



**A Road Map for  
Sub-Saharan  
Africa**

**Which Way to Livable  
and Productive Cities?**

# Which Way to Livable and Productive Cities?

## A Road Map for Sub-Saharan Africa

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### CHAPTER 1: Cities and Towns Are Growing, yet the Potential Benefits of Urbanization Remain Distant 5

Sub-Saharan Africa is urbanizing, while poor and low wealth mean weak institutions and lagging investments 5

Urbanization has not been associated with the economic growth experienced elsewhere 6

Urbanization has done little to reduce poverty in most Sub-Saharan countries, because most urban population growth in Sub-Saharan Africa is a natural effect of fertility, not an economic pull inducing migration 6

Neither large cities nor small towns are livable or productive, and midsized cities are missing 13

Environmental policies lag behind, making livability an even more distant goal 22

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## **Generating a narrative for Sub-Saharan Africa, drawing on**

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numerous urbanization reviews

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regional reports (employment, housing, environment, agriculture, local government, etc.)

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various household surveys, some of them at city level

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country specific analyses

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## **Designing evidence based and practical policy recommendation**



# Motivation

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**More systematic review by pooling all household survey and census data to assess**

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Service access and poverty

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Population growth due to fertility or migration

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Location of population by town/city size

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**Synthesis of policy recommendations common to most urbanization reviews and other policy and advisory documents**

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**Framework**

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**Characteristics of  
Africa's  
Urbanization**

Economic Transformation

Demographic Change

Poverty and Services

Fragmented Cities

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**Policy  
Recommendations**

Urban Planning and Land Markets

Infrastructure Investments – Sustainably Financed and More Efficient

Integrating Rural and Urban across Countries

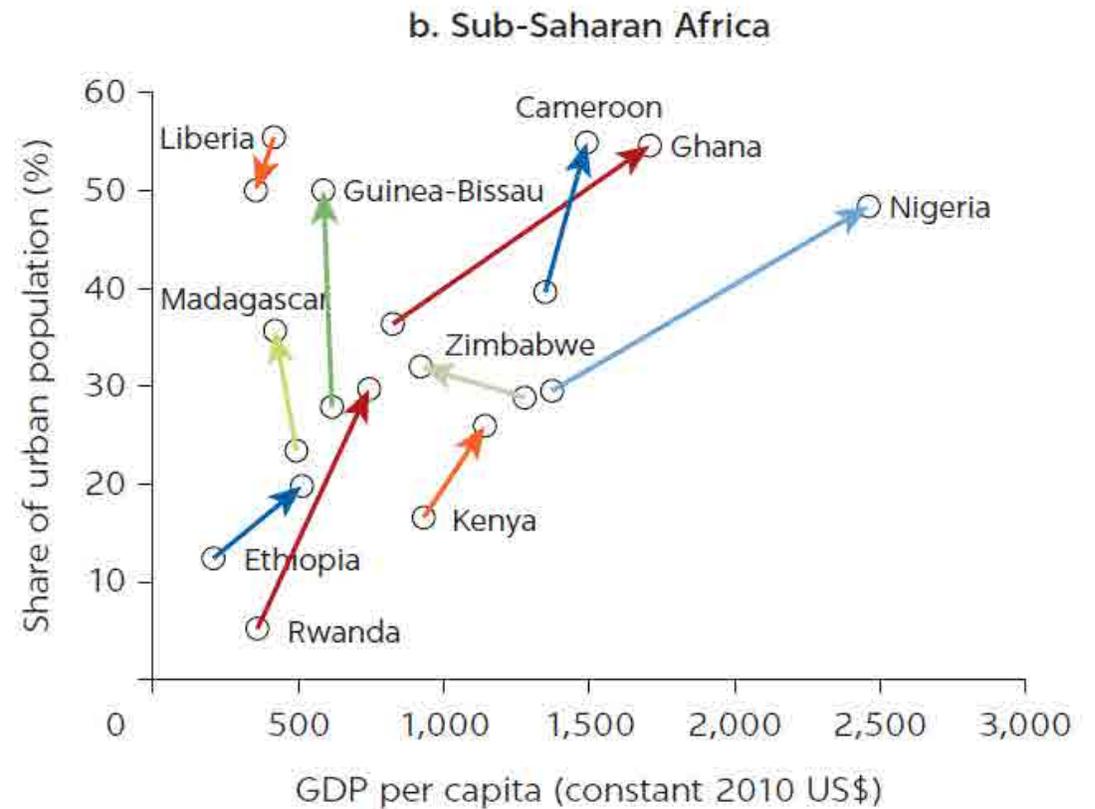
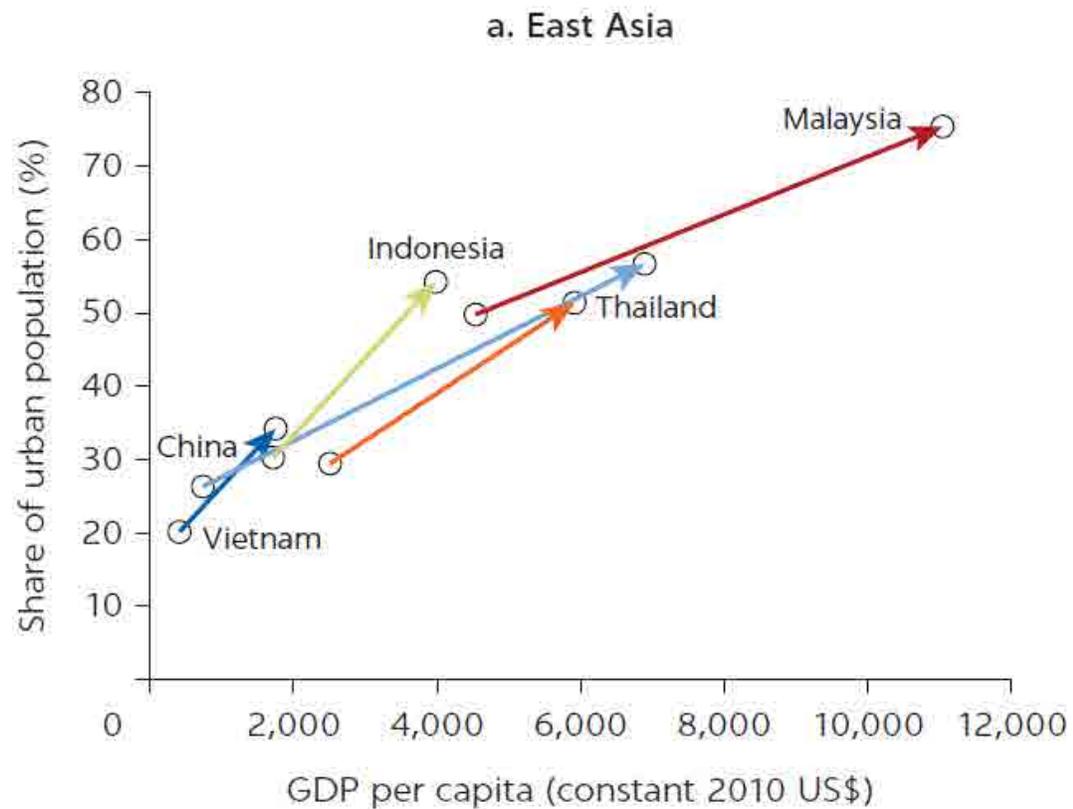
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# Structure of this Presentation



# Economic Transformation

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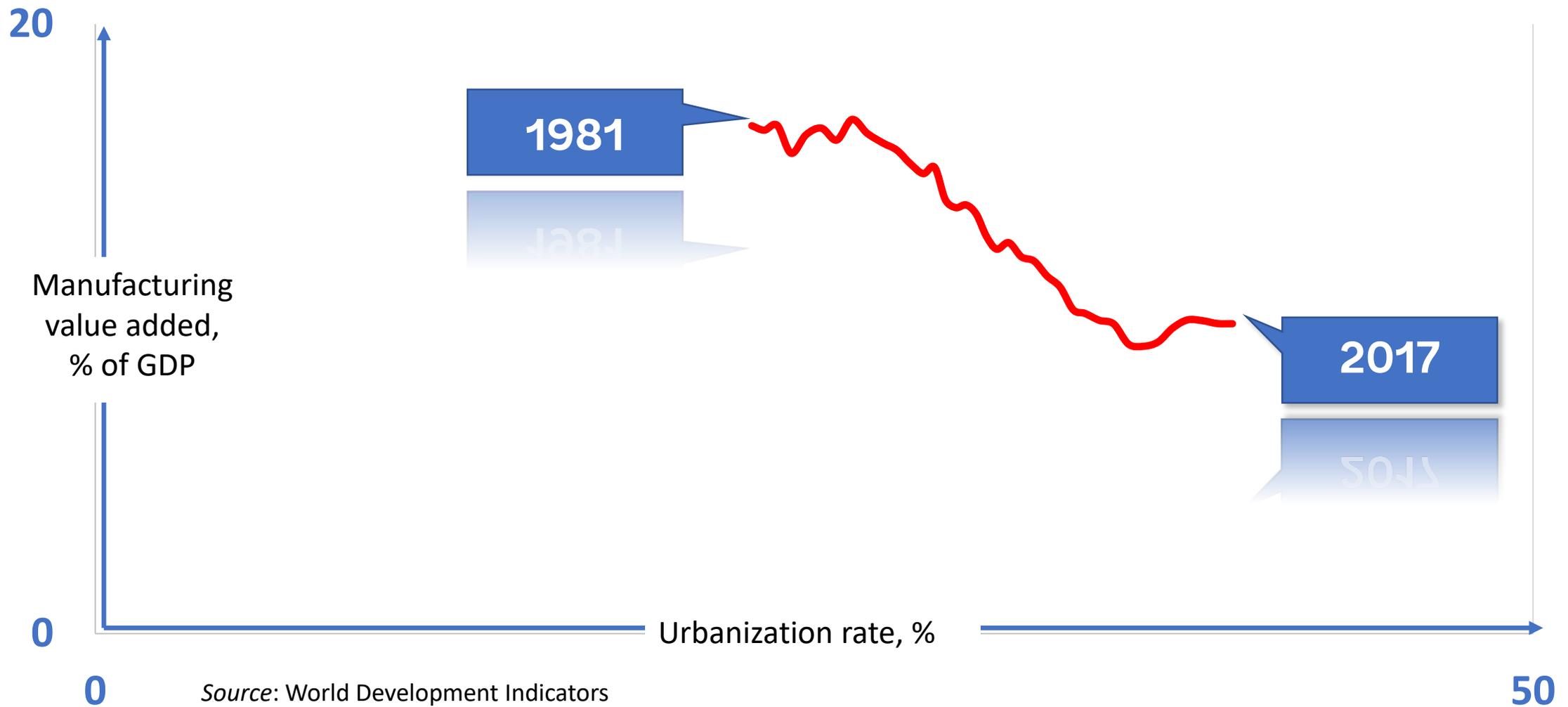
Source: Calculations based on World Development Indicators.  
 Note: Data correspond to changes between 1990 and 2016.

Urbanization has been associated with uniform growth in East Asia, but the story is mixed for Sub-Saharan Africa

	SHARE OF POPULATION WORKING IN AGRICULTURE (%)		
	URBAN		NATIONAL
	1990	2000	LAST CENSUS
<i>Africa</i>			
Botswana	5.9	—	26.2
Cameroon	—	21.2	61.9
Ethiopia	14.4	—	90.2
Ghana	21.9	15.2	44.0
Liberia	—	13.7	43.9
Malawi	18.8	21.1	65.8
Mali	39.3	12.7	69.7
Mozambique	43.9	36.1	76.7
Sierra Leone	—	39.9	78.3
Tanzania	37.8	27.4	65.1
Uganda	—	16.2	76.0
Zambia	10.2	18.9	75.7
<i>Other</i>			
Brazil	6.6	5.9	15.2
Cambodia	33.5	14.1	72.3
India	11.0	7.4	56.6
Malaysia	5.6	4.1	16.4
Thailand	5.2	14.3	56.6
Vietnam	19.4	14.4	54.0

Source: Henderson and Kriticos 2017, using IPUMS Census Database, <https://international.ipums.org/international/>.

About one-fourth of the urban population still works in agriculture



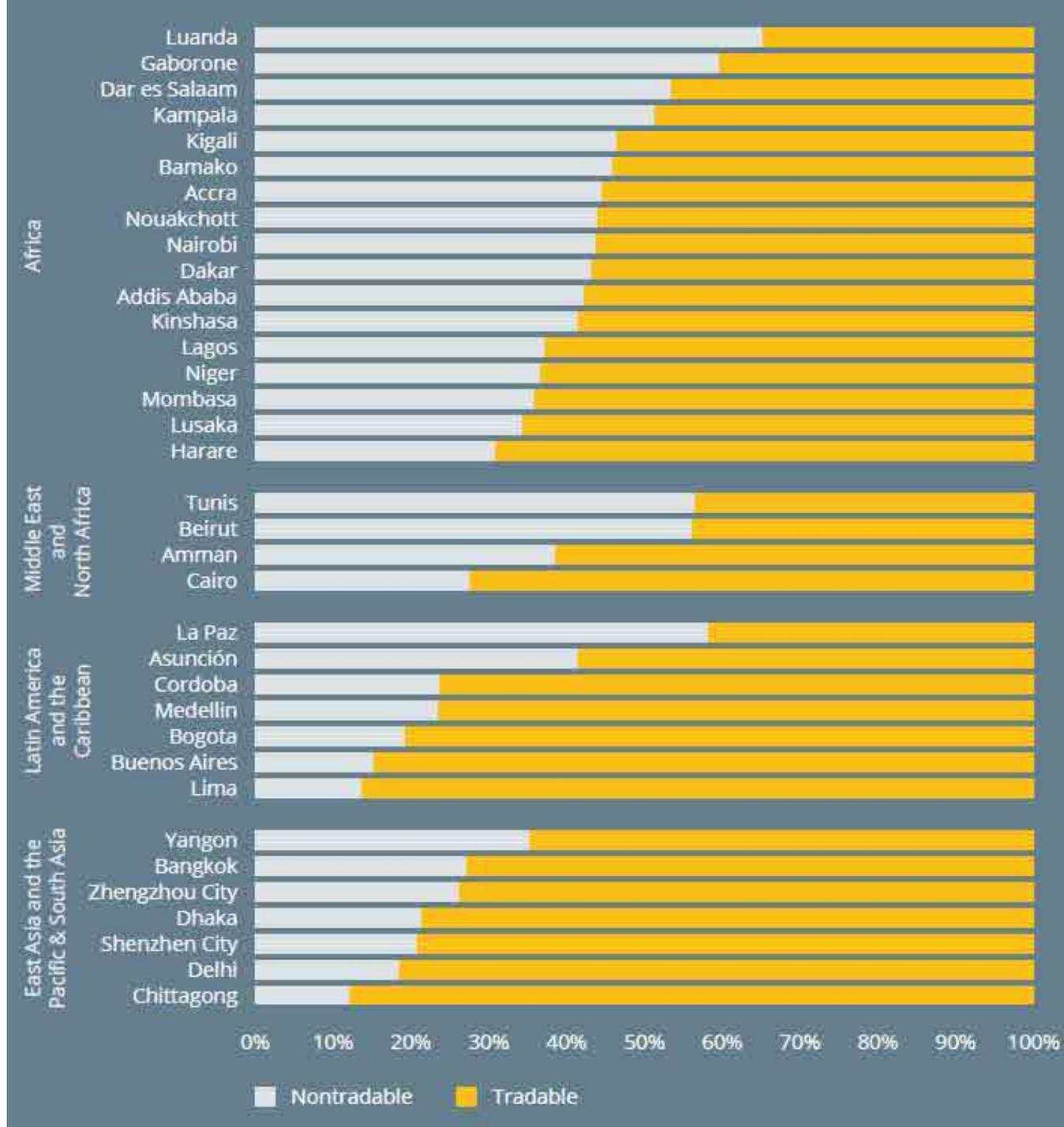
Cities are growing with people, but this is not accompanied by structural transformation

The 'tradeables' sector is much smaller in Africa's cities than elsewhere

Asian cities: 70%

African cities: 50%

Only traded goods and services enable the economies of scale needed for driving cost down

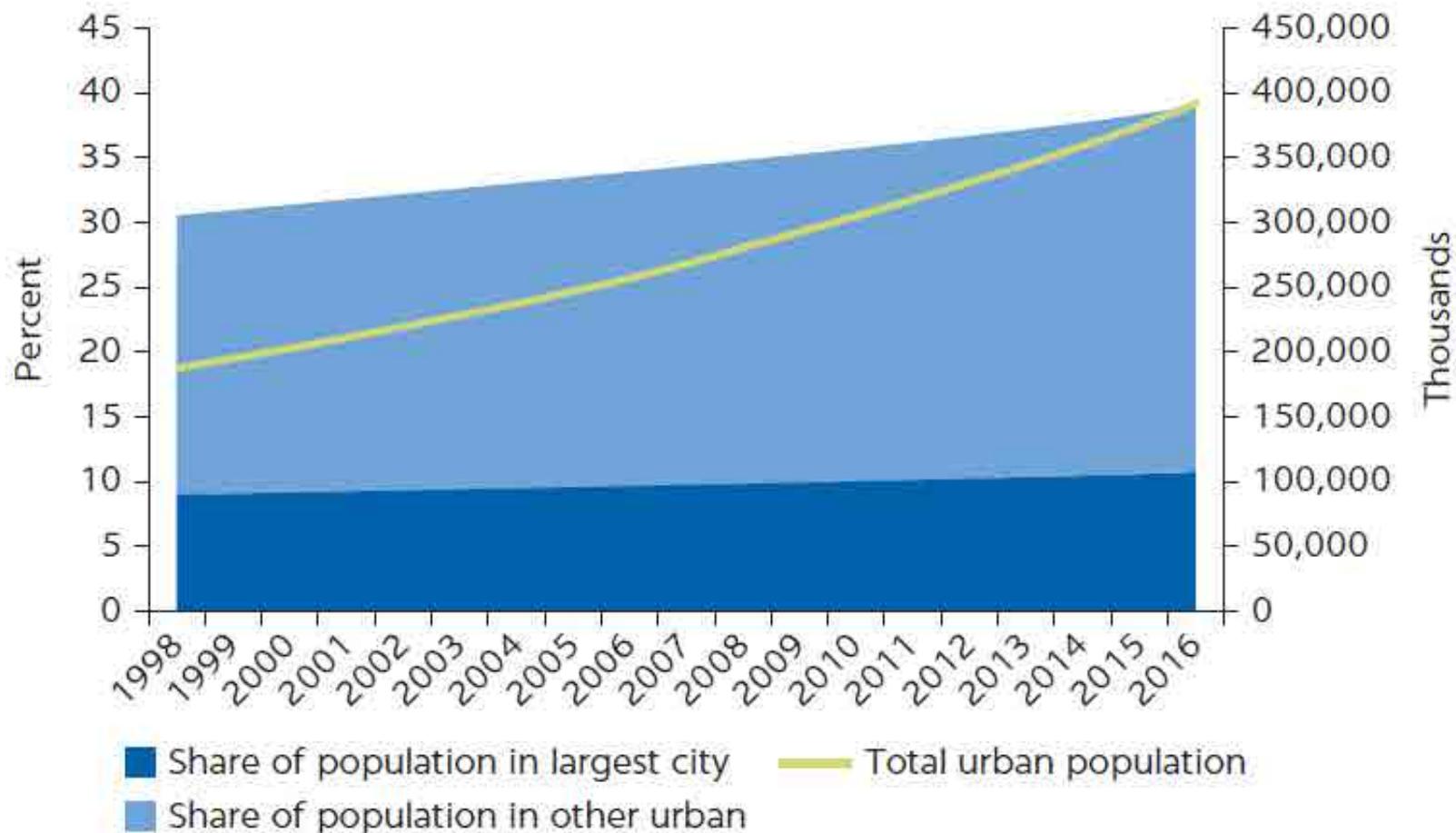




# Demographic Change

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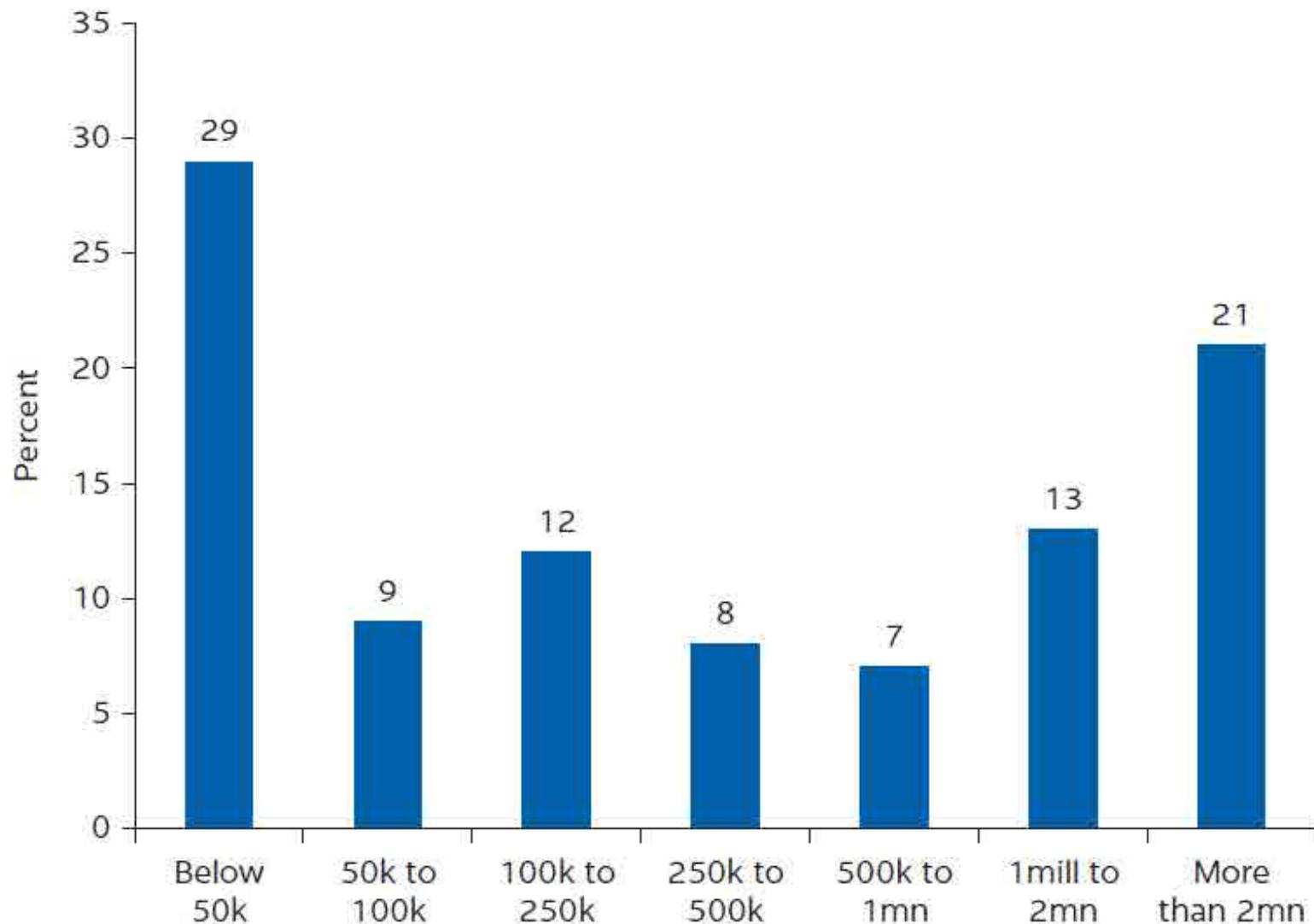
The share of the largest city in the total urban population has remained constant



Source: Calculations based on World Development Indicators.

Note: Data exclude Botswana, Cabo Verde, Comoros, Equatorial Guinea, Lesotho, Mauritius, São Tomé and Príncipe, the Seychelles, and eSwatini.

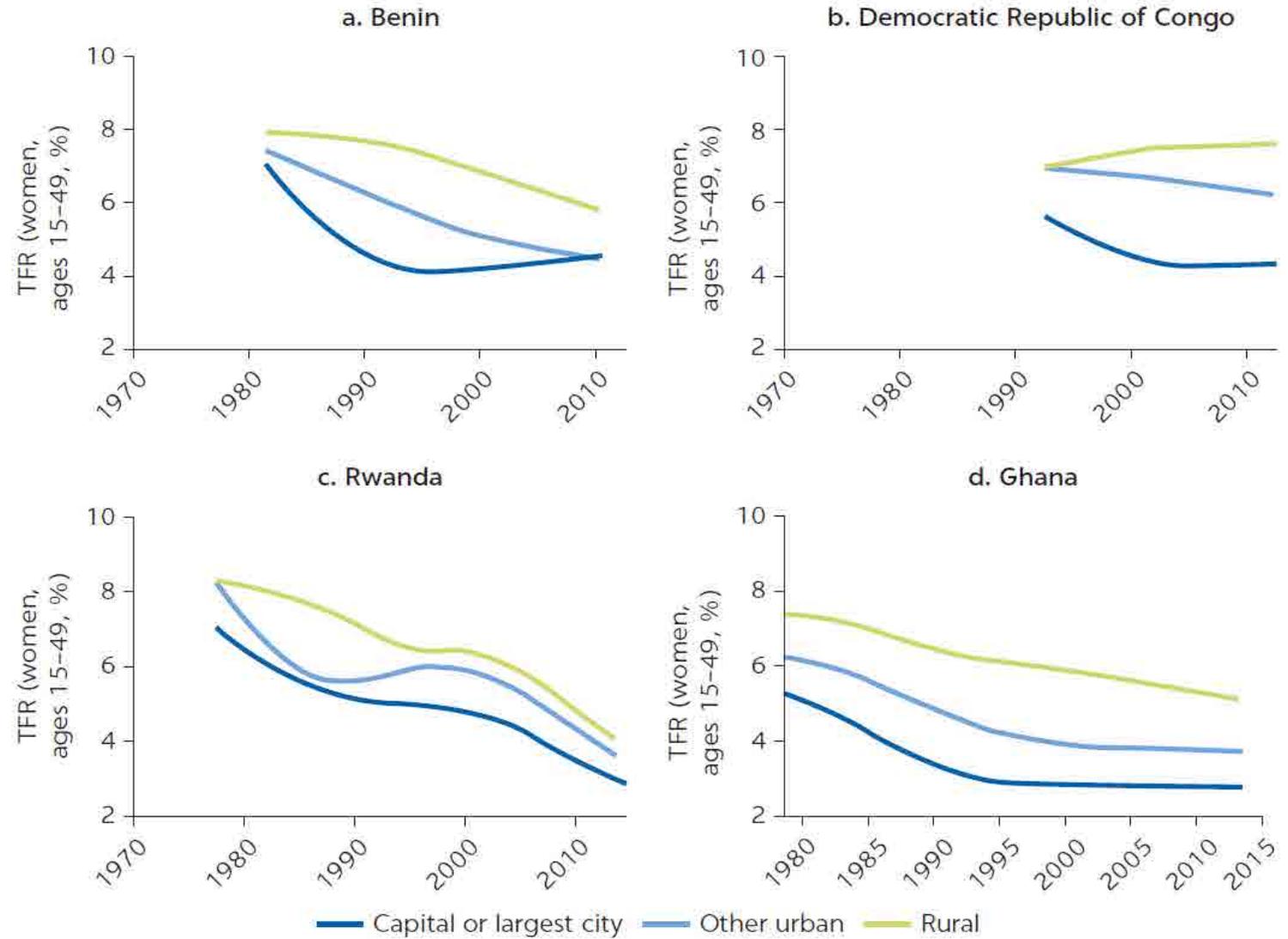
Almost one-third of the urban population lives in towns with fewer than 50,000 people



Source: Calculations based on census data from <http://citypopulation.de/>.

Note: Based on data for 39 countries in Sub-Saharan Africa for which censuses were available after 2004, excluding therefore Angola, the Central African Republic, Comoros, Equatorial Guinea, Eritrea, Nigeria, Somalia, and eSwatini.

The decline in urban fertility is stalling in some countries and continues slowly in others

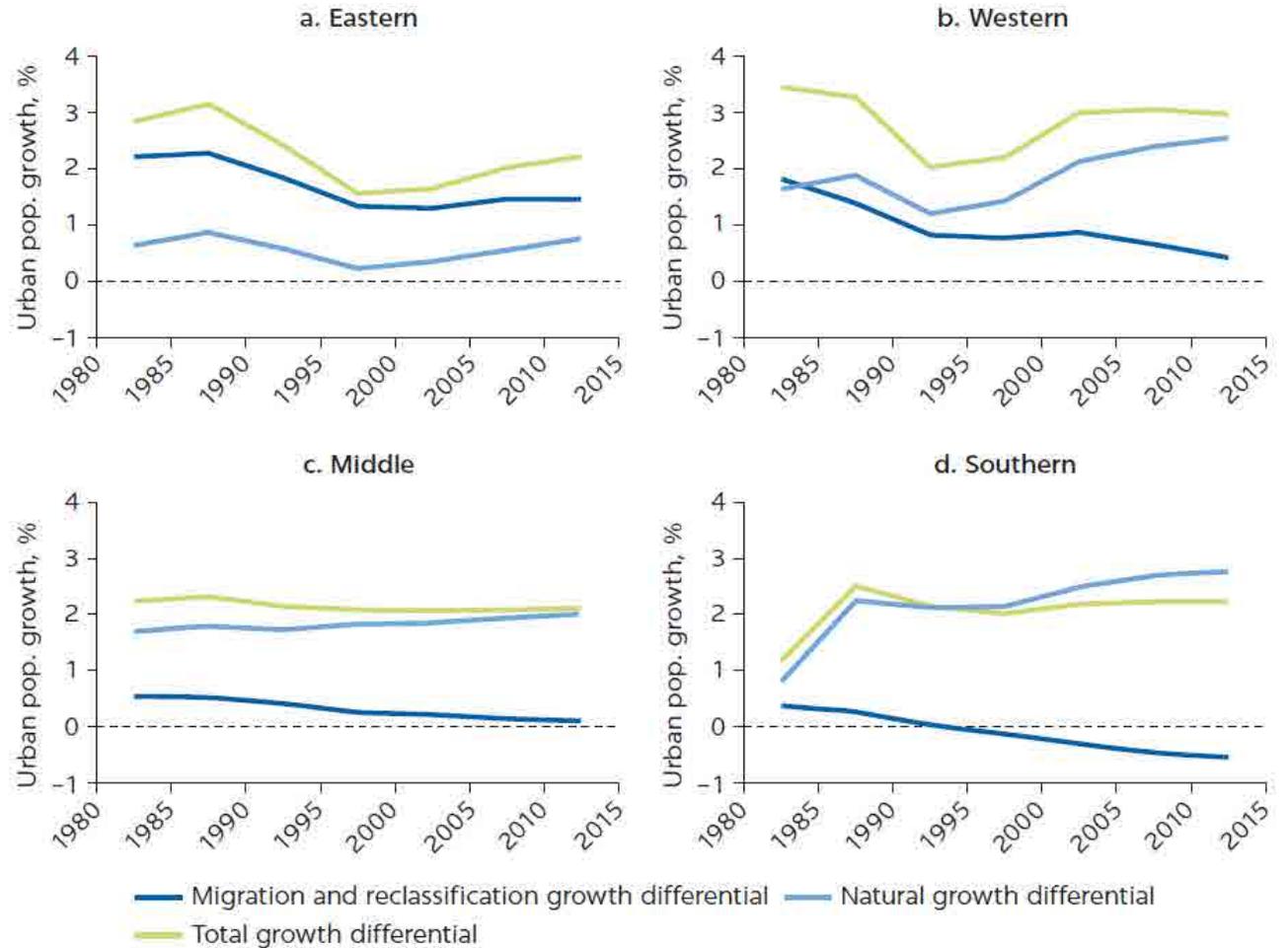


Source: Bocquier and Schoumaker, forthcoming.

Note: Total fertility rates (TFRs) are reported as trends constructed by pooling birth histories from successive surveys and smoothed with restricted cubic splines.

Natural increase  
contributes more  
than in-migration  
to urban  
population growth

Rural to urban  
migration  
contributes less  
than 40 percent,  
on average



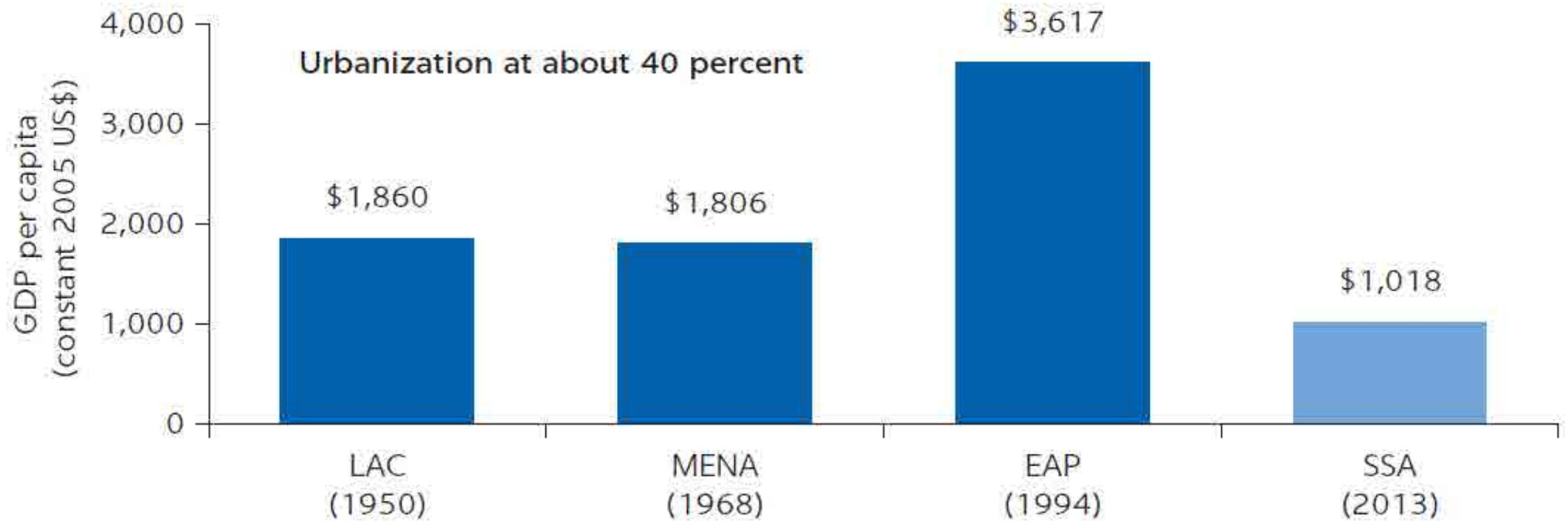
Source: Bocquier and Schoumaker, forthcoming.

Note: The panels above show the total urban population growth rate across different regions in Sub-Saharan Africa (total growth differential). The total urban growth rate is further decomposed into the portion attributable to natural growth (natural growth differential) and the one driven by migration and reclassification (migration and reclassification growth differential), by applying the census survival ratio method (CSRM) to urban-rural population by age and sex (URPAS) provided by the United Nations for five-year intervals over the period 1980–2015 for 45 Sub-Saharan countries.



# Poverty and Services

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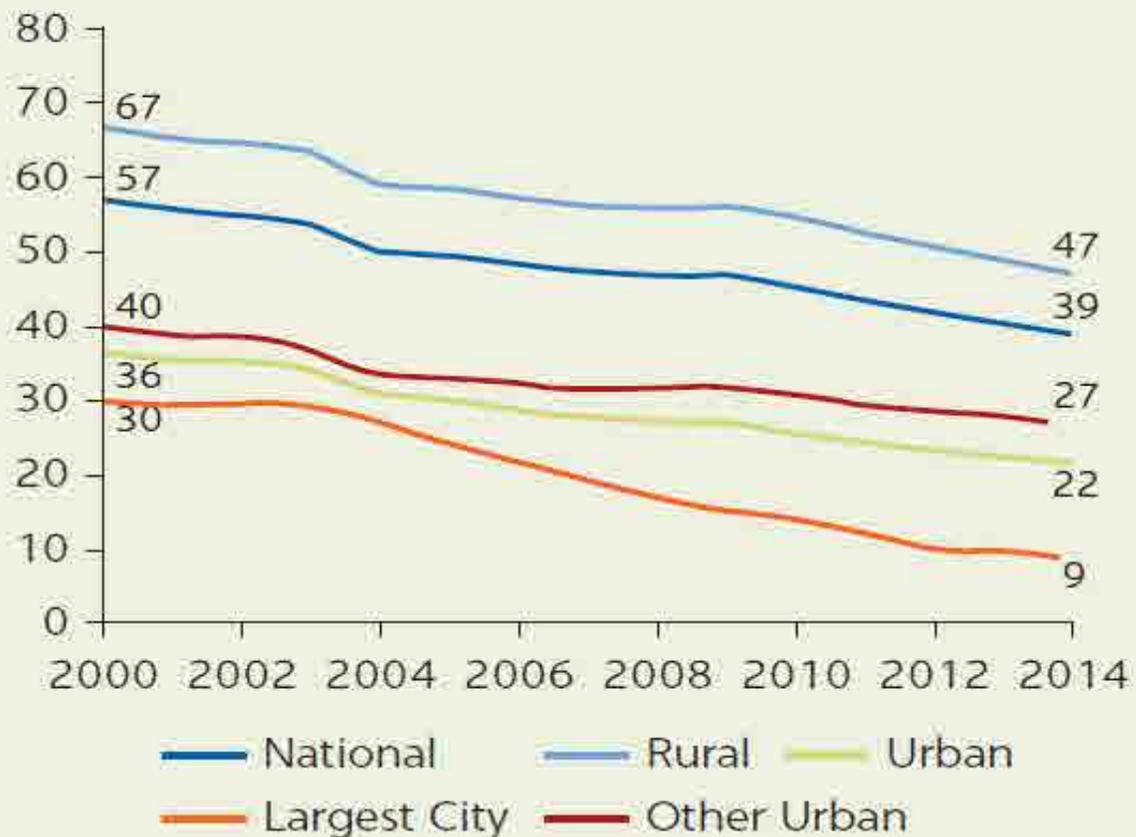
Source: Lall, Henderson, and Venables 2017.

Note: EAP = East Asia and Pacific; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SSA = Sub-Saharan Africa.

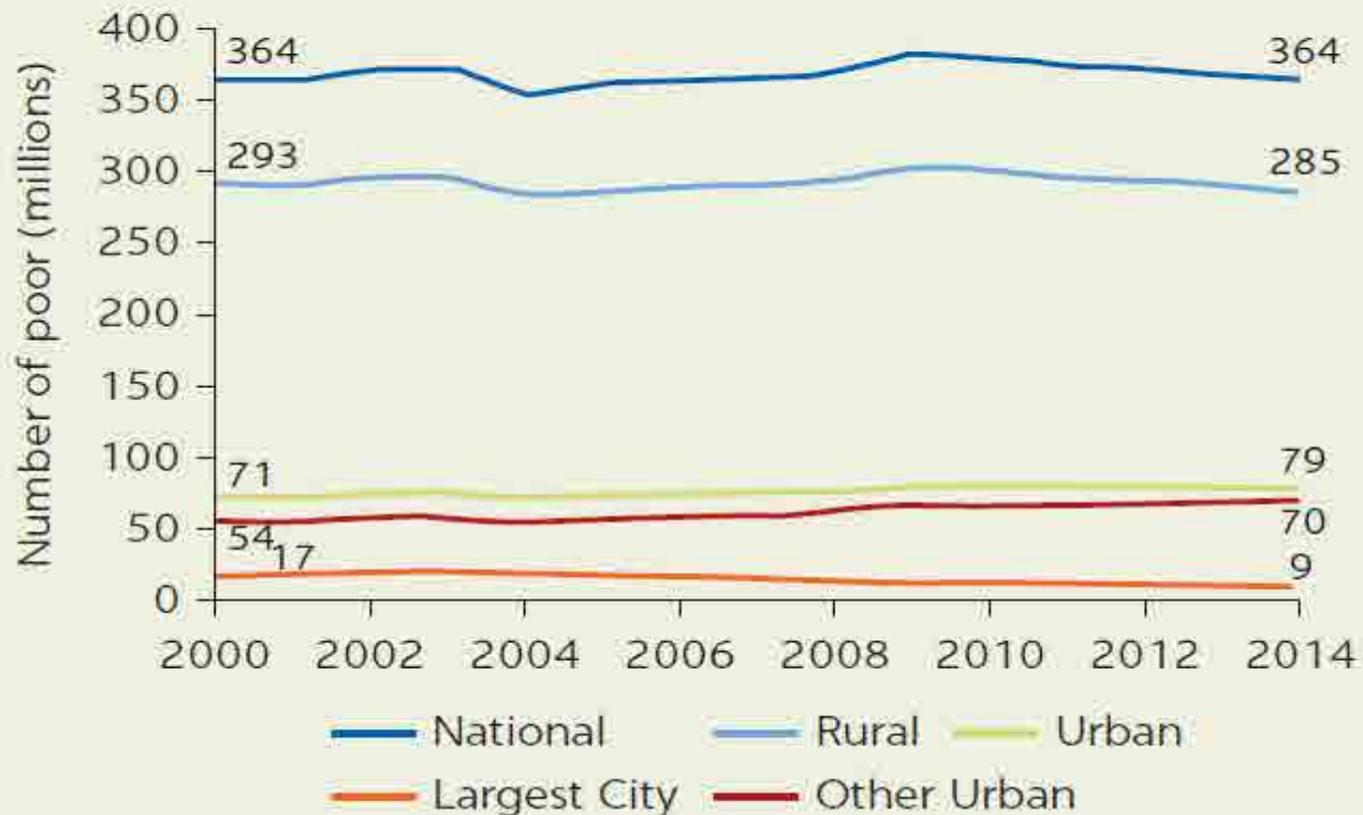
Sub-Saharan Africa is urbanizing at lower per capita GDPs than other regions

# Poverty has declined faster in large cities than in rural or other urban areas

a. Poverty head-count ratio



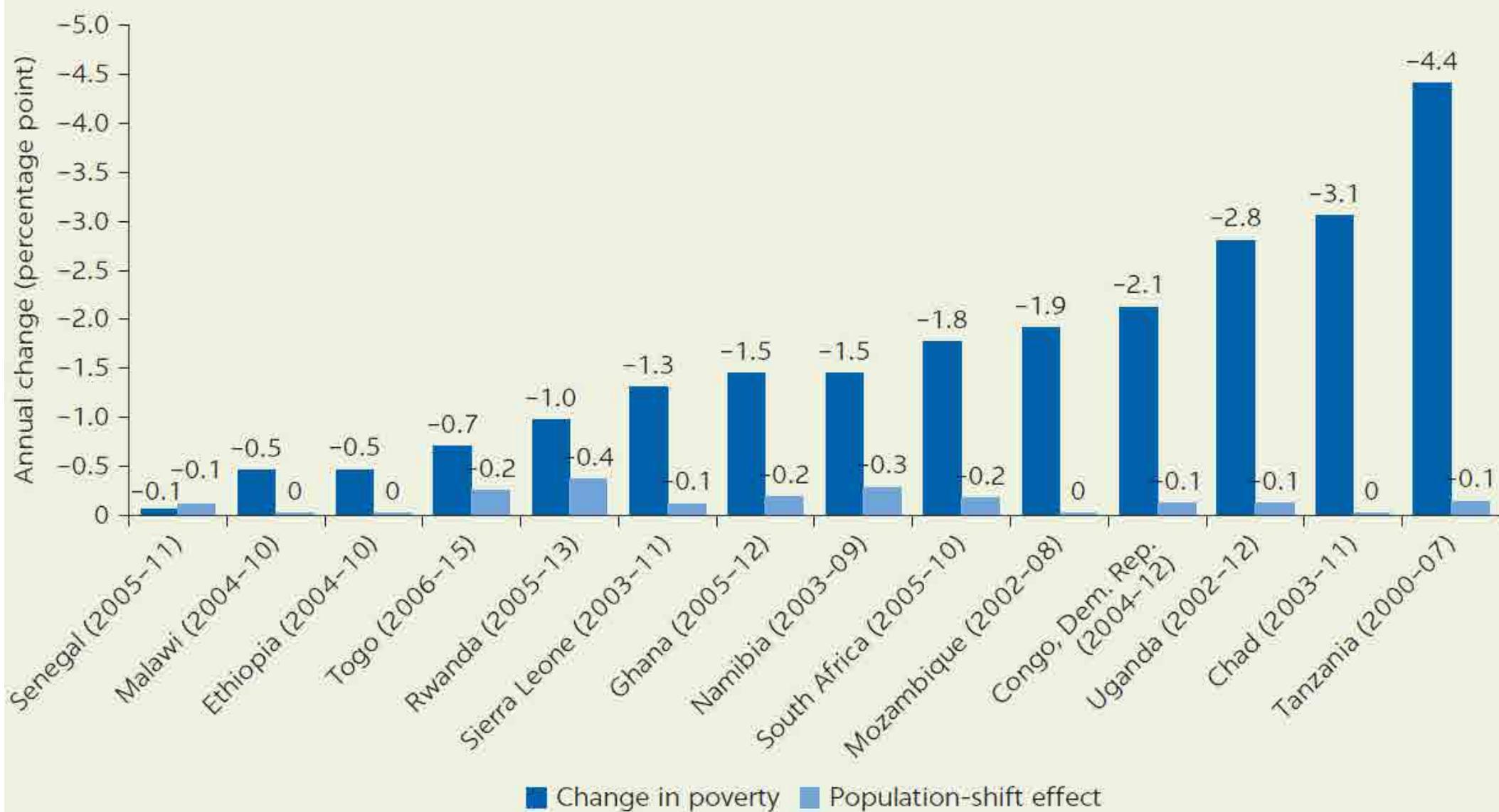
b. Number of poor



Source: Nakamura, Paliwal, and Yoshida 2018.

Note: Trends are based on population-weighted country-level poverty head-count ratios. Poverty is measured by the international poverty line (US\$1.90 a day, 2011 purchasing power parity [PPP]) for the analytical purpose, and this measure is not exactly the same as the official World Bank estimate. Lack of spatial price adjustments when applying the \$PPP international poverty line may result in overestimating rural poverty and underestimating urban poverty.

Only a few countries managed to translate urbanization to poverty reduction

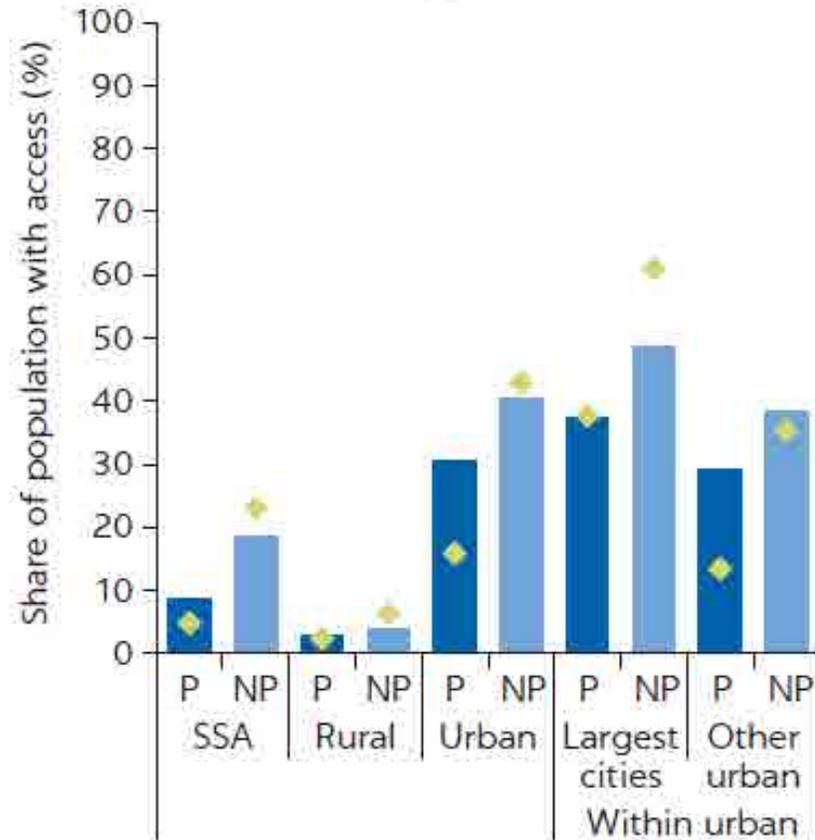


Sources: Nakamura, Paliwal, and Yoshida 2018; Ravallion and Huppi 1991.

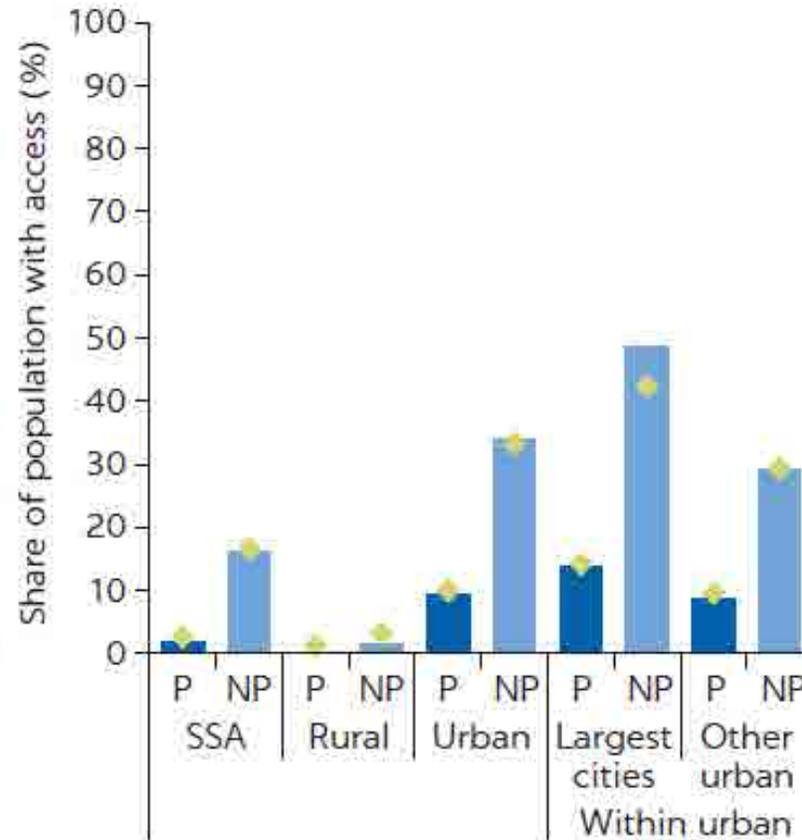
Note: Change in poverty head-count ratio between two survey periods is decomposed into (1) rural and urban population-shift effects, (2) within urban/rural poverty reduction, and (3) residuals. Figure shows annualized percent change in poverty head-count ratio and annualized population-shift effect. Figure shows only countries that have two comparable surveys and reduced poverty between circa 2002 and circa 2012.

# The urban poor are better served than the rural non-poor ...

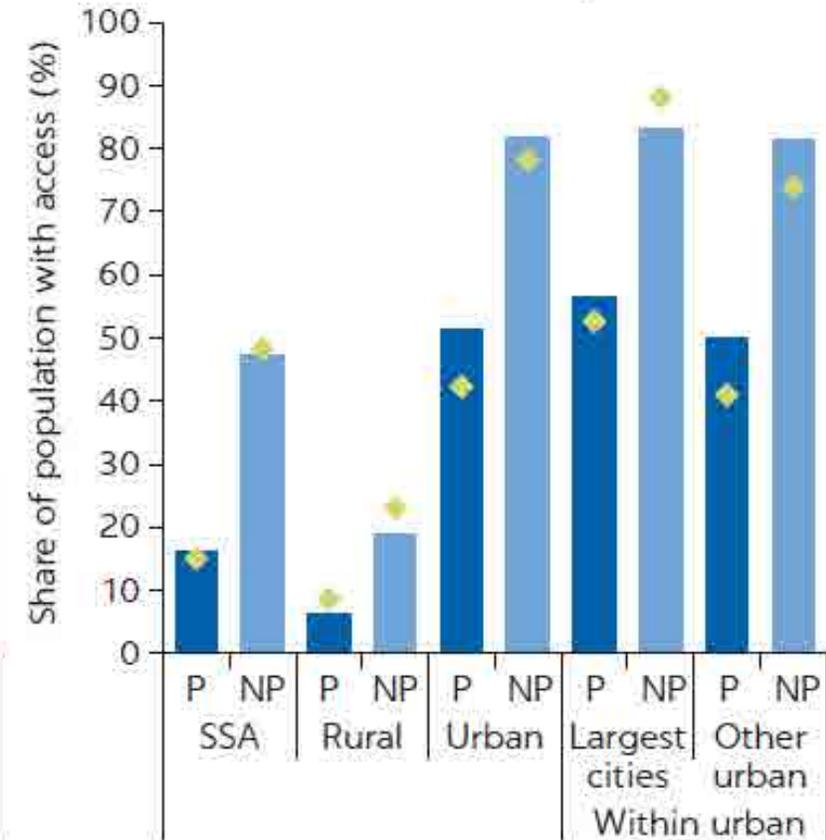
a. Piped water



b. Flush toilet

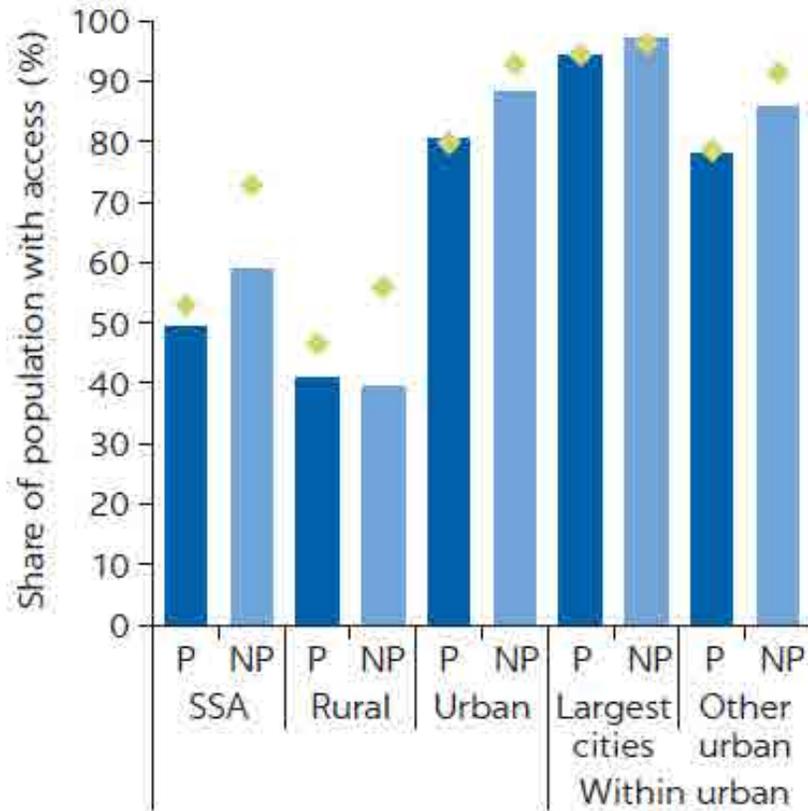


c. Electricity

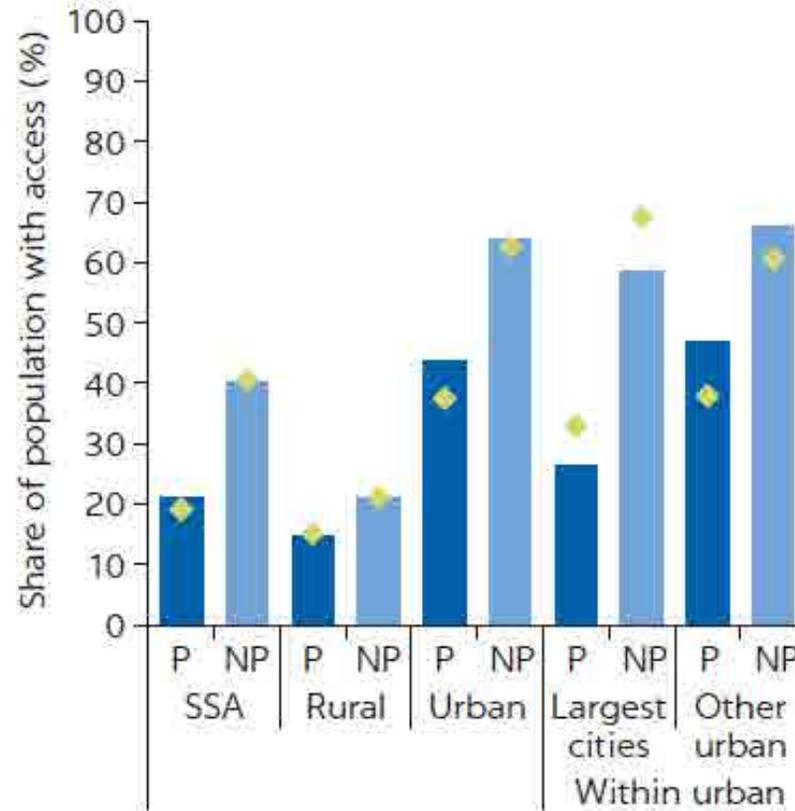


... but the differences become smaller for improved water and improved sanitation

d. Improved water

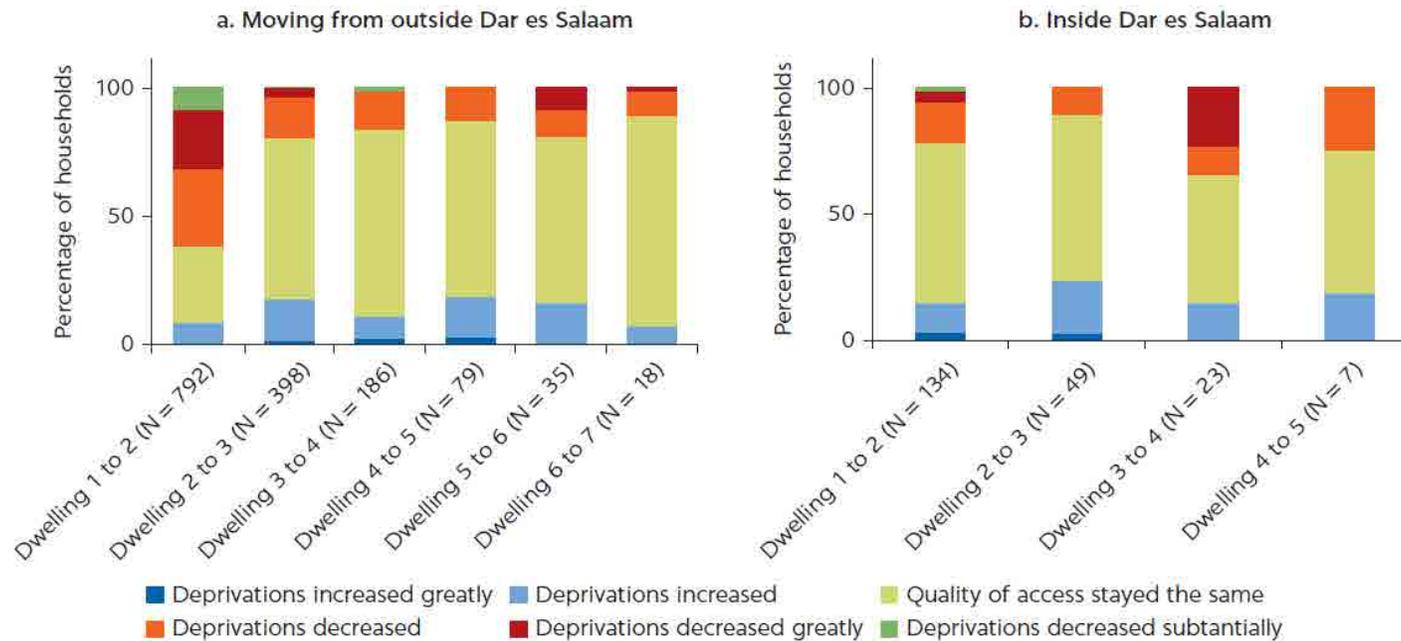


e. Improved sanitation



Source: Nakamura, Paliwal, and Yoshida 2018.

Note: Diamond markers indicate the population share with access in circa 2012; bars indicate the population share with access in circa 2005. Poverty is measured by the international poverty line (US\$1.90 per capita a day, 2011 purchasing power parity). NP = nonpoor; P = poor; SSA = Sub-Saharan Africa.



Source: Calculated using the survey "Tanzania - Measuring Living Standards within Cities, Dar es Salaam 2014-2015 (January 10, 2019), <http://microdata.worldbank.org/index.php/catalog/3399>.

Note: In panel a, calculations exclude household heads who were born in Dar es Salaam and thus never moved into Dar es Salaam. By design, the first location thus reflects the average housing characteristics before moving to Dar es Salaam. Panel b includes only household heads born in Dar es Salaam, and shows the improvements in living standards households achieved during their moves within Dar es Salaam. N is the number of observations in the household survey.

Biggest gains in improving living standards are made during first move to a larger city

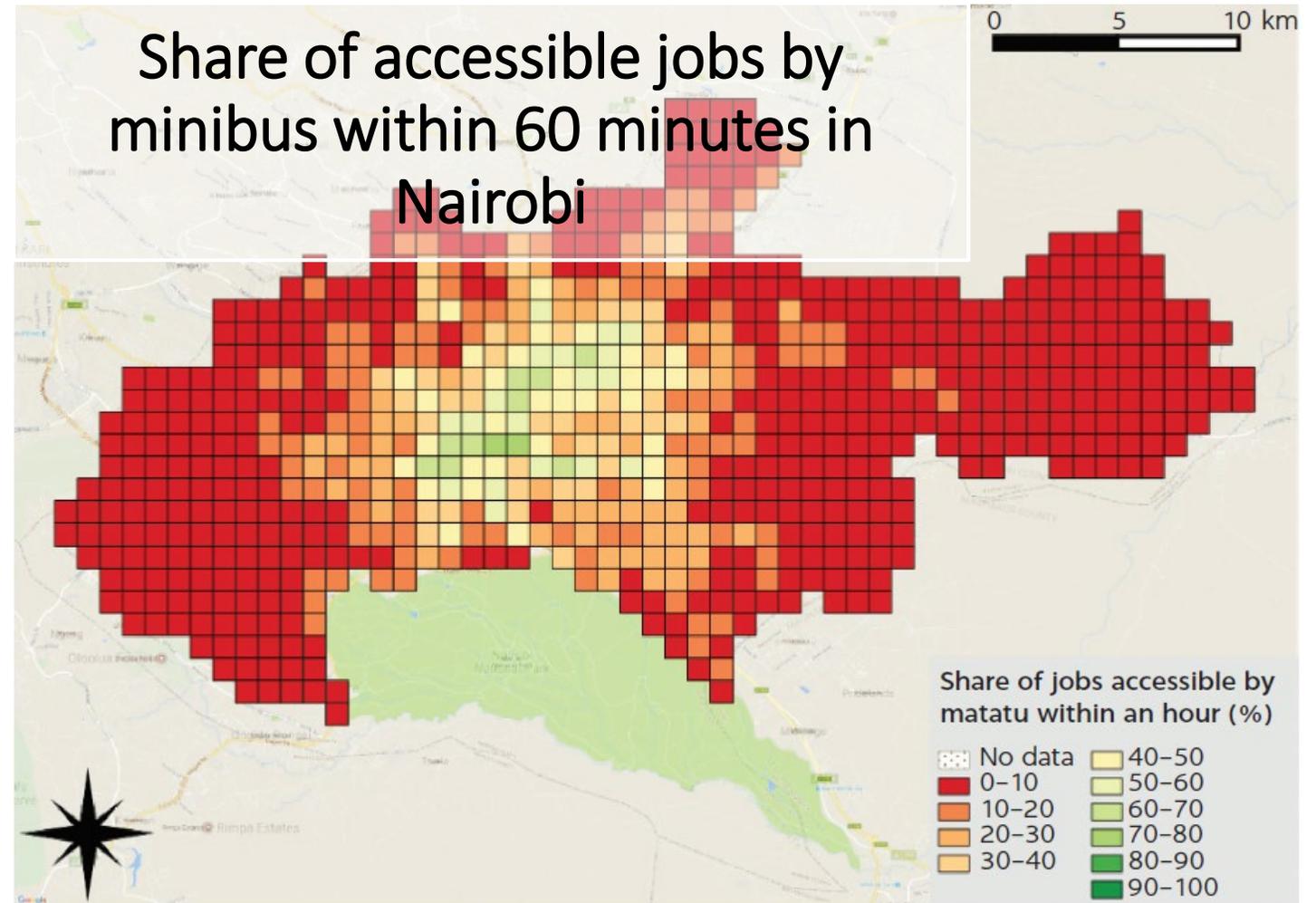


# Fragmented Cities

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42 % walk in Nairobi,  
accessing only 11 % of  
the jobs

More than 50 percent of  
trips are done by walking  
in Bamako, Conakry,  
Dakar, Douala, and  
Niamey



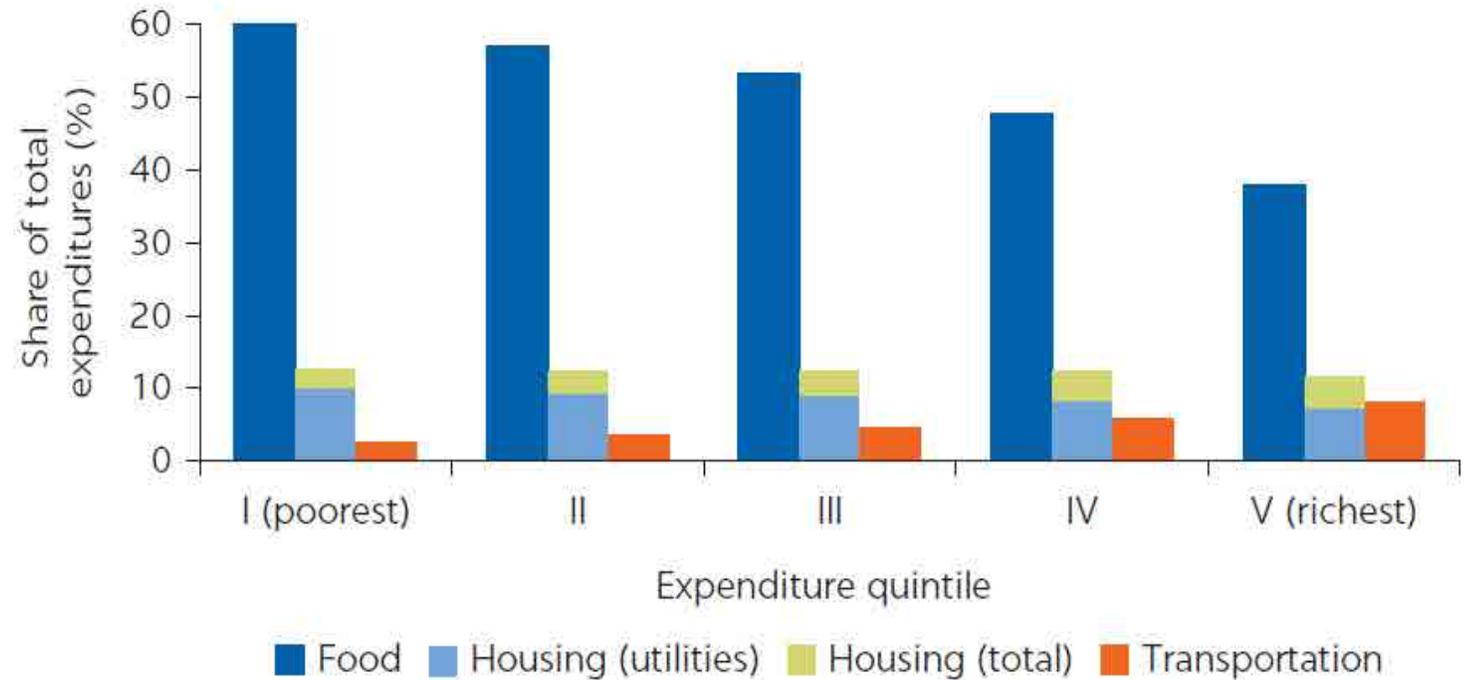
	BY FOOT (%)	BY MINIBUS (%)	BY CAR (%)
Within 30 minutes	1.8	3.9	43.7
Within 45 minutes	4.0	10.8	71.8
Within 60 minutes	7.3	23.9	88.7

Source: Nakamura and Avner 2018.

Fragmentation limits access to jobs, markets and services and makes cities costly

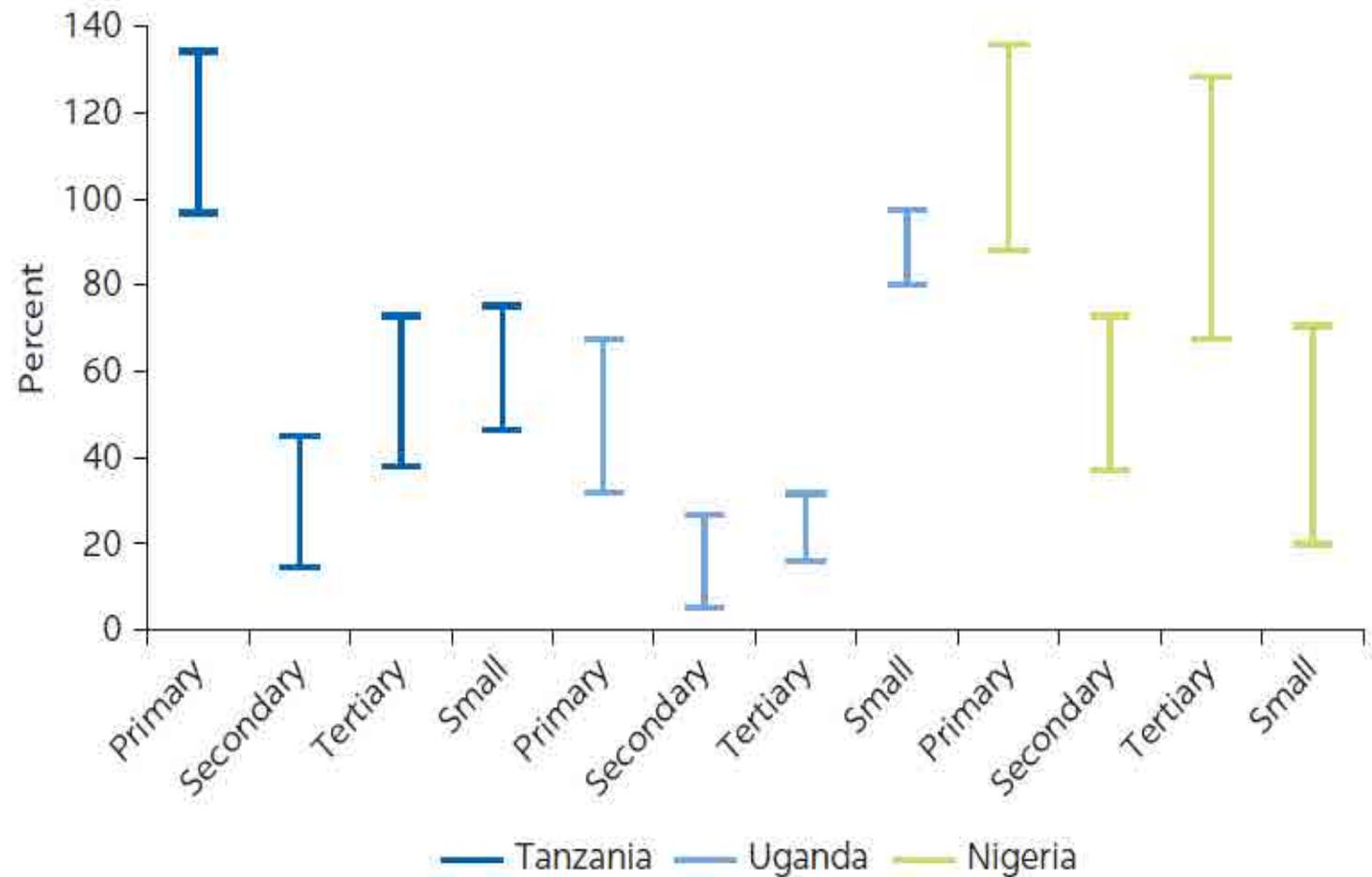
This makes cities less competitive

Spending on food is high for all urban households and across all expenditure quintiles



Source: Lozano-Gracia and Young 2014.

Net wage premiums vary across the urban hierarchy

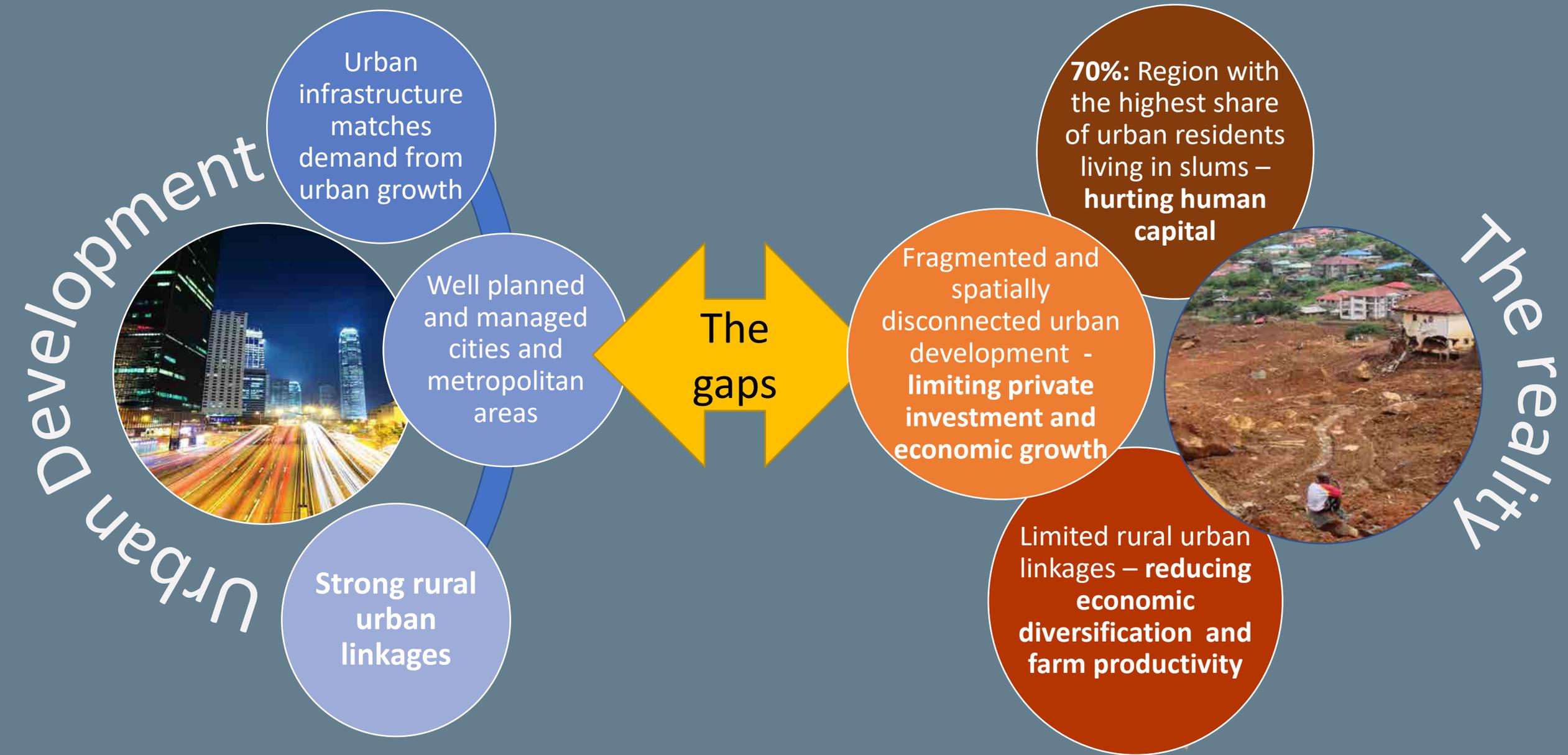


Source: Henderson and Kriticos 2017.

# Policy Recommendations and Concluding Thoughts

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Cities provide **opportunities** for growth and poverty reduction, but Africa has **not maximized** them compared to other continents

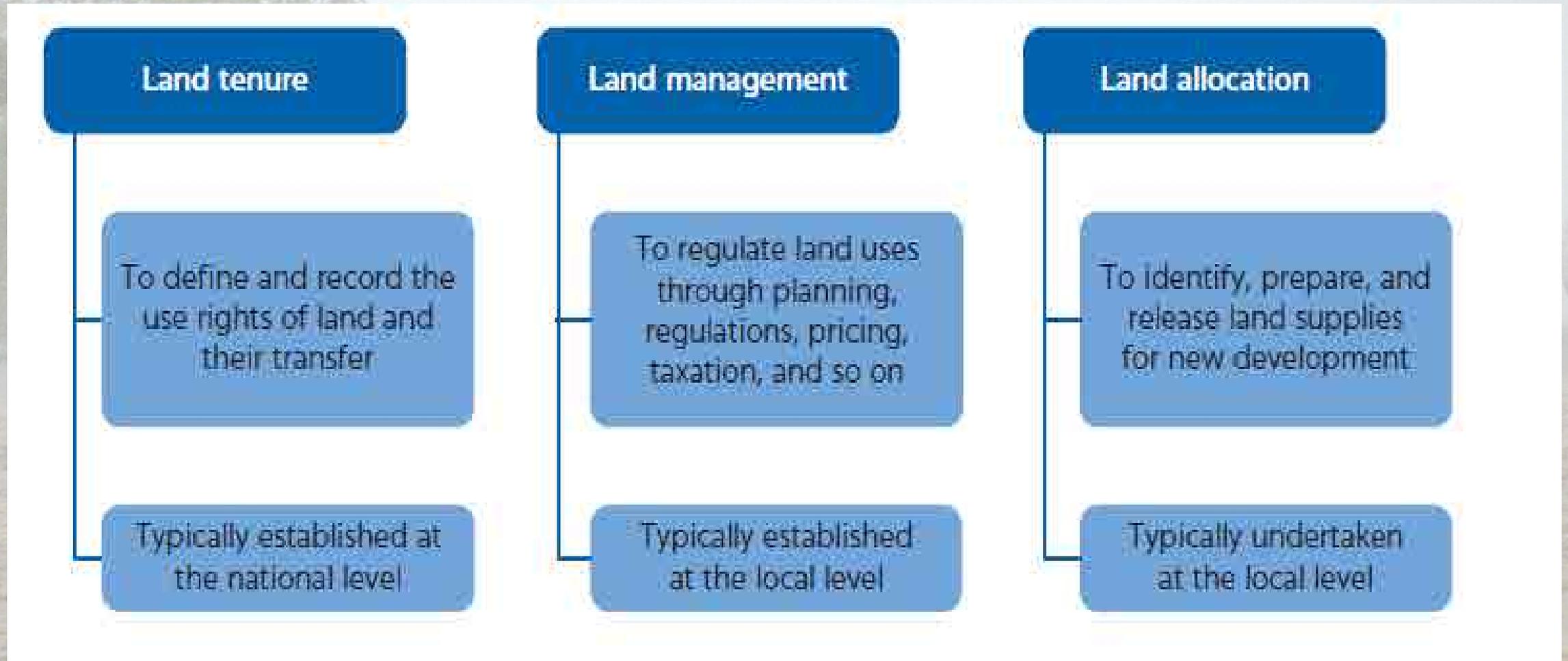


# Africa Lags Behind Other Regions in Secure Land and Property Rights

- In nearly all 30+ intra-state conflicts in Africa since 1990, land plays a role
- About 90% of rural lands are under customary tenure
- Land tenure in urban areas is not secure. For example, in Addis out of 600,000 land parcels estimated, only 8,000 are registered
- Land markets do not function well - between 10 and 45% of businesses highlight access to land as key to increase investments



Without functioning land supply and management framework, many issues pertaining to economic growth, prosperity and disaster risk management remain unsolvable



# Africa's current expenditure for urban development is woefully inadequate

City government expenditure in South Africa

**\$731.00-1,024.00/capita/annum** (total)

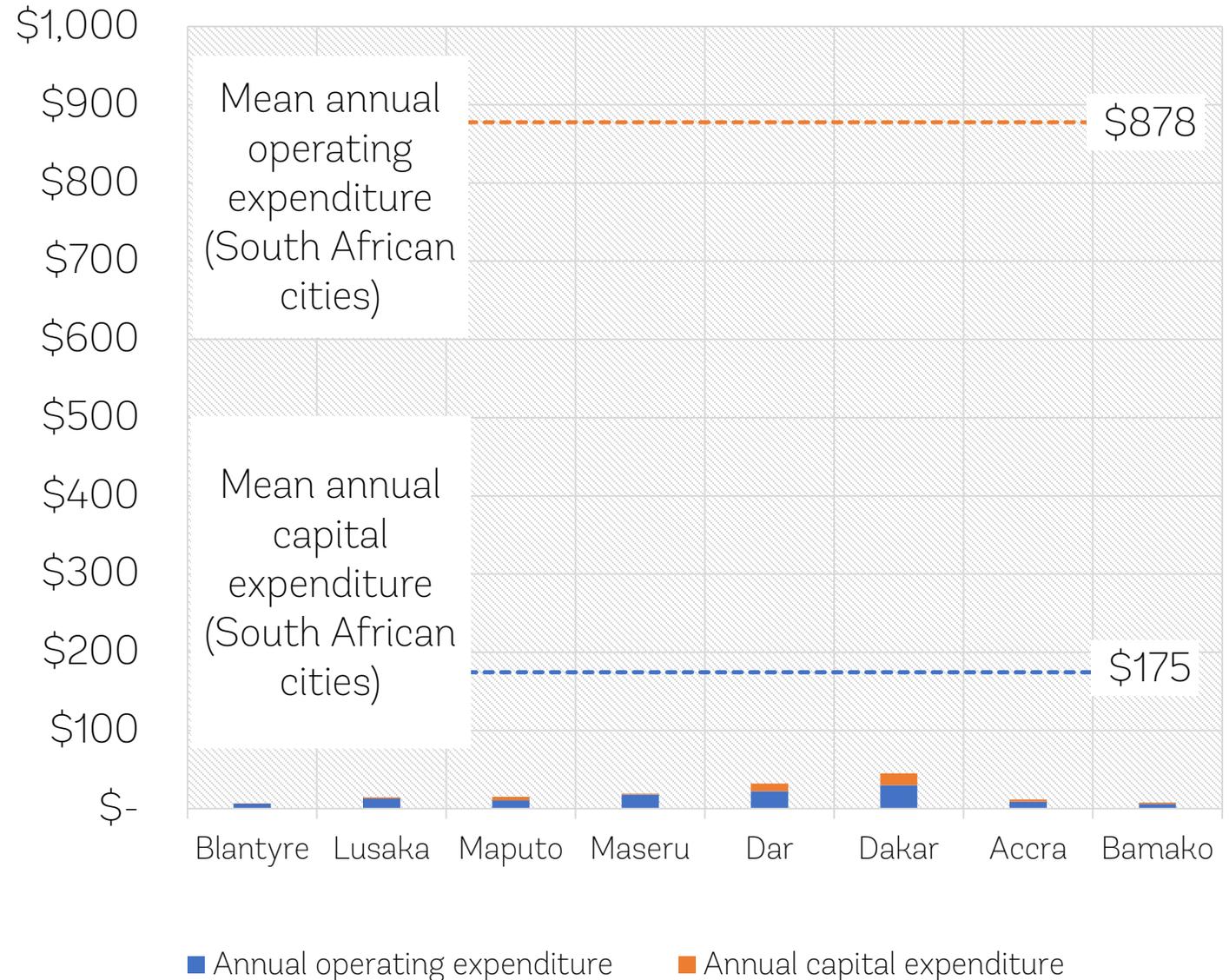
**\$138.00-\$211.00/capita/annum** (capex)



City government expenditures in SSA (net of South Africa)

**\$6.50-\$45.22/capita/annum** (total)

**\$0.29-15.40/capita/annum** (capex)

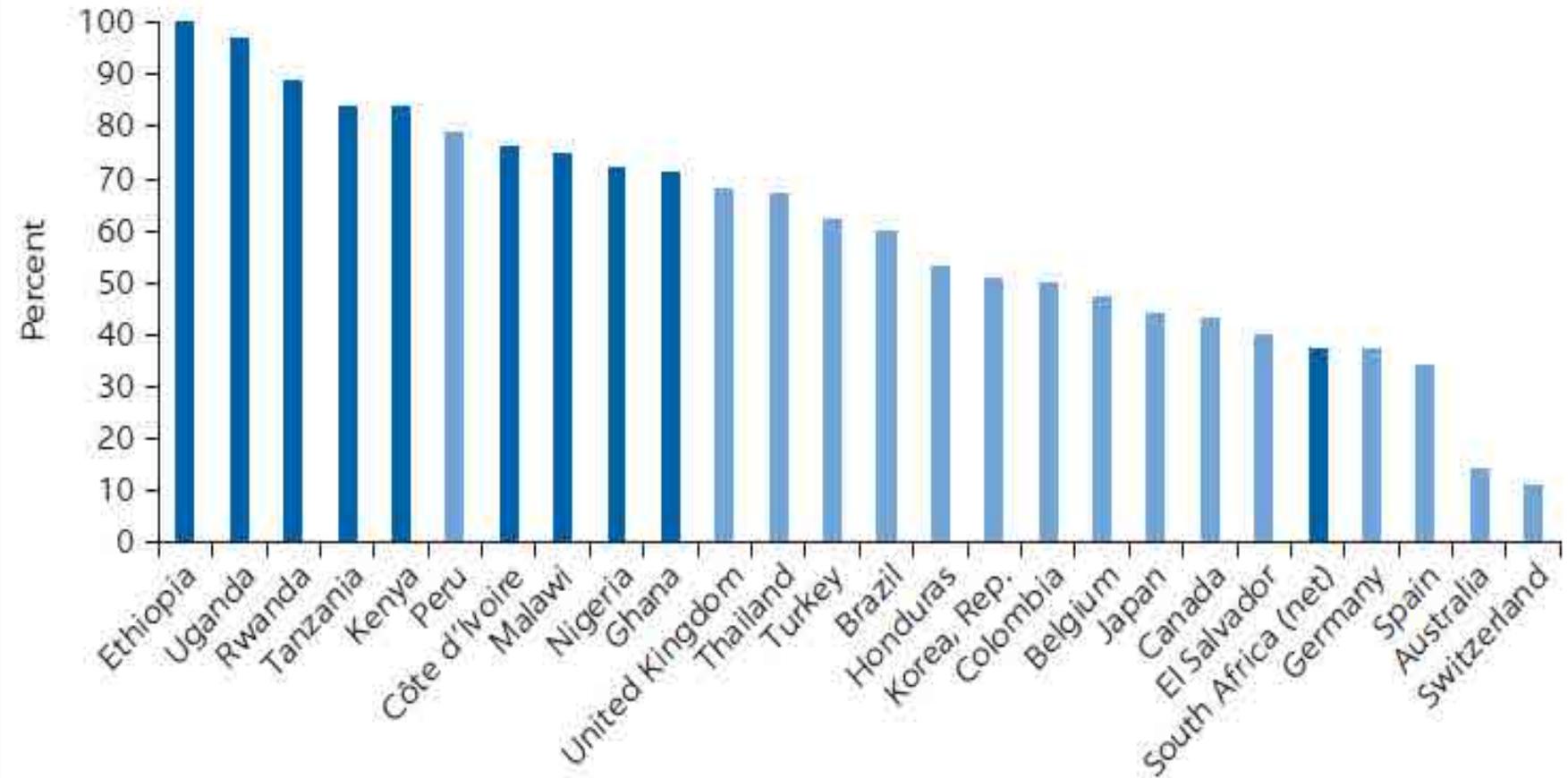


# More than elsewhere local expenditure rely on national government transfers

Need to better coordinate donor finance and crowd-in private investors to meet infrastructure gaps

More strategically allocate – based on geography and PPP potential – aid versus private sector funding

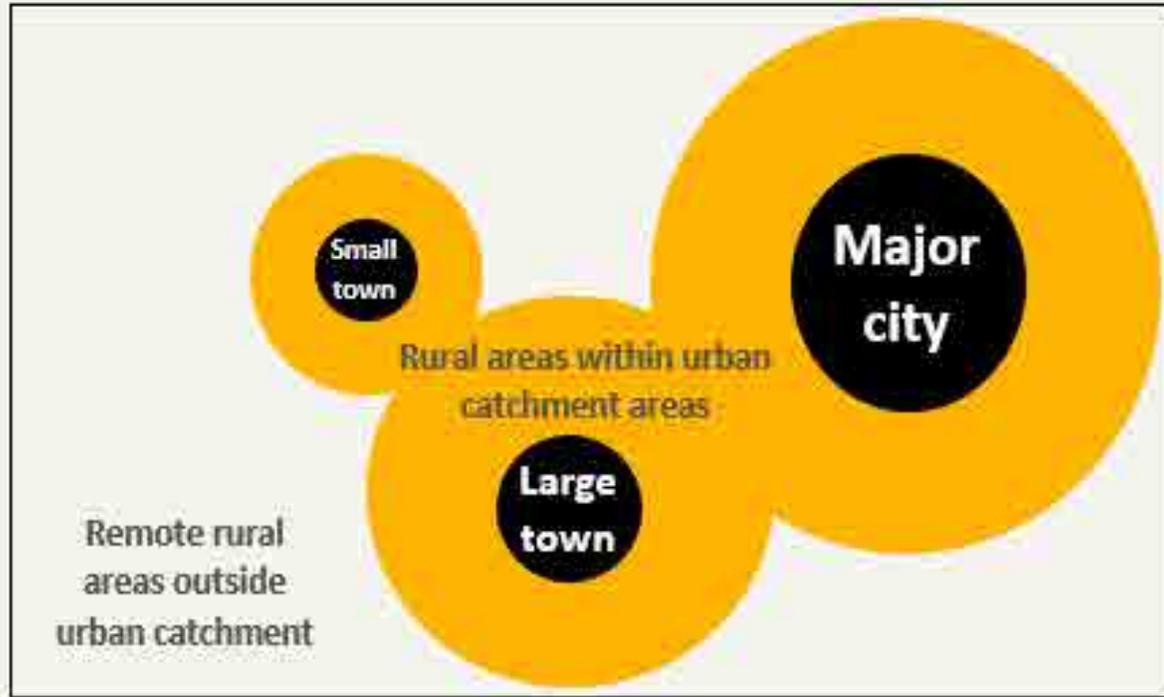
Intergovernmental transfers as a share of total local government revenues



Source: Dillinger and White 2018.

# Strengthening rural urban linkages increases rural productivity and reduces food prices for urban consumers

## Spatial Transformation



## Sectoral Transformation

