 11 per cent of Asia's urban population but they are, like others around the world, a driving force of regional and global economies. They constitute hubs of knowledge, centers of cultural diversity and poles of attraction for business and industry seeking to benefit from economic efficiency through economies of scale. As the populations and surface areas of Asian mega-cities keep expanding, inadequate infrastructure in the

Figure 1 Urbanization in Asia and the Pacific across subregions, 1990–2020



Note Source

The trends for *South-East Asia* and *ESCAP region*, as a whole, are very similar. United Nations, Department of Economic and Social Affairs, Population Division (2012). *World Urbanization Prospects: The 2011 Revision*. CD-ROM Edition - Data in digital form (POP/DB/WUP/Rev.2011).

peripheries causes densification of the core, since people prefer to remain in the inner city where infrastructure is relatively better. This has promoted high population densities, which enhances efficiency in many ways, although it also leads to road congestion. The pace of growth of megacities can outstrip the national average, although at the cost of growing inequalities and poverty.

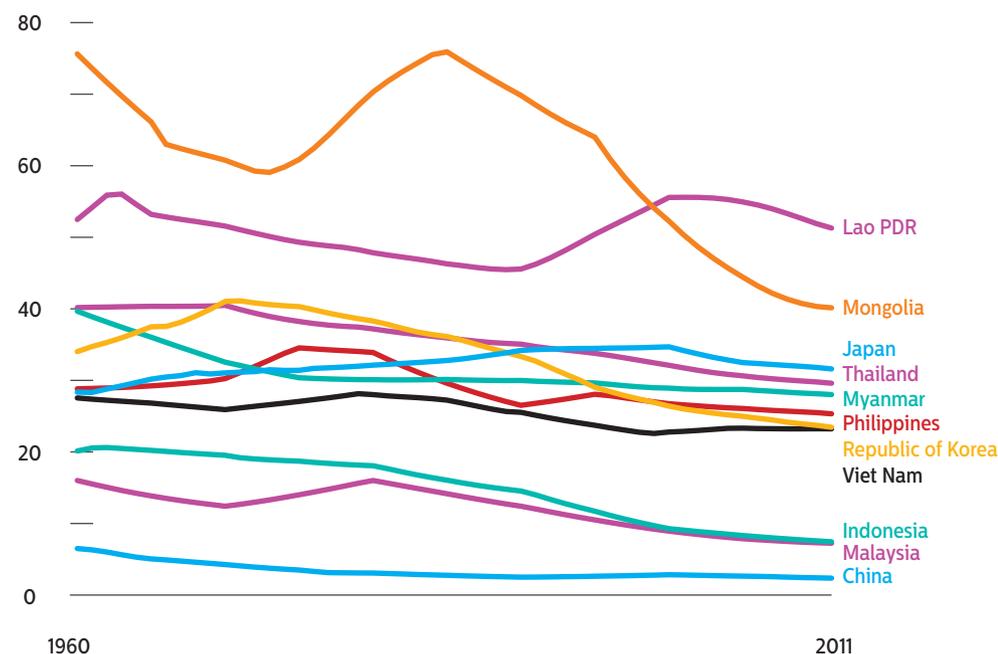
The percentage of the urban population living in the largest city of the respective country (the urban primacy rate) has slightly declined over time in relative terms. But in several countries, a large percentage of the urban population still lives in the largest city, such as in Lao PDR, Mongolia, Japan, Thailand and Myanmar (see figure 2).

Internal migration is the main factor behind urban growth

Migration is a strategy adopted by rural populations to improve household livelihoods and benefit from better services in urban areas. It also enables rural residents to fund investment in rural housing and economic activities. Rural-urban migrants generally benefit from access to better opportunities in urban areas and financial transfers for relatives back home. At the same time, cities also benefit from the steady supply of labour that comes from rural areas. Internal migration also enhances women's empowerment giving them access to jobs outside the home. Nevertheless, some countries have imposed barriers to internal population movements to regulate migration to urban areas in order to reduce or even reverse the migratory flow through rural employment creation programmes, anti-slum drives and restricted entry to urban areas. Despite the restrictions, rural populations continue to move to cities. Many rural to urban migrants work in the urban informal sector for long periods of time, excluded from the wider benefits of economic growth in the cities.

Many people also migrate to cities due to natural disasters. Cities near disaster-affected areas are usually receivers of the displaced persons and their number is expected to increase in the future due to environmental change. Many Asian-Pacific countries have also seen sudden increases in their populations as a result of conflicts. For example, Kabul has increased its population by 131 per cent (from 1.6 to 3.7 million people) from 1995 to 2010.

Figure 2 Trends of the urban primacy rate, select countries in Asia and the Pacific



Source United Nations, Department of Economic and Social Affairs, Population Division (2012). *World Urbanization Prospects: The 2011 Revision*. CD-ROM Edition - Data in digital form (POP/DB/WUP/Rev.2011).

Economic growth in the Asia-Pacific region is led by cities

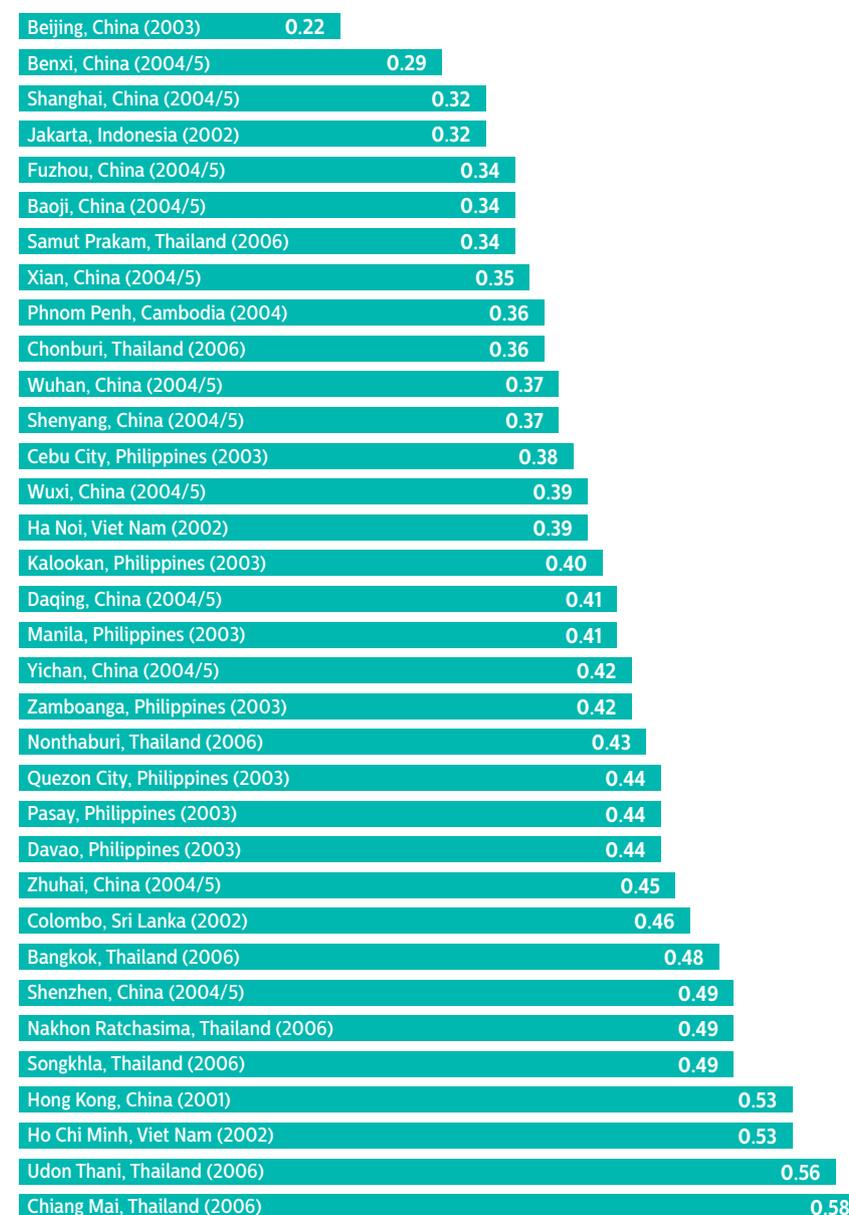
On the whole, just over 40 per cent of the Asian-Pacific population which lives in cities contributes 80 per cent of the region's gross domestic product (GDP). Urbanization enhances productivity, increases gross domestic product per head and has turned into a major source of economic strength. However, economic growth has not benefited all urban dwellers in the region equally (see figure 3). The region remains host to over half of the world's slum

population, and some cities in the region have reached worrying levels of inequality. At the same time, the percentage of urban population living in slums (these are households with no durable housing, insufficient living area, no access to water nor sanitation) has skyrocketed since 1990 and reached 30.6 per cent in 2010 (about 500 million people). Poverty is now growing faster in urban than in rural areas.

Urban growth in Asia and the Pacific is not environmentally sustainable

Existing infrastructure development and growth patterns may lock cities into unsustainable consumption and production models for years to come. The main environmental issues are related to the poor quality of air, clean water supply and management of waste and sanitation. For instance, the World Health Organization ranks outdoor air pollution as the 13th greatest contributor to disease and death worldwide, causing an estimated 519,000 premature deaths every year, especially in urban areas. At the same time, Asian and Pacific cities are among the most vulnerable to natural disasters, with many informal settlements located in fragile environmental areas on shorelines and major river basins. For instance, Dhaka, one of the largest megacities in the world (13 million inhabitants), has an elevation ranging from 2 and 13 meters, with most of the urbanized areas between 6 and 8 meters above sea level, which means that even a slight rise in sea level is likely to engulf large parts of the city. In Bangladesh as a whole, it is estimated that a rise of the sea level by 1.5 meters would mean a total number of 17 million people affected (17 per cent of the population) and a total land area affected of 22,000 square kilometers (16 per cent of the total area).

Figure 3 Inequality within cities (Gini coefficients)



Source ESCAP and UN-HABITAT. The State of Asian Cities 2010/11, 2010



Policy recommendations

Improve government planning in cities and improve urban governance

In many cases, cities grow rapidly without adequate governance planning for the bearing capacity of cities. Thus, there is a need for increased planning on the needs of cities and improved urban governance. Urban governance should be responsive to the public's needs and demands, as well as put into practice the mechanisms for the effective accountability of decision-makers. To this end, Asia-Pacific countries ought to enhance the participation, transparency, the pursuit of consensus among the stakeholders to ensure their active involvement for the managing and planning for urbanization. Creating effective, broad-based governance increases contributions of cities to national economic, social and environmental development. A number of Asian-Pacific cities already reflect the recognition of the vital role of civil society participation in urban governance, as non-governmental organization and grass-roots movements demand greater involvement in local affairs.

Enhance urban infrastructure and services

Cities with proper infrastructure facilitate higher productivity and the resulting higher returns attract foreign direct investment. At the same time, foreign direct and domestic investment is typically attracted to major cities with good transportation and communication systems, and resource-rich regions with raw material supplies. Economic development depends critically on connections between production centers and markets. Policymakers should see infrastructure as an essential growth factor. Attention should be focused on enhancing infrastructure and basic services in small- and medium-sized towns. Most of the Asian urban population lives in towns under one million inhabitants. These small- and medium-sized cities act as economic growth centers and are important as bridges between rural and large urban areas. However, most lack adequate infrastructure and services such as paved roads, adequate

water supply and sanitation, quality telephone and internet connectivity. For these cities to contribute to local and national economic development, investment in infrastructure and basic services, improved urban planning, management and governance are required to ensure their sustainable development. The connectivity of small- medium-sized towns with mega urban regions is an outstanding opportunity to relieve pressure on land and services in the core city, promote growth in the rural hinterland, and enable these towns to partake in the economic growth process.

Establish economic policies that focus on the reduction of inequalities at the city level

The economic policies of most countries in the region have focused largely on growth, with major initiatives directed towards liberalization, macro-economic stability, promotion of private investment, infrastructure and skill development. Beyond economic growth, economic policies should ensure that development reaches all sectors of the population by focusing on the reduction of poverty and inequality at the city level. Until recently, economic growth in cities has been largely export-led and backed by high rates of foreign and domestic investment. For the purposes of poverty reduction, resources must be directed to the areas where the poor live, to the sectors where they work, to the factors of production they possess and to the products they consume.

Promote more environmentally-friendly practices to ensure sustainable growth of Asian-Pacific cities

Asian-Pacific cities should focus on improving urban planning and building capacities for adaptation to and mitigation of climate change effects. Future policies should be directed to the reduction of the demand for fossil fuel-based energy by developing efficient public transport and cleaner vehicle fuels, improving water management by halting depletion of available water resources, reversing the degradation of water quality, improving the quality of air, and promoting opportunities for recycling and the reprocessing of solid waste into commercial and other usable products. Cooperation at the regional level is required for effectively addressing the effects of climate change.