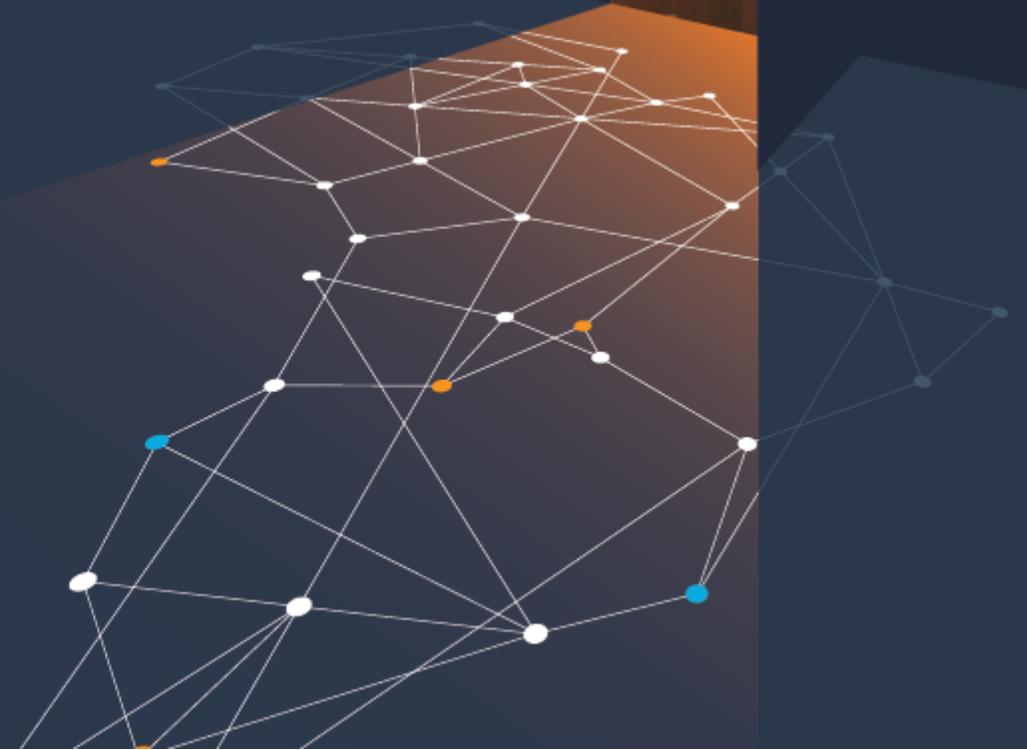


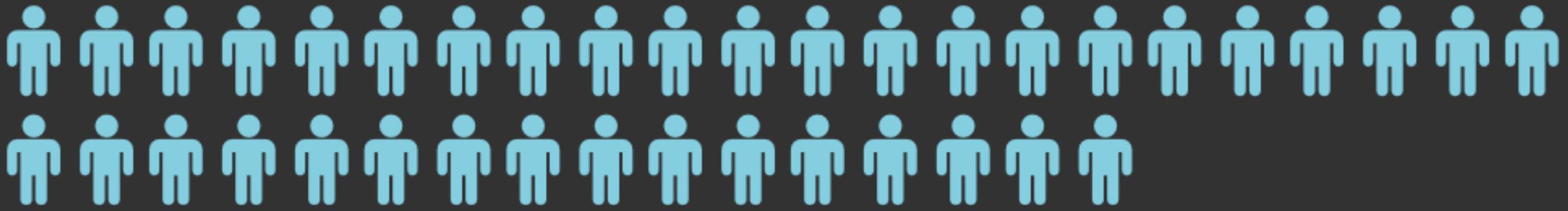
Nancy Lozano Gracia
Senior Economist, World Bank

 @nlginspace

Africa's Cities

Opening Doors to the World





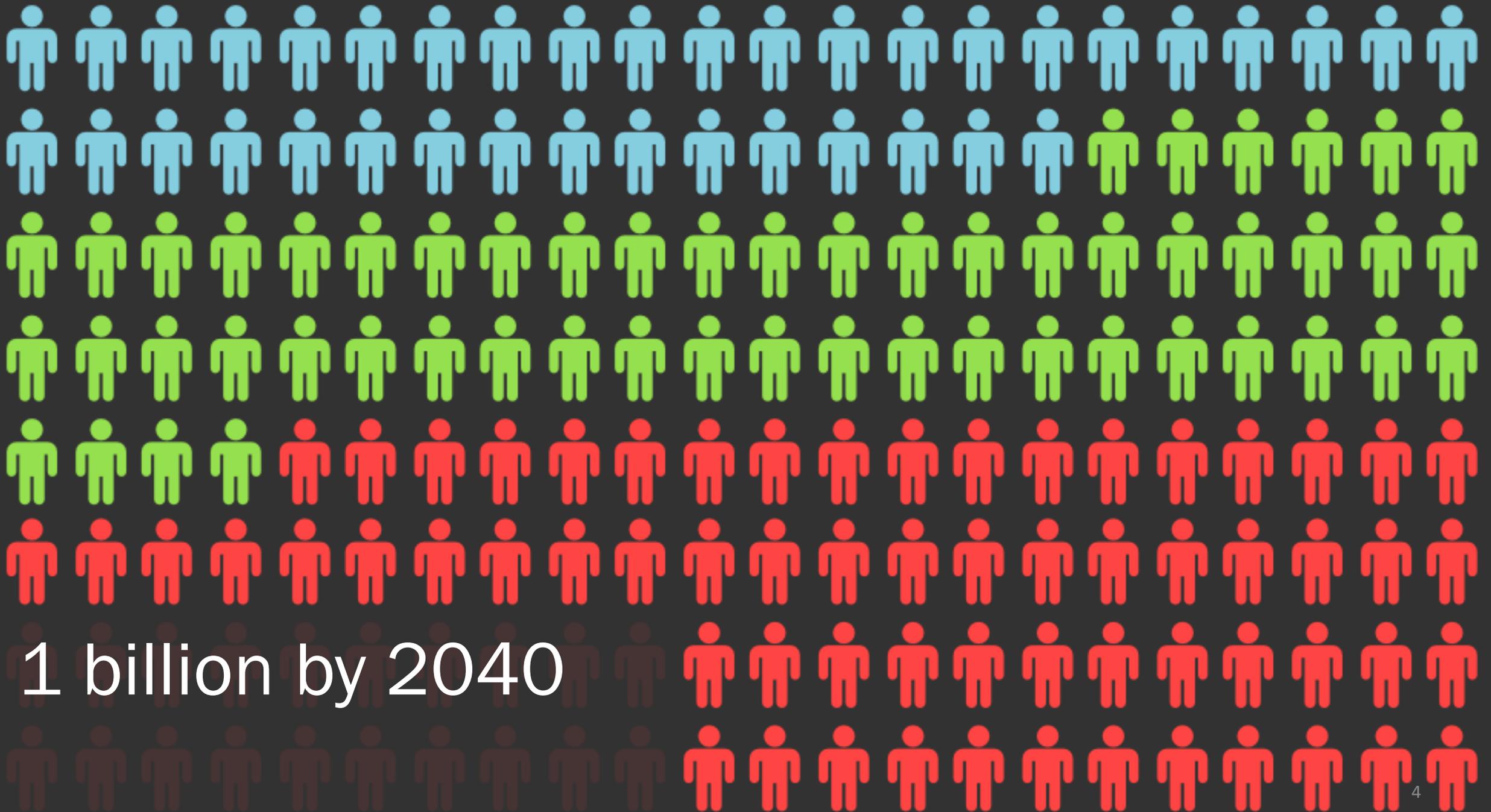
Africa's urban population

472 million today



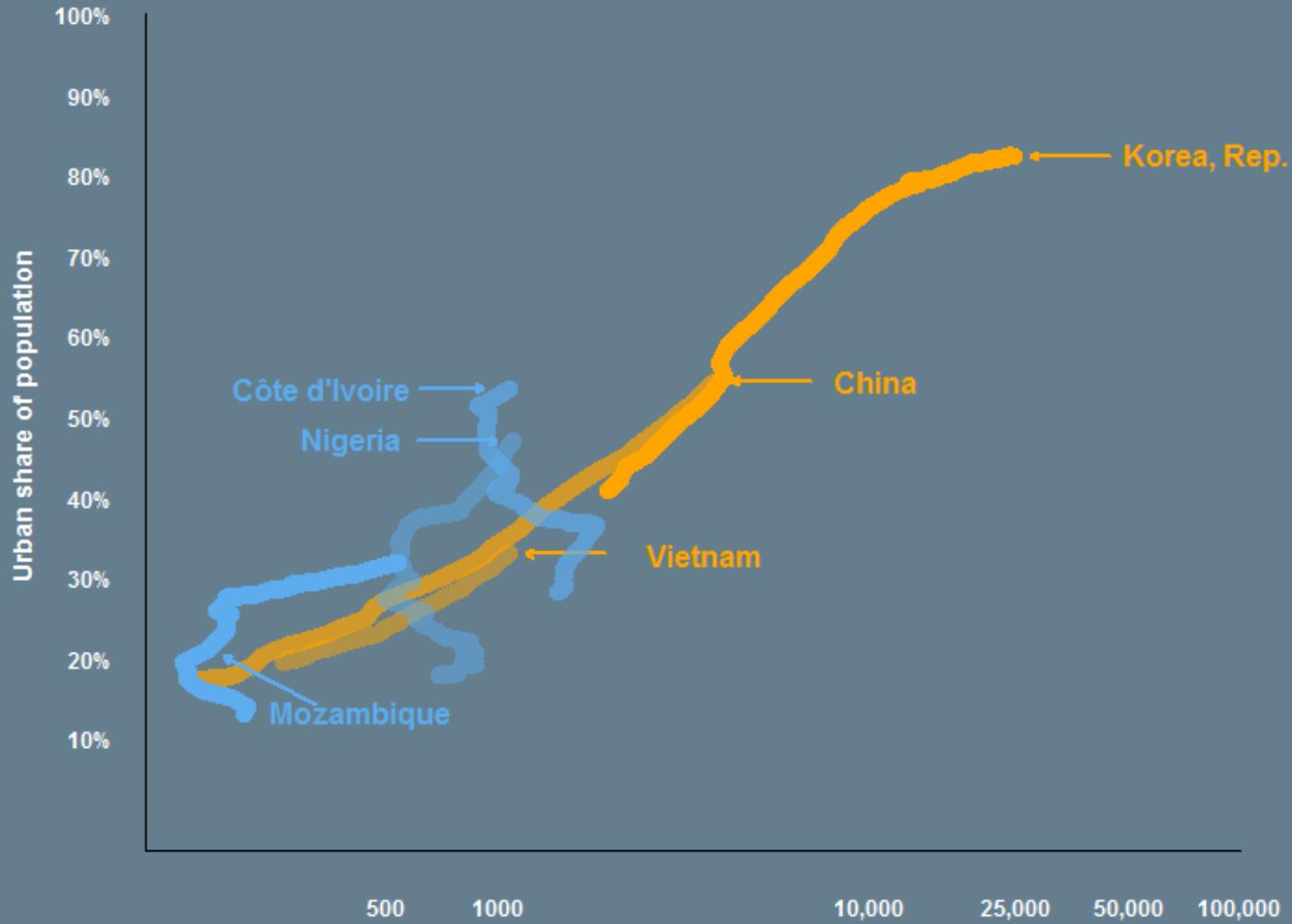
659 million by 2025

Adding another Nigeria



1 billion by 2040

Cities in Sub-Saharan Africa are experiencing rapid population growth. Yet their economic growth has not kept pace.

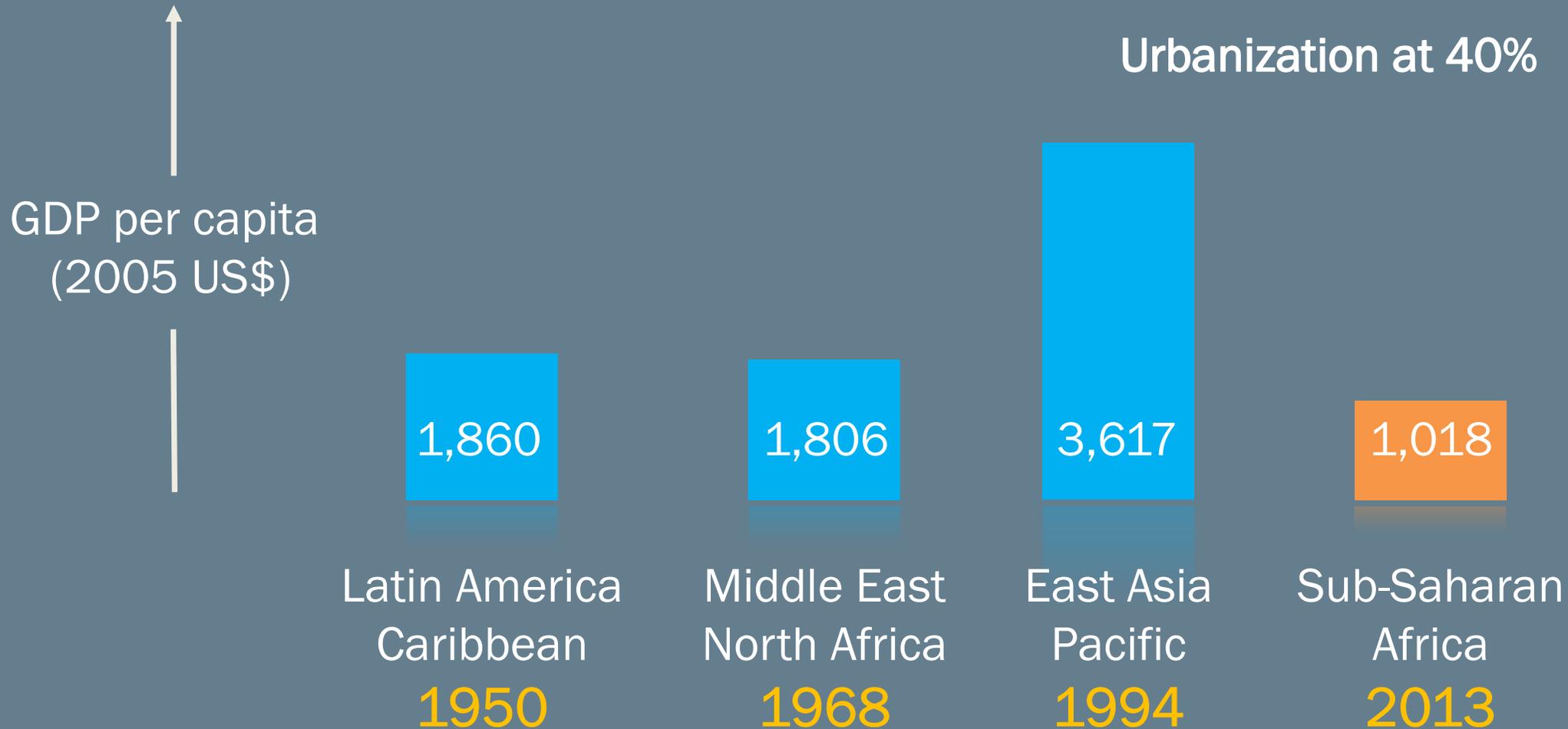




Crowded, disconnected, and thus costly

The economic performance of Africa's cities is limited by their urban form

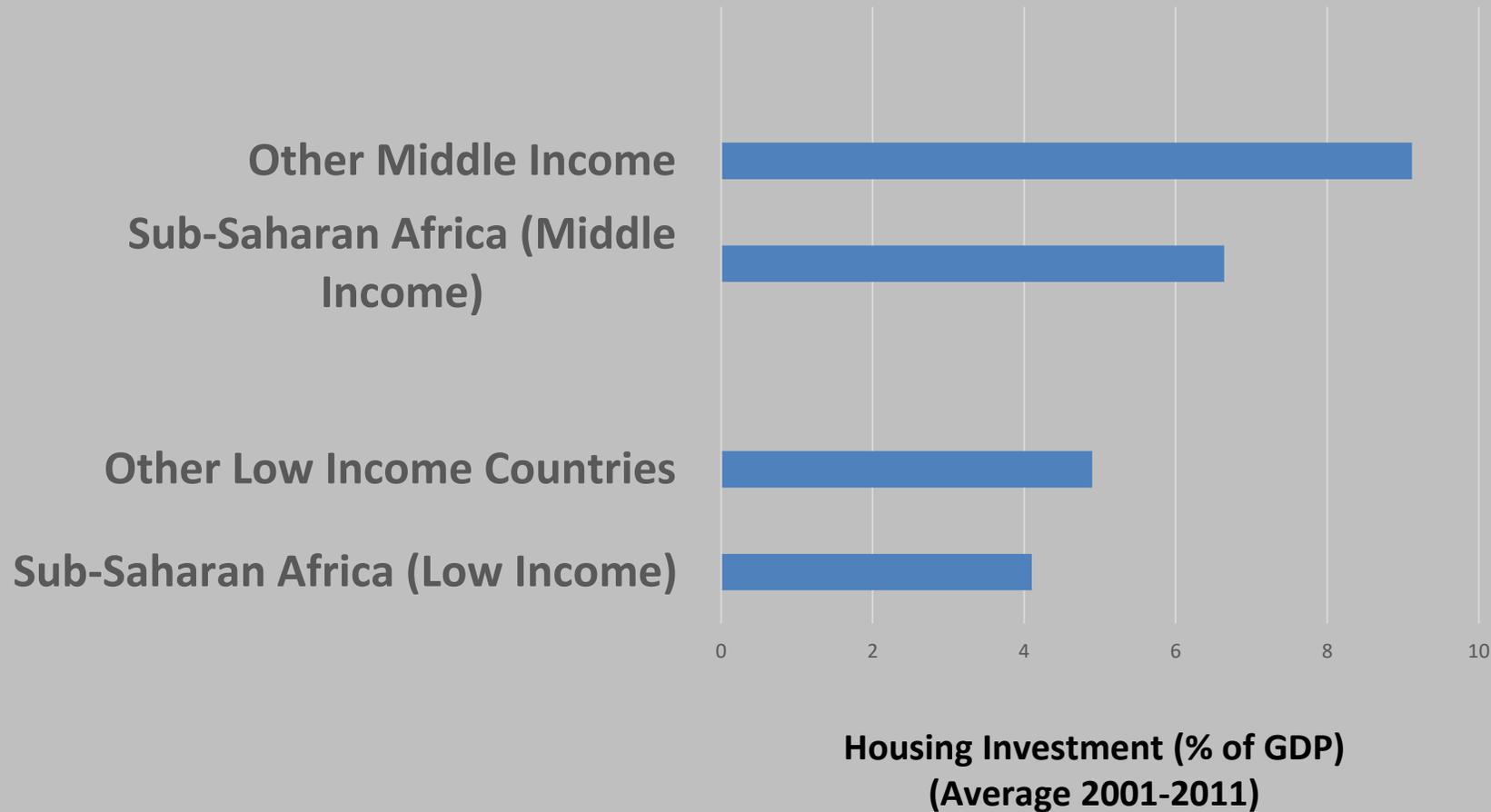
Africa's cities are growing rapidly, but at lower income levels



Lacking capital investment, Africa's cities are not dense with buildings

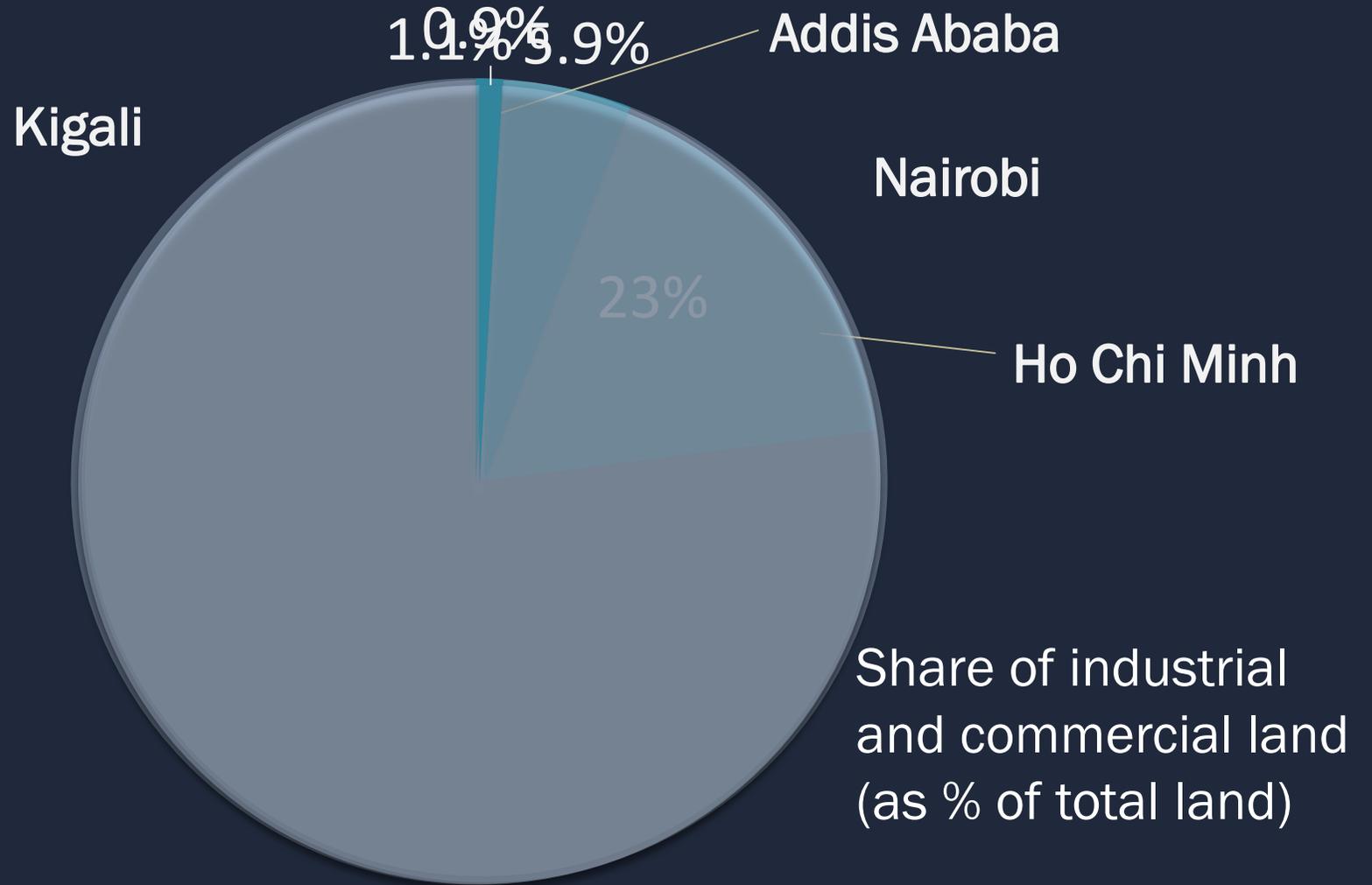


Housing Investment in Africa

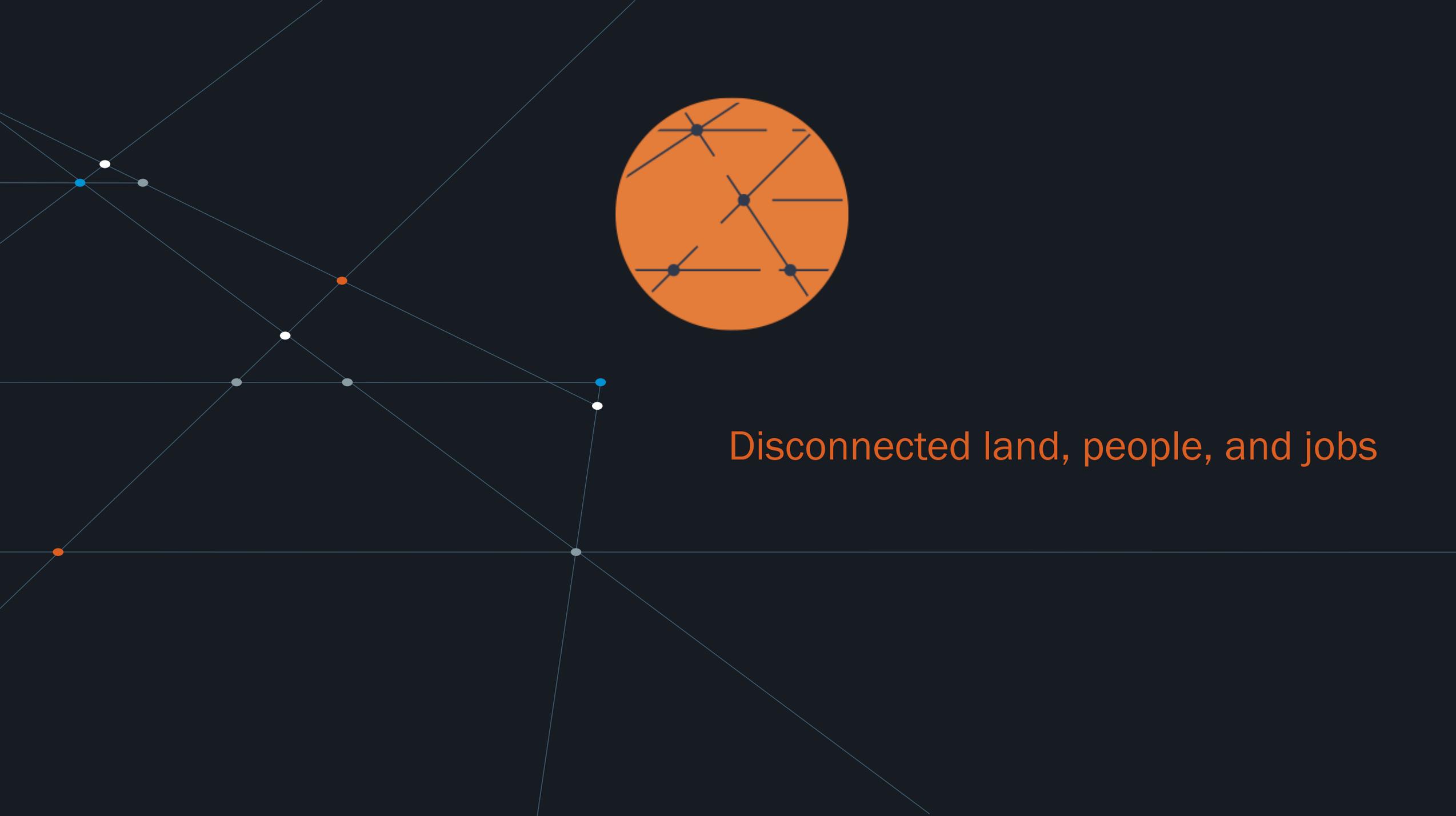


Africa's cities are not dense with economic activity

CROWDED



Source: World Bank calculations (2015), EO World.



Disconnected land, people, and jobs

64 cities

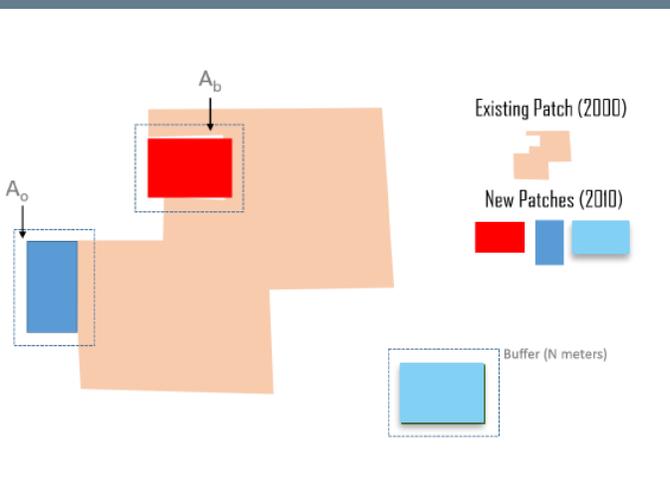
Compared to Asia and Latin America, Africa's cities have

40% fewer neighbors to interact with

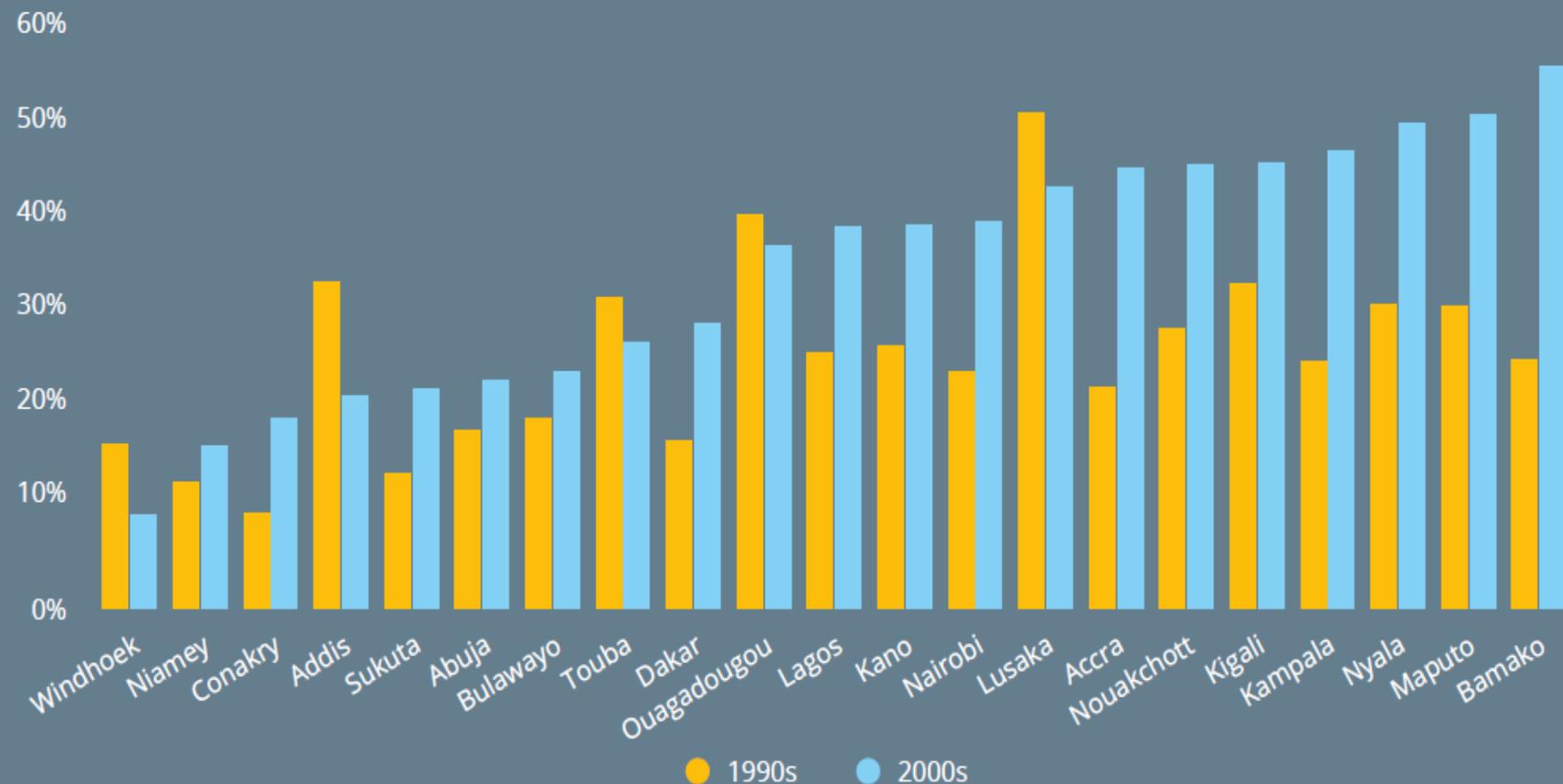
20% more fragmentation near the city center



Land is being developed in small & disconnected fragments: People are disconnected from other people and from jobs

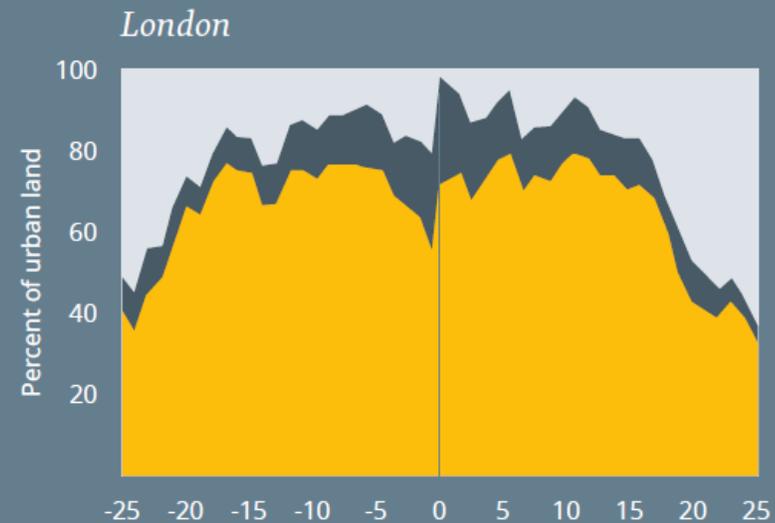
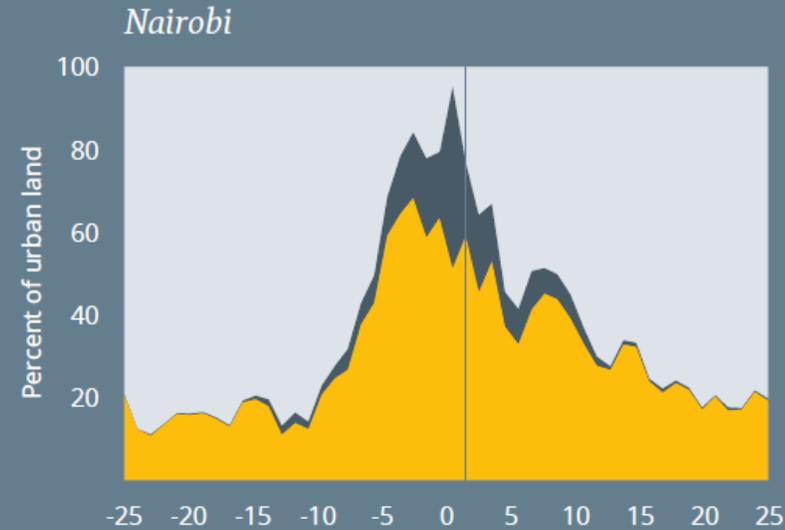


Share of new leapfrog fragments in total new fragments (percent)



Paved roads occupy a smaller share of urban land in Africa than elsewhere — and usually drop off abruptly beyond the city center

■ Built-up ■ Paved roads ■ Open space



Source: Data from Antos, Lall, and Lozano-Gracia 2016 and Felkner, Lall, and Lee 2016.

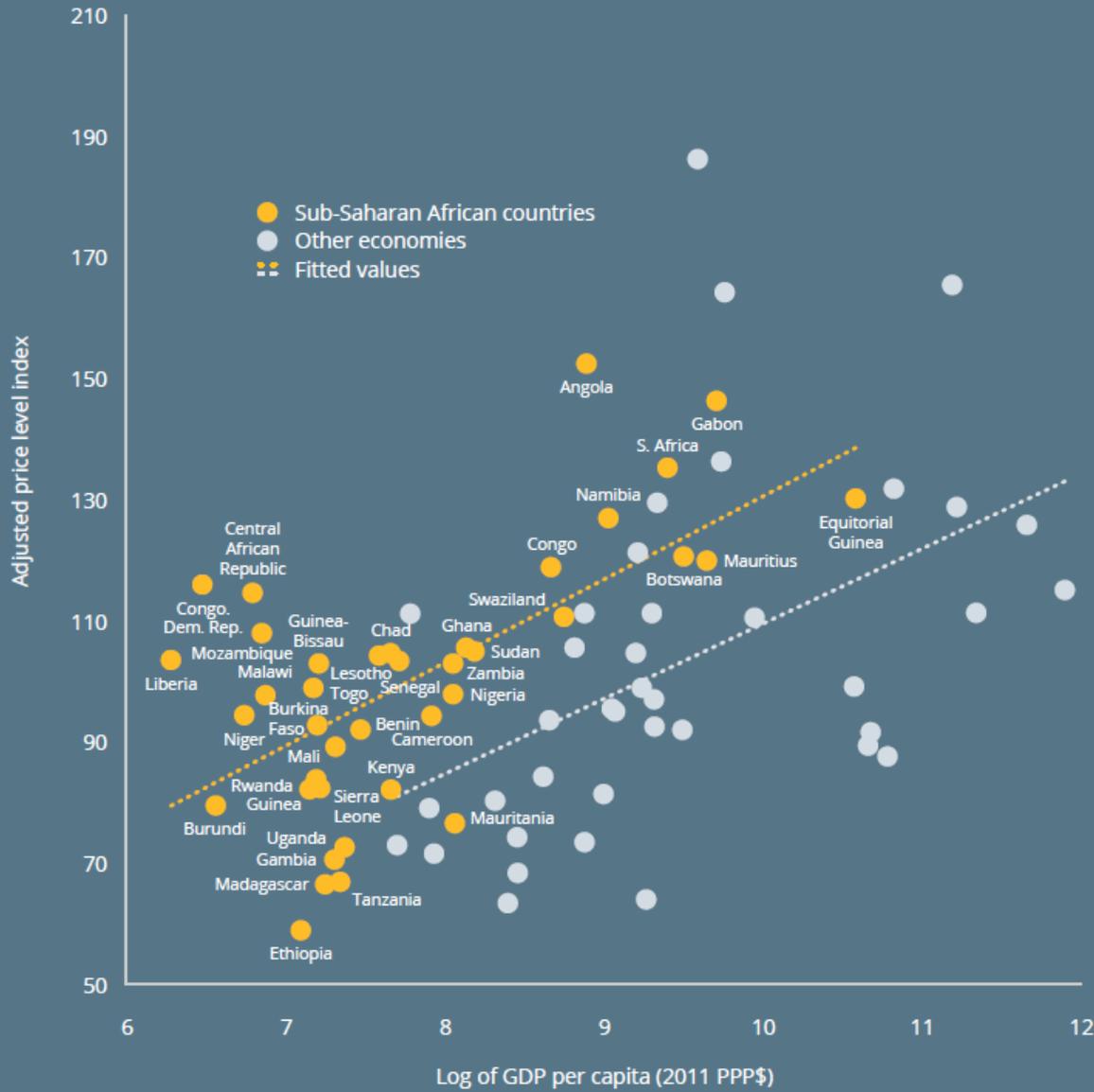
A fragmented urban form is associated with higher urban costs



Crowded and
Disconnected
cities are **Costly** for
households and for
businesses

Source: Authors' estimations using Nakamura et al. 2016 and Henderson and Nigmatulina 2016.

Urban living costs in Sub-Saharan African countries in 2011 exceeded costs elsewhere, relative to Africans' lower per capita GDP

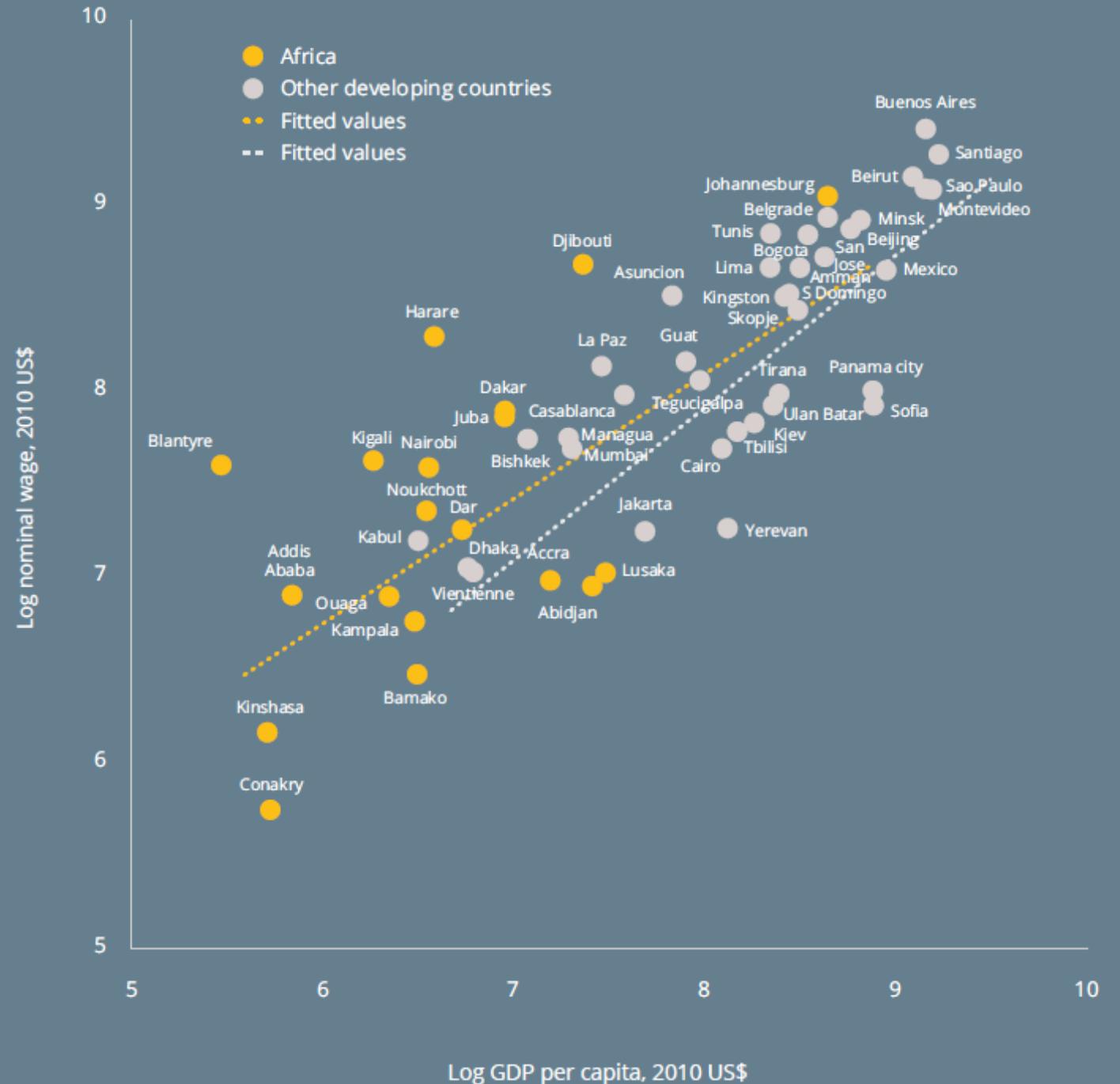


29%

more expensive than cities in countries at similar income levels



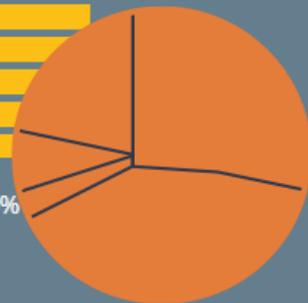
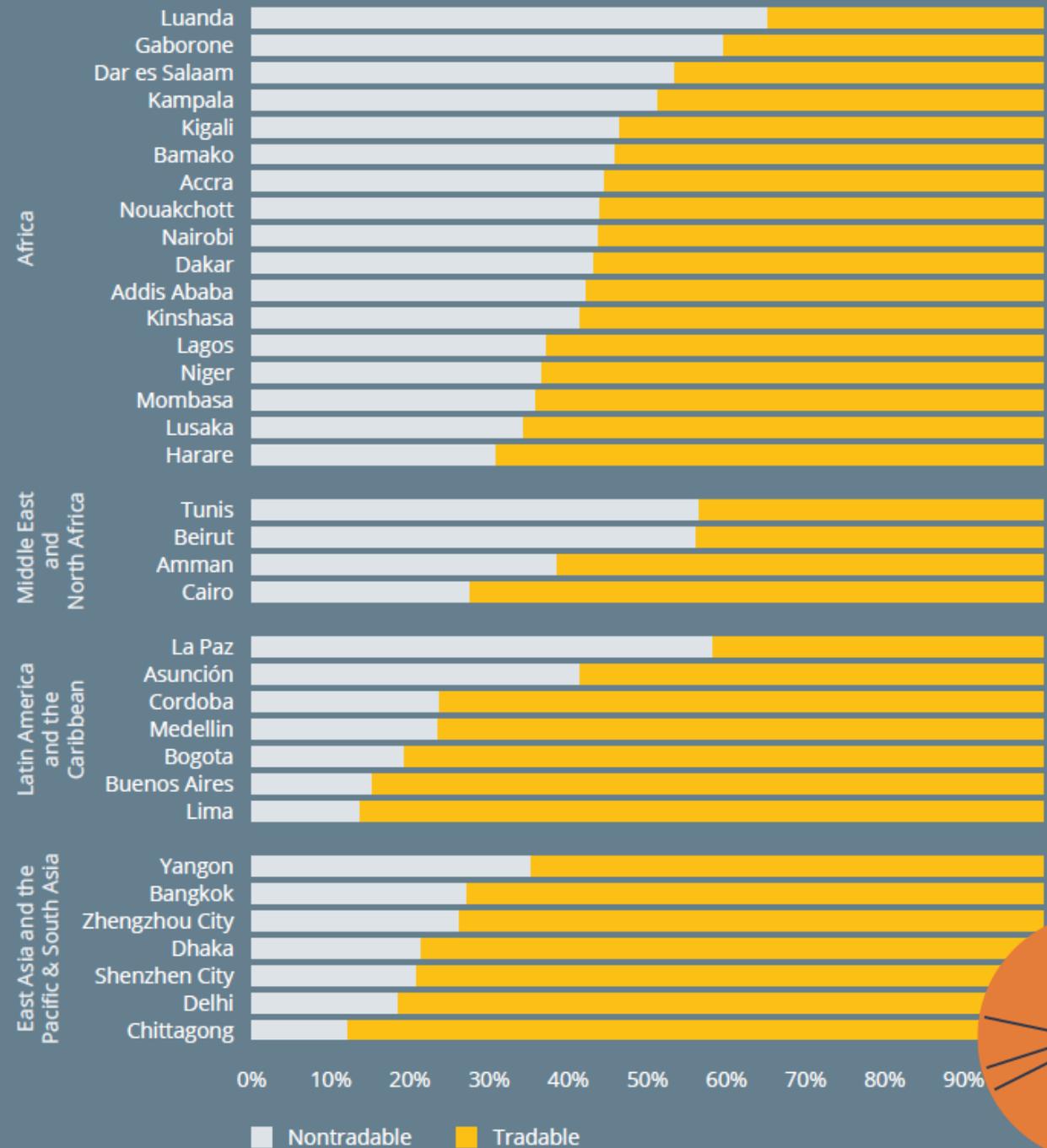
Nominal manufacturing wages in African cities are higher than in other developing country cities



The tradables sector is much larger in Asia than in Africa

Asian cities: 70%

African cities: 50%



To grow economically as they are growing in size, Africa's cities must open their doors to the world.





Build credible institutions to
govern the transfer, valuation,
and use of land

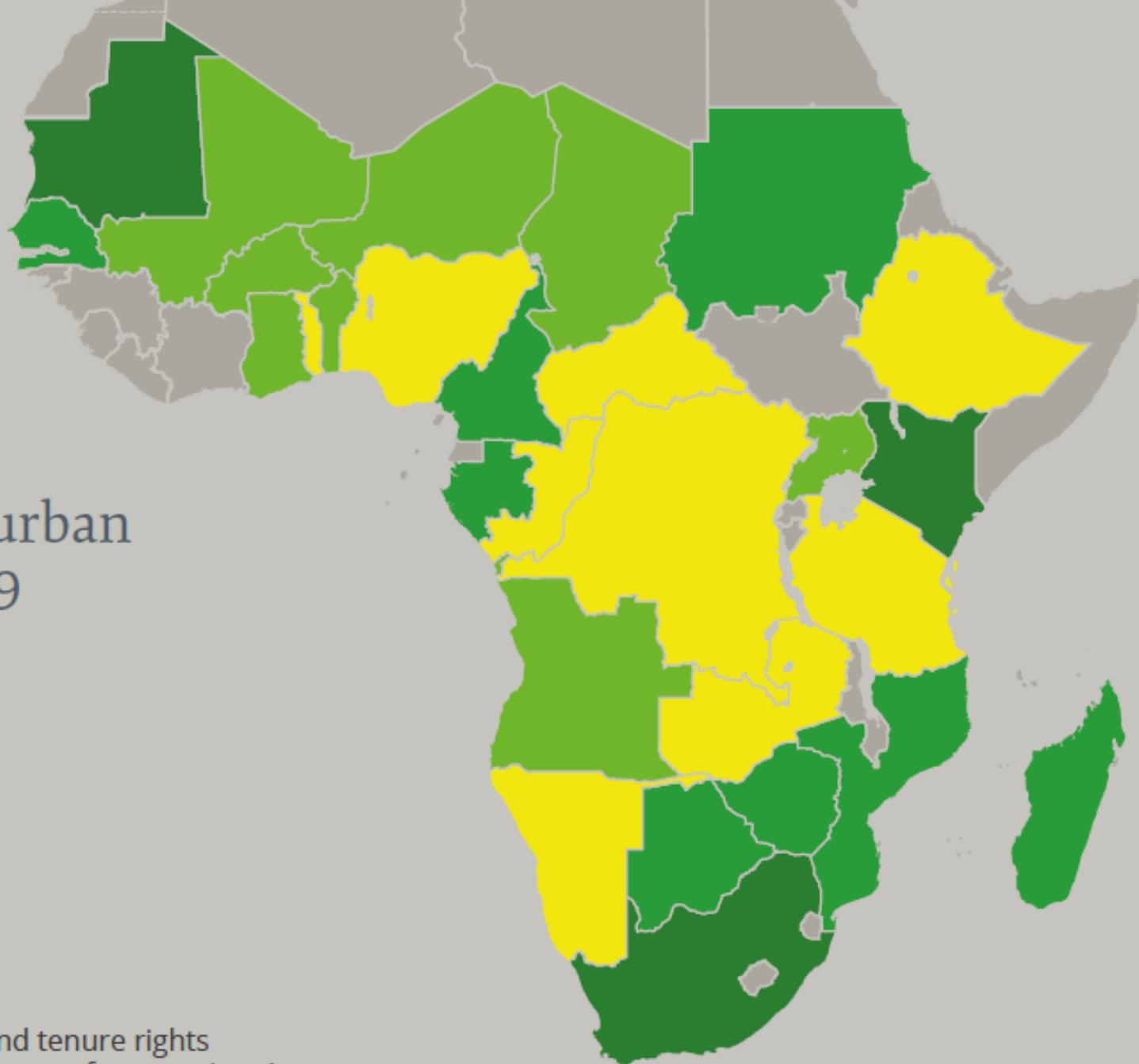
MAP 5.2

Diversity of land rights in urban and peri-urban Africa, 2009

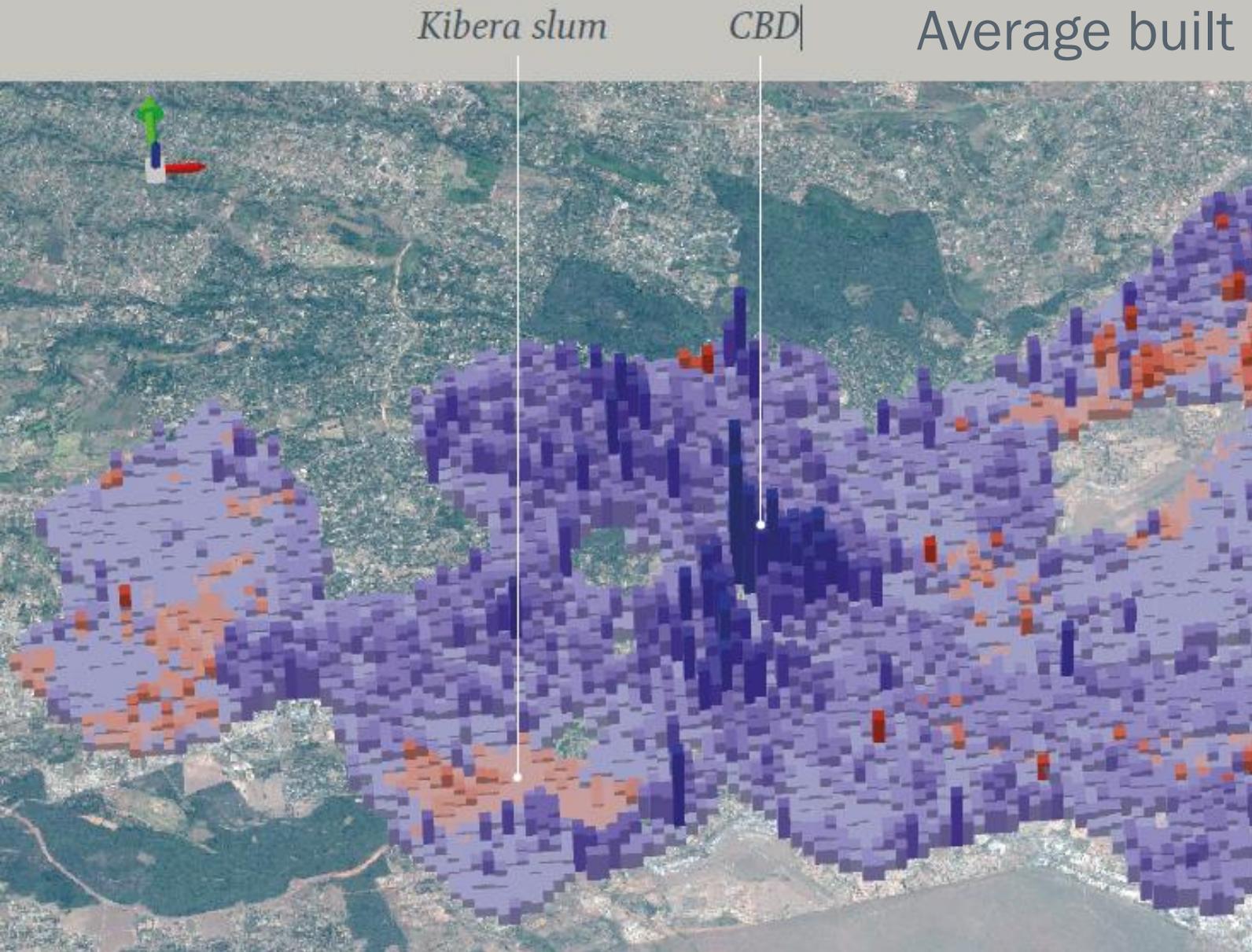


Source: Data from Picarelli 2015.

Note: The map plots an index of the diversity of land tenure rights systems in urban areas that ranges from 1 (wide range of systems) to 4 (single land system). No information was available for countries in grey.



Informal land markets can bring costs to cities



Misallocation of 1000 acres of land near city center costs (4 km from downtown)

\$1 billion (land value differential)
or

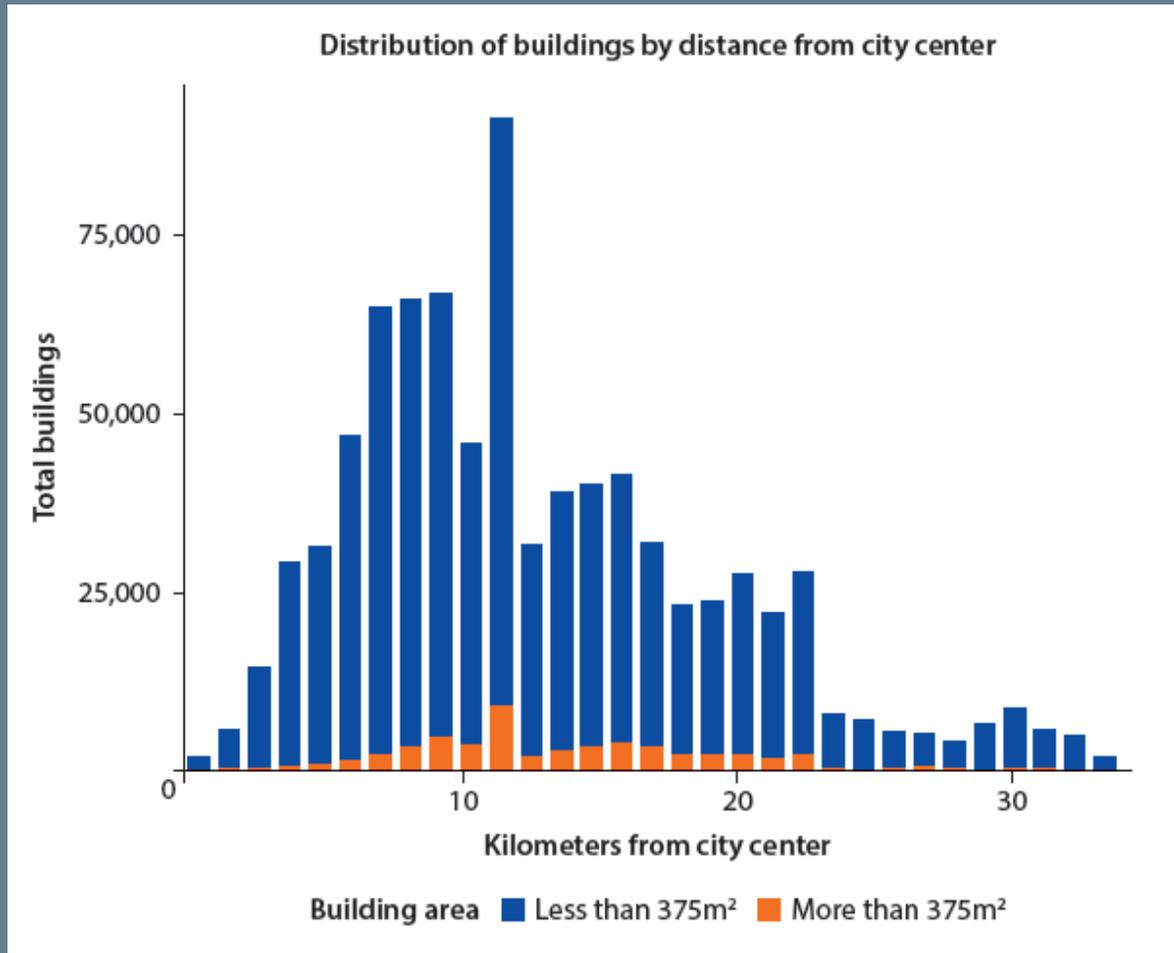
\$200 per person in greater Nairobi
or

70% of Kenya's GDP per capita in 2014

Make Development Regulation Compatible with Incomes

Lot size regulations:
Dar: 375 sq m

Philadelphia: 28 sq m



Long term returns of sites and services projects

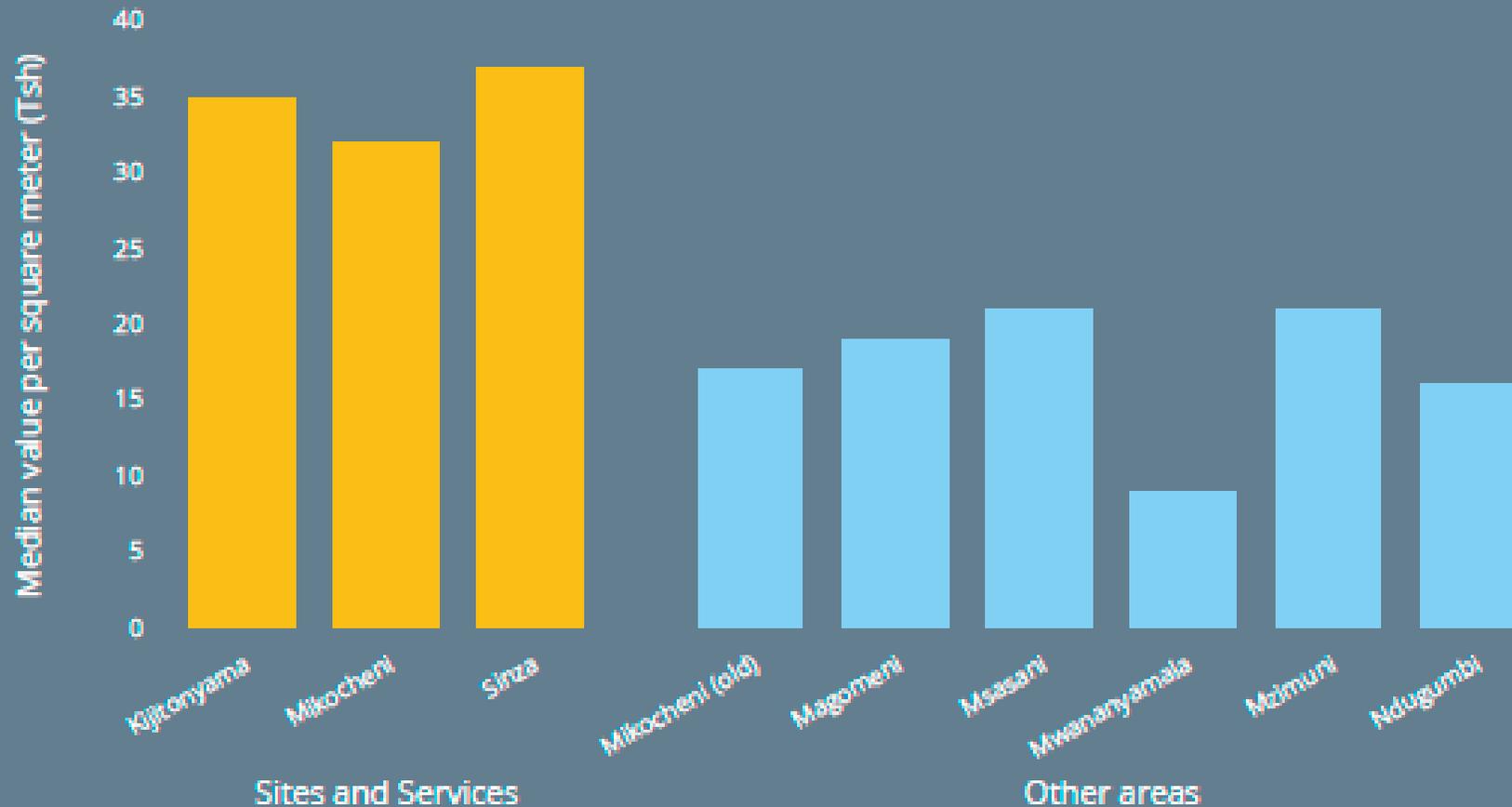
Dar es Salaam



Sinza, a de novo project (upper left)

Manzese, an upgrading project (bottom right)

Land values of de novo development projects are higher than values in other neighborhoods of Dar es Salaam, including rich ones



Source: Regan and others 2016.



Invest in infrastructure and coordinate
across sectors and with land use
policies



40,000 downloads



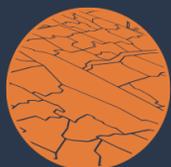
2.7 million posts



215,000 views more than 3,900
engagements and generated on Facebook



New engagements with donors and
other international organizations



Increased demand for analytic products
on urbanization in West Africa (Mali, Guinea, Niger,
Sierra Leone, Liberia)



Framing policy discussions and
lending operations

Africa's Cities

Opening Doors to the World

