Chapter 1 Overview of Urban and Regional Development

1-1 The Current State of Urban and Regional Development

(1) The progression of urbanization

The total global population was 6.1 billion in the year 2000, having increased by a factor of 2.4 times over a 50 year period. The urbanization rate (the number of people living in cities as a proportion of total population) also rose 17.3 percentage points, from 29.7% in 1950 to 47.0% in 2000. These figures mean that almost half of the world's population lives in urban areas. Based on United Nations estimates of urban population, the global urbanization rate is predicted to reach 60%[1] in the year 2030. In developing countries in particular, the degree of population increase and the progression of urbanization is large, and although nearly 40% of the world's urban population was concentrated in developing countries in 1950, this figure is predicted to reach 80% in 2030, indicating that rapid urbanization can be expected to continue in these countries.

The main factors giving rise to the progression of urbanization are: 1) natural growth in urban populations; 2) the flow of population from rural to urban areas; and 3) the urbanization of rural areas. Urbanization itself produces both positive and negative effects, and these are influenced by the maturity of the city, economic and social conditions, the level of social infrastructure, and natural characteristics.

In developed countries, there are numerous examples where the development of cities leads to development of the whole country, and also of localities following on from the experience of urbanization and actively taking on the creation of appealing bases.

| The rapid advance of urbanization in developing countries |

(2) Emergence of urban and regional problems

However, when appropriate land use and improvements in urban infrastructure and facilities are unable to keep up, rapidly progressing urbanization gives rise to various problems, including the deterioration of urban residential environments, heavy traffic, the deterioration of public safety, and the emergence of squatters and slums. Because large cities play a role as national and regional centers, the emergence of these urban problems creates a situation where the decline and paralysis of urban functions and services further leads to stagnating economic and industrial development in regional society and on a national level. In short, there exist cases where urban problems expanded into relatively wide scale problems affecting whole areas surrounding cities, and into

| The emergence of various urban problems due to rapid urbanization |

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[1] Kato (2001) p. 31

problems on a national level.

There also exist cases where adverse effects on urban areas were brought about by regional economic decay and lagging improvement in social infrastructure in regional areas and the peripherals areas around cities. The circumstances of stagnating regional areas aside, further escalations of stagnation in regional areas create a situation that gives rise to adverse environmental and other effects. There is also the risk of regional stagnation progressing to a national level.

'Concentration and expansion' in urban areas, and 'outflow and stagnation' in regional areas are intimately related. It is important to be aware of this, and move to solve problems with a regional view point.

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Urban and regional areas do not exist independent of each other, but rather are interrelated and affect one another. Therefore, it is essential that urban problems and regional problems are not seen as individual matters, but that a problem solving approach that encompasses both, in other words, a comprehensive and integrated approach built on a regional framework, is followed.

In recent years, many developing countries have pursued regional decentralization in order to more effectively deal with regional needs and problems, and an important task will be to promote developments that aim to create equilibrium in regional expansion.

Based on the above, this report will consider urban and regional development as one of the development issues, and describe views on the cooperation activities.

1-2 Definition of Urban and Regional Development

(1) What are cities and regions?

The definitions and interpretations of "city," or "urban," and "region" vary across countries and societies, but they can be thought of as boundaries that indicate a particular place or area. In particular, cities may be taken as 'areas in which large numbers of people gather and reside, resulting in a very high population density,' or as 'economic, political, and cultural centers, and the focal point of major traffic routes.' A definition for the term "regional area" that contrasts it with cities to indicate rural areas (including fishing and mountain villages), does exist, however, the JICA publication, Approaches for Systematic Planning of Development Projects, already contains a definition for the term "rural area," and our cooperation in rural development has already been described.[2] In this report, "regions" are therefore defined as 'wide areas that encompass both urban and rural areas.'

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[2] Institute for International Cooperation, Japan International Cooperation Agency (2004) p. 5

(2) Definition of urban and regional development

Various urban and regional problems are occurring within certain cities and regions, and the issues involved are complex and interrelated. Further, as regional needs diversify, there exist many matters that cannot be dealt with through cooperation on an individual problem solving basis alone, and these problems must be faced and dealt with from an overall city or regional perspective.

Cities and regions of developing countries are diverse in terms of tradition, culture, religion, and ethnic composition, and an important task moving forward will be to provide cooperation that is sensitive to the unique characteristics of individual cities and regions.

The aim of city and regional development is 'to create more plentiful living environments,' and compared to other development objectives: 1) it requires a cross sector approach involving a wide range of issues such as economy, society, the environment, and systems; and 2) it is essential that consideration is given to the existence of the various stakeholders, such as government (central and local), private businesses, private citizens, and NGOs.

Further, the implementation of development assistance should focus on the people involved. The beneficiaries of urban and regional development are the residents of the particular cities or regions, and also those in surrounding areas that realize positive effects as development progresses.

In this respect, urban and regional development does not aim to solve problems through individual and unrelated facilities upgrades, but rather it looks at the various problems that cities and regions face from an overall city or regional perspective, mobilizing the hidden potential of the people involved. Through an integrated approach that realizes greater economic and social development, it brings about an improved standard of living, greater security, and may even contribute to the progress of the surrounding regions, or of the country as a whole.

1-3 International Trends in Assistance

(1) International declarations

With the acceleration of urbanization in developing countries, and the further escalation of urban problems, the United Nations has taken a central role and established a set of international development objectives. Significant international conferences and declarations pertaining to the issue of urban and regional development are described below.

1) Habitat II[3]

This conference, focusing on urban human settlements, was held in June 1996 in Istanbul, Turkey, and resulted in the adoption of the Habitat Agenda document, a comprehensive declaration on the issues, policies, and efforts required to deal with the problems arising. Its aim is to 'offer a positive vision of sustainable human settlements, and to build together a world where everyone can live in a safe home with the promise of a decent life of dignity, good health, safety, happiness and hope.' A review session was held in New York in June 2001, and this reconfirmed the importance of the Habitat Agenda. World poverty has long been an issue, and urbanization had further progressed since Habitat II. It was also decided that reviews would be undertaken on a continuous basis.

2) Millennium Development Goals: MDGs

The Millennium Declaration, setting out the goals of international society for the 21st century, was adopted by Member States of the United Nations in New York, in September 2000. The document contains 8 development goals that should be fulfilled by the year 2015. Goal 7 is to "Ensure Environmental Sustainability," and part of this goal is Target 11: "By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers."

3) The World Summit on Sustainable Development: WSSD

The WSSD was held over August and September, 2002, in Johannesburg, in the Republic of South Africa. This summit resulted in the adoption of the Johannesburg Declaration, the essential aim of which is to share limited available resources effectively and fairly, and to strengthen responses to the problems faced by large cities so that both environmental protection and development can progress together.

(2) International programs

Based on these international declarations, the United Nations and several other donors are providing many programs related to urban and regional development. Of these programs, the following are particularly representative.

1) The Cities Alliance[4]: CDS and CWS

Formed in 1999 with central members such as UN-HABITAT, the World Bank and others, the Cities Alliance engages in knowledge dissemination activities such as conferences, workshops, and studies. Over the past 4 years the Cities Alliance has supported 80 cities in 25 countries, aiming to improve the living environments of city slum dwellers, and to promote the socioeconomic vitality of environmentally sound cities through alignments

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[3] The United Nations Habitat I meeting was held in 1976 in Vancouver. Two years later in Nairobi, Kenya, the UN Habitat Center (reorganized as UN-HABITAT from 2002) was established out of the UN General Assembly, and began tackling problems associated with urbanization and human settlements.

[4] Refer to the Cities Alliance web site.

between each city and their development partner nations.

The Cities Alliance defines two strategies. CDS (City Development Strategies) is an approach aimed at raising the technology, skills, and awareness of governments through support and guidance of local government activities, with the goals of improving city governance and management, achieving economic growth, increases in employment and investment, and the reduction of poverty. CWS (Cities Without Slums) is based on one of the targets of the Millennium Development Goals: "By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers." The program focuses on upgrading slums, and formulates Slum Upgrade Action Plans.

2) Urban Management Program (UMP)[5]

Established in 1986 through the efforts of UN-HABITAT, the United Nations Development Programme (UNDP), and the World Bank, this is an international technical support program for cities and towns. Its main fields of activity are the support of policies for urban poverty alleviation, urban environmental management, and participatory urban governance. With a network covering 140 cities in 58 countries, it provides participants with a platform for conferences and information sharing on urban management themes.

1-4 Trends in Japan's Assistance

(1) Japan's assistance policies

Japan's assistance has been conducted according to the "Official Development Assistance Charter (former ODA Charter)" (1992), the "Medium-Term Policy on Official Development Assistance" (1999), and the "Official Development Assistance Charter (new ODA Charter)" (2003). These documents do not define a particular direction for assistance in urban and regional development, however, the main themes given in the new 2003 ODA Charter[6] were: 1) poverty reduction, 2) sustainable growth, 3) addressing global issues, and 4) peace-building.

A new "Medium-Term Policy on Official Development Assistance"[7] was announced in 2005. Mention is first of all made of Japan's perspective of "human security." It then identifies as priority issues, poverty reduction, sustainable growth, the addressing of global issues, and peace-building, and finishes with "measures to ensure the efficient and effective implementation of assistance." The following aspects of these approaches and specific actions for

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[5] Refer to the UMP web site.

[6] The basic policy categories given in the new "ODA Charter" (August 2003) are: 1) Supporting self-help efforts of developing countries, 2) Perspective of "Human Security," 3) Assurance of fairness, 4) Utilization of Japan's experience and expertise, and 5) Partnership and collaboration with the international community.
    Refer to the "ODA Charter" on the Ministry of Foreign Affairs of Japan web site.

[7] Refer to the "Medium-Term Policy on Official Development Assistance" on the Ministry of Foreign Affairs of Japan web site.

dealing with priority issues are particularly related to the issue of urban and regional development.

"Approach and specific actions regarding poverty reduction": balanced development that expands basic social services.

"Approach and specific actions regarding sustainable growth": improvements in economic and social infrastructure, policy formulation, and institution building.

"Peace-building": post-conflict restoration assistance, mid- to long-term development assistance, coherent assistance, combination of assistance to governments and local communities.

(2) Trends in JICA's assistance

JICA has conducted international assistance in accordance with these national policies, with the main activities being Technical Cooperation Projects, Development Studies, and Technical Training. Technical cooperation in the area of urban and regional development has also taken place under this framework.

1) Technical Cooperation Projects

Between 1993 and 2003 JICA undertook 616 technical cooperation projects, a small proportion of which, 11 in total (1.8%), corresponded to urban and regional development themes. Most prominent among these projects were the 7 Integrated Area Development Projects.

On a region by region basis, Asia had the most projects with a total of 7, followed by Africa which had 5. On a country by country basis, projects in Indonesia and Kenya were most numerous, with 3 for each.

2) Development Studies

1,976 studies were conducted over the period from 1980 to 2003, and 125[8] (6.3%) of these fell into the category of urban and regional development. A further 598 studies were closely related to urban and regional development, with 141 of these relating to roads, and 98 to ports and harbors. The most prominent urban and regional development related studies are surveying and mapping studies (34%), followed by Integrated Regional Development Planning Studies (31.2%). All of the surveying and mapping studies are for gathering basic data, and most of the Integrated Regional Development Planning Studies are Master Plan (M/P) Studies.

On a region by region basis, the greatest number of these, 50% in total, are in Asia, followed by Africa (17%), and Central South America (17%). On a country by country basis, Indonesia had 14, Thailand 11, and the Philippines 11 studies.

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[8] "Urban and regional development" is not clearly defined in previous JICA Development Studies. We therefore go by the definition in section "1-2 Definition of Urban and Regional Development" (p. 2) in selecting from projects registered under the categories of "basic development planning," "regional integrated development planning," "basic public benefit projects," "basic social infrastructure," "urban planning / land development," "buildings / residences," and "surveying / mapping."

3) Technical Training Programs

21,963 Development Training Programs were undertaken over the period from 1988 to 2003, with 4.9%, or 1,087 of those programs in the area of urban and regional development. Category by category, most fell under Integrated Regional Development Planning (23.7%), followed by Basic Social Infrastructure (20.1%).

4) Grant Aid

There were no particular urban and regional development grants over the period from 1999 to 2003, however some related grants, for roads (120 grants) and water supply (107 grants), warrant a mention.